

2025 ANNUAL REPORT

Public Sector Employees Co-operative Credit Union Ltd.

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Prayer of St Francis

Lord, make me an instrument of your peace;
where there is hatred, let me sow love;
where there is injury, pardon;
where there is doubt, faith;
where there is despair, hope;
where there is darkness, light;
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 giving that we received, it is in pardoning that we are pardoned, and it is in dying that we are born to eternal life.

Amen

AGM Notice

PUBLIC SECTOR EMPLOYEES
CO-OPERATIVE CREDIT UNION LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the

58TH ANNUAL GENERAL MEETING

will be held on

SATURDAY, NOVEMBER 07, 2026

At the

S HOTEL, KINGSTON
(formerly Spanish Court Hotel)

1 St. Lucia Avenue, Kingston 5

Meeting format: HYBRID

Attendance Registration: www.psecreditunionja.com

Registration at 5:00 p.m.

DRESS CODE: SEMI-FORMAL

Errol Adams
Secretary

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Mission & Vision

Vision Statement

To become the financial institution of choice for our members.

Mission Statement

Our mission is to enhance the financial well-being of our members by leveraging cutting-edge technology to deliver secure, high-quality, accessible, and innovative products and services. We are committed to promoting financial security, convenience, and sustainable growth, ensuring a brighter future.

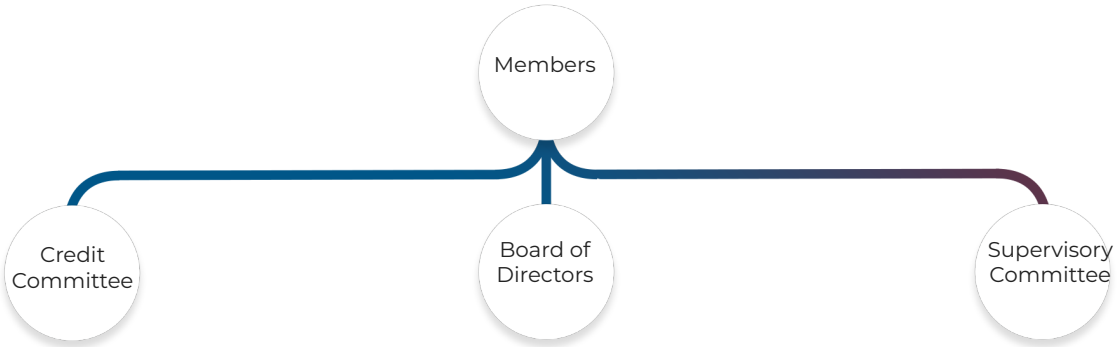
Value Statement

- We strive for the highest quality service by providing all members with friendly, knowledgeable and helpful staff in an environment of trust and integrity.
- We are committed to professionalism, social responsibility, confidentiality, and a steadfast adherence to legal and ethical standards. Through these core values, we strive to build trust, promote financial well-being, and make a meaningful impact on our community.

Value Proposition

- We are a member-owned financial cooperative dedicated to our members' success.
- We offer competitive loan rates, high savings returns and personalized service, ensuring that every member benefits.

Organizational Chart



Members' Responsibilities

1. Elect Board of Directors, Credit & Supervisory Committee
2. Participate in membership meetings
3. Promote participation in & use of Credit Union services
4. Repay loans as agreed
5. Remove any official for cause
6. Expel members
7. Amend Credit Union's rules
8. Approve surplus distribution

Board of Directors' Responsibility

1. Maintain general direction and control
2. Meet at least monthly
3. Establish operating policies
4. Act on membership applications
5. Maintain confidential relations with members
6. Fix loan policies regarding interest rate maturity and security
7. Authorize needed investments and borrowing
8. Designate depository for funds
9. Fill vacancies on Board of Directors & Credit Committee
10. Appoint executive & other committees as needed
11. Hire fix duties and compensation of Manager and other employees, as needed
12. Determine surety bond need at least semiannually
13. Act on loans to Directors, Credit and Supervisory Committee members
14. Plan and hold annual meeting
15. Request amendments to rules as needed
16. Report to members at annual meeting
17. Establish a records preservation program

Credit Committee's Responsibilities

1. Meet at least monthly
2. Maintain minutes of meetings
3. Make annual report to members
4. Appoint loan officer(s) as needed & delegate authority
5. Maintain confidential relations with members
6. Act on individual loan applications
7. Determine if loans are for a legal purpose
8. Determine applicant's qualification for each loan
9. Act on loans not approved by Loan Officer(s)
10. Act on requests for extensions and refinancing
11. Counsel members in wise use of credit

Supervisory Committee's Responsibilities

1. Make meaningful audits semi-annually as required
2. Submit audit reports to the Board of Directors
3. Verify with members their share and loan balances at least once every two (2) years
4. Maintain confidential relations with members
5. Suspend Directors, Officers or Credit Committee members for cause
6. Call special AGM
7. Maintain committee's records
8. Report to members at annual meetings
9. Request Board approval for compensation of clerical and auditing assistance

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Agenda

1. Call to Order
2. Opening Prayer
    i. Moment of Silence for Deceased Members (Page 142)
3. Dinner
4. Welcome and Apologies
5. Confirmation of Minutes of the 57th Annual General Meeting held on November 22, 2025 and Discussing Matters Arising There From
6. Reports of the:
    i. Board of Directors
    ii. Treasurer and Auditors
    iii. Credit Committee
    iv. Supervisory Committee
    v. Delegates Report
    vi. Nomination Committee
7. Resolution
    i. Fixing of Maximum Liability
    ii. Delinquent Loans Write Off
8. Appointment of Auditors
9. Any Other Business
10. Drawing of Prizes
11. Vote of Thanks
12. Termination

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Parliamentary Rules

1. ORDER OF BUSINESS
An agenda shall be prepared by the Chairman and Secretary, and all items thereon shall take precedence over all other business. Any member desirous of introducing business for the consideration of the meeting may do so after the business on the agenda has been completed or may give notice to be discussed at a further meeting.

2. SUSPENSION OF STANDING ORDER
In the event of any matter of urgency, however, the Chairman may accept a suspension of the Standing Order. The member moving such suspension must clearly state the nature and urgency of his business, the numbers of the standing orders affected, and the length of time he desires such suspension to last. At the option of the meeting, a further extension may be allowed, but no suspension shall take place except by majority vote of the members present.

3. MINUTES
No motion or discussion shall be allowed on the Minutes except in regard to their accuracy. After the confirmation of the Minutes, they shall be signed by the Chairman, and the members shall then be at liberty to ask questions in regard to matters arising out of them.

Such questions shall be allowed for purposes of information only, and no debate on the policy outlined in the Minutes shall take place. All persons desiring the floor shall rise and address themselves to the chair. They shall state their name and the department which they represent, if recognized by the chair, they shall have the privilege of the floor and all the rights thereof.

All speakers are to make use of the microphones when addressing the Meeting in order that it be recorded and made a permanent record in the Meeting proceedings. Should two or more persons rise at the same time, the chair shall decide, without debate, who is entitled to the floor. An accredited member shall have the right to speak and vote on all issues coming before the meeting. Persons other than accredited members, so certified, may speak with the permission of the Chair but shall not vote on any issue.

4. SPEECHES
No member shall be allowed to speak more than once upon any motion before the meeting, unless on a point of order, or explanation, except the mover of the original Motion. But on an amendment being moved, any member even though he has spoken on an original Motion, may speak on the amendment.

No member for more than five minutes at a time. Members wishing to raise points of order or explanation must first obtain the permission of the Chairman and must raise immediately the alleged breach which has occurred.

Any member may formally second any motion or amendment and raise his speech until a later period in the debate. No person shall interrupt another who is speaking except on a point of order, a Parliamentary inquiry, or a point of information. If it should come to pass that a speaker is called to order while speaking, the Speaker should take his seat until the question of order is determined.

5. CHAIRMAN'S RULING
The ruling of the Chairman on any question under the Standing Orders, or on points of order or explanation, shall be final, unless challenged by not less than four members, and unless two-thirds of the members present vote to the contrary.

6. INTERRUPTION
If any member interrupts another while addressing the meeting or uses abusive or profane language or causes disturbance at any of the meetings, and refuses to obey the Chairman when called to order, he shall be named by the Chairman. He shall there upon be expelled from the room and shall not be allowed to enter again until an apology satisfactory to the meeting be given. A question shall not be subject to debate until it has been duly moved and seconded and is stated from the chair.

7. MOTIONS & AMENDMENTS
The first proposition on any particular subject shall be known as the Original Motion, and all succeeding propositions on the subject shall be called amendments. Every motion or amendment must be moved and seconded by members present at the meeting before they can be discussed, and, wherever possible, should be set forth in writing. It is permissible for a member to make his speech first and conclude with a motion. When an amendment shall be discussed until the first amendment is disposed of notice of any further amendment must be given before the first amendment is out to the vote.

8. SUBSTANTIVE MOTIONS
If an amendment be carried, it displaces the Original Motion and itself becomes the substantive motion, whereupon any further amendment relating to any portion of the substantive motion may be moved, provided it is consistent with the business and has not been covered by an amendment or motion which has been previously rejected. After the vote on each succeeding amendment has been taken, the surviving proposition shall be put to the vote as the main question, and if carried shall then become a resolution of the meeting.

9. RIGHT OF REPLY
The mover of the Original Motion shall, if no amendment be moved, have the right of reply at the close of the debate upon such motion. When an amendment is moved, he shall be entitled to speak thereon in accordance with Standing Order No. 8 and at the close of the debate on such amendment shall reply to the discussion, but shall introduce no new matter. The question shall then be put to the vote immediately, and under no circumstances shall any further discussion be allowed once the question has been put from the Chair. The mover of an amendment shall not be entitled to reply.

10. WITHDRAWALS OR ADDITIONS
No motion or amendment which has been accepted by the Chair shall be withdrawn without the majority vote of the meeting. Neither shall any addendum or rider be added to a motion, which has been accepted by the Chair without majority vote. Should any member dissent, the addendum must be proposed and seconded, and treated as an ordinary amendment.

11. CLOSING DEBATE
The motions for the previous question, next business, or the closure, may be moved and seconded only by members who have not previously spoken at any time during the debate. No speeches shall be allowed on such motions. In the event of the closure being carried, the mover of the Original Motion shall have the right to reply in accordance with Standing Order NO.6 before the question is put. Should anyone of the motions mentioned in this Standing Order be defeated, thirty minutes shall elapse before it can be accepted again by the Chairman, unless he is of the opinion that the circumstances have materially altered in the meantime .

12. ADJOURNMENT
Any member who has not already spoken during the debate may move the adjournment of the question under discussion, or of the meeting, but must confine his remarks to the question and must not discuss any other matter. The mover of the motion upon which the adjournment has been moved, shall be allowed the right to reply on the question of the adjournment, but such reply shall not prejudice his right of reply on his own motion.

In the event of such motion being lost, it shall not be moved again. Any member may demand a division of the question before the House, when the sense of it would permit. Any member may call for a division of the House (that is, for a roll call vote) when there appears to be a reasonable doubt as to the accuracy of the vote as announced by the Chair. A motion to lay on the table shall be put without debate.

A motion for reconsideration shall not be entertained unless at the same or following session by a member who voted on the prevailing side, and shall require a majority vote.
Any two members shall have the right to demand (by majority vote) that the room shall be cleared of all but accredited delegates to transact business of a nature that precludes premature publicity. Whispering, loud talking, or other disturbances calculated to disturb anyone while speaking will not be tolerated.

Minutes Of The 57th Annual General Meeting

CALL TO ORDER AND QUORUM
The Chairman advised the meeting that he had been informed by the Secretary and representatives of the Department of Co-operatives and Friendly Societies, Registrar, that a quorum was present. He therefore declared the 57th Annual General Meeting duly constituted and called the meeting to order.

The Chairman indicated that members participating online would also be recognised during the proceedings.

NOTICE OF ANNUAL GENERAL MEETING
The Chairman invited the Secretary, Mr. Errol Adams, to read the Notice convening the Annual General Meeting.

The Secretary read the Notice as follows:
Notice was given that the 57th Annual General Meeting of the Public Sector Employees Co-operative Credit Union Limited would be held on Saturday, November 22, 2025, at The Summit, 16 Chelsea Avenue, Kingston 10.

The Secretary further advised that the meeting was being conducted in a hybrid format, with members participating both in-house and online, and that members had been invited to register through the Credit Union's website. The meeting was scheduled to commence at 5:00 p.m.

OPENING PRAYER, DEVOTION AND OBSERVANCE FOR DECEASED MEMBERS
The Chairman invited the Credit Union's Chaplain, Reverend Dr. Courtney Faulknor, Area 4 Chaplain and member of the Board of Directors, to conduct the opening prayer, devotion and observance for deceased members, and thereafter to bless the dinner.

Rev. Dr. Faulknor welcomed members and shared a reflection based on 2 Corinthians 4:8–9, noting the passage's message of perseverance: "We are hard-pressed on every side, but not crushed; perplexed but not in despair; persecuted but not abandoned; struck down, but not destroyed."

In his devotion, Rev. Dr. Faulknor reflected on the difficult circumstances experienced by Jamaica during the year, including the devastation caused by Category 5 Hurricane Melissa on October 28, 2025, the disappointment surrounding the Reggae Boyz's failure to advance to the World Cup on November 18, 2025, and the fall suffered by Miss Jamaica Universe, Dr. Gabrielle Henry, during the Miss Universe Pageant on November 19, 2025.

He encouraged members to remain grateful for life, health, shelter, access to basic necessities and God's sustaining grace despite the challenges facing the country. He noted that, notwithstanding economic pressures, emotional strain and uncertainty, the Credit Union continued to demonstrate growth, stability and success through God's sustaining hand and the collective efforts of its members, Board, Committees, management and staff.

Rev. Dr. Faulknor also referenced the song "Oh, Lord, I Can't Even Walk Without You Holding My Hand", made popular by the Grace Thrillers, as a reminder of dependence on God. Members stood, joined hands and participated in the prayer while the song was played.

The Prayer of St. Francis of Assisi was also recited.

OBITUARY AND MOMENT OF SILENCE

Rev. Dr. Faulknor announced that the Board of Directors, Management and Staff extended condolences to the families of deceased members who had died during the period under review.
The deceased members named were:

- Clembert Powell — 18 January 2024
- Cleveland Hood — 21 January 2024
- Michael Smith — 31 January 2024
- Denise Dawswell — 7 February 2024
- Marcia Anderson — 14 February 2024
- Andy Morgan — 15 March 2024
- Ricardo Fairclough — 15 April 2024
- Godfrey Gayle — 22 April 2024
- FitzHugh Bailey — 22 May 2024
- Christopher Smith — 12 July 2024
- Maurice Campbell — 14 August 2024
- Janet Evans — 19 August 2024
- Audley Harris — 21 August 2024
- Javon Rodney — 28 August 2024
- Ajay Bromfield — 18 November 2024
- Jasper Dunbar — 7 November 2024
- Daphne McCaulsky Johnson — 6 March 2025
- Gusmo Buddoo — 15 November 2025

Gusmo Buddoo was specifically identified as a former Treasurer of the Credit Union.

Rev. Dr. Faulknor concluded with the biblical declaration that the Lord gives and takes away and called on members to say "Amen." A moment of silence was observed in memory of the deceased members.

DINNER

The Chairman thanked the Chaplain and advised members that dinner would be served. Members were invited to enjoy approximately 45 minutes of dinner and music before resuming the formal business of the meeting.

Dinner was served, accompanied by music, including violin performance.

WELCOME AND RECOGNITION OF GUESTS, MEMBERS AND PARTICIPANTS

Upon resumption, the Chairman formally welcomed members to the 57th Annual General Meeting and recognised representatives of institutions that support the Credit Union.
Specially recognised were

- Miss Kimberley Lindo — Jamaica Co-operative Credit Union League;
- Miss Juliet Shim — Jamaica Co-operative Credit Union League, STAB Unit;
- Miss Karen Atkinson — Department of Co-operatives and Friendly Societies;
- Mr. Marco White — Department of Co-operatives and Friendly Societies; and
- Mr. Royal Thorpe — Baker Tilly, Auditors.

The Chairman also recognised several former and current members and supporters, including Mr. James Golding, retired Deputy Commissioner and former Commandant; Mr. Preston Wray and Mrs. Wray; Mr. Maurice Channer; Silvaney; Mr. Lascelles Burke; Mr. Samuel Kinghorn; Mrs. Yvonne Johnson; and Mr. Renford Rowe.

The Chairman welcomed the Credit Union's staff from the various areas and offices, including St. James, St. Mary/Area 2, Area 3/Mandeville, Portmore and Head Office in Kingston.

The Credit Committee, led by Mr. Steven Watson, and the Supervisory Committee, led by Mr. Jason Rodriques, were also recognised and applauded.

The Chairman recognised Superintendent Courtney Coley from the Community, Safety and Security Branch Headquarters and retired DSP Christopher Murdock, a former Board member, who was noted as continuing to make a significant contribution to the Credit Union.

Members from various public-sector entities were invited to identify themselves. Members from the Ministry of Education and Ministry of Health were recognised.

The Chairman emphasised that the Credit Union comprised employees from public-sector agencies across Jamaica and encouraged wider participation and membership.

The Credit Union's stenographer and technical/media team were also recognised for their continued support.

Approximately eight to ten persons were participating online, and the Chairman formally welcomed the online participants.

CONFIRMATION OF THE MINUTES OF THE 56TH ANNUAL GENERAL MEETING

The Secretary, Mr. Errol Adams, advised that the Minutes of the 56th Annual General Meeting were contained on pages 11–14 of the meeting booklet and had previously been circulated.

A motion was made for the Minutes to be taken as read.

Moved by: Michael Farquharson
Seconded by: Jason Rodriques
The Minutes were therefore taken as read.

Corrections
The Secretary invited corrections to pages 11, 12, 13 and 14. No corrections were proposed.
A motion was then made for confirmation of the Minutes.

Moved by: Yvonne Johnson
Seconded by: Sylvanie Williams-Walters

The motion was put to the meeting and carried, with the ayes having it.

Matters Arising
The Secretary invited matters arising from the Minutes.

Delinquency — $103 Million
Mr. Milton Henry referred to the Treasurer's Report recorded in the previous Minutes, which had stated that approximately $103 million, representing almost 5% of the loan portfolio, was delinquent. He asked what percentage of that amount had been recovered as a result of the establishment of a Delinquency Committee and the employment of an in-house collections officer, and whether any previous bad debt had also been recovered.

The CEO, Mr. Osmond Bromfield, advised that delinquency had become a common feature of Credit Union operations. He reported that Mr. Christopher Murdock was now the Senior Delinquency Control Officer and that Mr. Owen Williams was also an in-house debt collector. In addition, external collectors were being used in Jamaica, and negotiations were taking place with international debt collectors.

The CEO advised that approximately 12 matters were before the courts, with judgments obtained in approximately three cases, and that the affected members were responding to the judgments and making payments.
Mr. Henry clarified that he specifically wanted to know how much of the $103 million had been recovered.
Mr. Andrew Johnson, Chairman of the Delinquency Committee, explained that it was difficult to attribute a specific recovery percentage to the $103 million because the delinquency position was continually changing. While efforts were resulting in members being removed from delinquency, new members were entering delinquency each month. He nevertheless assured the meeting that the Committee's efforts were robust, continuous and increasingly creative.

Mr. Johnson advised that a more detailed report on delinquency would be presented later during the meeting and invited members to make suggestions if they believed additional measures were required.
Mr. Henry indicated that he was satisfied with the response.

No further matters arose from pages 11–14.
The Secretary thanked members for their participation.

REPORT OF THE BOARD OF DIRECTORS
The Chairman presented the Report of the Board of Directors and advised that, in the interest of time, a PowerPoint presentation had been prepared while the complete report was available in the meeting booklet for members' review.

A motion was made for the Board Report to be taken as read.

Moved by: Mr. James Golding
Seconded by: Mr. George Hunter

The motion was carried.

The Chairman then highlighted the following matters:

8.1 National Economic Environment
The Chairman reported that Jamaica experienced a challenging economic year in 2024, with a slight contraction of just under 1%. Most major sectors slowed, although inflation declined and unemployment remained low. The wider financial system remained stable, providing a cautious but steady foundation.

8.2 National Financial Sector Performance
The broader financial sector continued to demonstrate strength. Loans, deposits and total banking assets increased, indicating resilience despite economic pressures.

8.3 Credit Union Movement
The Chairman reported that all 24 Credit Unions in Jamaica performed well in 2024, recording growth in savings, loans and total assets, while membership also expanded.

8.4 Public Sector Employees' Co-operative Credit Union Performance
The Credit Union recorded another year of solid balance-sheet expansion in 2024. Total assets increased by more than 10%, driven largely by loan growth and increased liquidity.

8.5 Asset Composition
The asset base expanded healthily, including growth in loans and liquid funds. There were also modest increases in investments and a revaluation gain on non-earning assets, strengthening the overall asset structure.

8.6 Liability Structure
Interest-bearing obligations increased, primarily because of growth in deposits and member shares. At the same time, reliance on external credit continued to decline, improving the Credit Union's financial independence.

8.7 Capital Strengthening
Total capital increased by double digits, driven particularly by growth in non-institutional reserves, resulting in a more secure and resilient capital base.

8.8 Income and Profitability
Interest and non-interest revenue increased and impairment expenses declined. Operating costs, however, increased, resulting in a small net loss. The loss was nevertheless significantly lower than that of 2023.

8.9 Comprehensive Income Turnaround
Following the recognition of revaluation gains and retirement-related adjustments, the Credit Union recorded positive comprehensive income, representing a significant improvement over the previous year.

8.10 Delinquency and Credit Risk
The Chairman identified delinquency as a major concern. He noted that member migration, particularly within the security forces, had contributed significantly to the increase.

He also stated that some members had deliberately failed to honour their obligations and had subsequently resigned and migrated overseas. The Credit Union had strengthened its local collection efforts, had several matters before the courts and was exploring international debt collection arrangements. Despite the challenges, recovery strategies had kept the delinquency ratio within acceptable regulatory limits.

8.11 Risk Management and Compliance
The Credit Union continued strengthening its risk and compliance framework through tighter controls, enhanced operational oversight, stronger Anti-Money Laundering (AML) systems and adherence to regulatory requirements.

8.12 Digital Transformation
The Chairman highlighted the Credit Union's continued digital transformation, including:

- additional ATMs;
- card payment capabilities;
- digital statements; and
- real-time transaction notifications.

He noted that members could access and conduct Credit Union business remotely, including while overseas. Real-time notifications also provided an additional security mechanism by allowing members to identify unauthorised transactions quickly.

8.13 Human Resource and Training
The Credit Union continued to recruit and develop staff. Promotions and extensive training programmes were implemented to ensure that employees remained equipped to provide excellent service and satisfy operational and regulatory requirements.

8.14 Marketing, Membership and Engagement
Marketing initiatives focused on strengthening engagement and expanding the Credit Union's reach across the public sector. Recruitment, communication channels and membership-focused events contributed to membership growth.

8.15 Corporate Social Responsibility
The Credit Union continued its commitment to community support through scholarships, disaster relief and grants.

Looking Ahead
The Chairman reported that the Credit Union was continuing to explore merger discussions and further financial strengthening as strategies for long-term stability and sustainable growth.

Appreciation
The Chairman expressed appreciation to the Department of Co-operatives and Friendly Societies, Jamaica Co-operative Credit Union League, Credit Union Fund Management, Centralized Strategic

Services, CUNA Caribbean Insurance Jamaica Limited and the National Union of Co-operatives.

Special appreciation was expressed to the CEO, Mr. Osmond Bromfield, OD, JP, and his management team and staff for their prudent performance.

The Chairman noted that the Board met approximately once per month, while management and staff were responsible for the day-to-day monitoring of the Credit Union's operating environment and implementation of decisions.

He also thanked the Credit Committee, Supervisory Committee and, most importantly, the general membership for their support.

Adoption of Board Report
The Chairman invited questions. There being no questions, a motion was made for adoption of the Board of Directors' Report.

Moved by: Christopher Murdock
Seconded by: Maurice Channer

The motion was put to the meeting and carried, with the ayes having it.

TREASURER'S REPORT AND INDEPENDENT AUDITORS' REPORT
The Chairman invited the Treasurer, Mr. Andrew Johnson, to present the Treasurer's Report and introduce the Auditors' Report.

Independent Auditors' Report
Mr. Johnson invited Mr. Royal Thorpe of Baker Tilly to present the Independent Auditors' Report.

Mr. Thorpe advised that Baker Tilly had audited the financial statements of the Public Sector Employees' Co-operative Credit Union Limited covering the pages identified in the financial statements, including the statement of financial position as at December 31, 2024, statement of comprehensive income, statement of changes in equity, statement of cash flows, material accounting policies and explanatory notes.

The auditors expressed the opinion that the financial statements gave a true and fair view of the financial position of the Credit Union as at December 31, 2024, and of its financial performance and cash flows for the year, in accordance with International Financial Reporting Standards (IFRS) and the Co-operative Societies Act.

Mr. Thorpe outlined the following:

- the audit was conducted in accordance with International Standards on Auditing;
- Baker Tilly was independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants (IESBA) Code;
- management was responsible for preparing financial statements free from material misstatement;
- management was responsible for assessing the Credit Union's ability to continue as a going concern;
- the Board was responsible for oversight of the financial reporting process;
- the auditors' objective was to obtain reasonable assurance that the financial statements were free from material misstatement;
- audit procedures included assessment of risks of material misstatement, including fraud and error;
- the auditors obtained an understanding of relevant internal controls;
- accounting policies, estimates and disclosures were evaluated;
- the going-concern basis of accounting was assessed;
- the overall presentation and content of the financial statements were evaluated; and
- significant audit findings and internal control deficiencies, where identified, were communicated to the Board.

Under additional matters required by the Co-operative Societies Act, Baker Tilly reported that proper accounting records had been maintained and that the financial statements were in agreement with those records, properly vouched and in accordance with the Act.

The report was signed by Baker Tilly, Chartered Accountants, Kingston, Jamaica, and dated June 30, 2025.

TREASURER'S REPORT — 2024

Mr. Johnson reported that the Credit Union performed well during 2024 and continued to perform above the Credit Union industry's and wider banking sector's key performance indicator averages in several areas.

Key Performance Indicators

- Total assets: increased by 10.57%, compared with 10.69% for the Credit Union Movement and 5.33% for the banking sector.
- Savings: increased by 14.46%, compared with 10.12% for the Movement and 7.81% for the banking sector.
- Capital: increased by 5.19%, compared with 10.82% for the Movement and 4.02% for the banking sector.
- Loans: increased by 10.05%, compared with 12.55% for the Movement and 6.19% for the banking sector.

Mr. Johnson stated that these growth rates demonstrated financial strength and supported confidence in the Credit Union's position as a premier financial institution.

Portfolio Growth

- Net loans increased from approximately $3.3 billion in 2023 to $3.69 billion in 2024.
- Total savings increased from approximately $3.364 billion to $3.85 billion.
- Capital increased from approximately $428 million to $451 million.
- Total assets increased from approximately $4.4 billion to $4.89 billion.

Income

- Loan interest income increased by $54 million (9.62%), from $564 million to $619 million.
- Investment income decreased by $10 million (32.37%), from $33 million to $22 million.
- Other income increased by approximately $5 million (30.08%), from $16 million to $21 million.
- Total income increased by $48 million (7.92%), from $615 million to $663 million.

Mr. Johnson explained that the decline in investment income was not considered a cause for concern because increased lending activity resulted in funds being redirected from investments into the loan portfolio.

Cost of Funds

Total cost of funds increased by $14 million (6.97%), from $200 million in 2023 to $214 million in 2024.

This was primarily attributable to:

- interest payments on deposits increasing by $17 million (11.2%), from $149 million to $166 million;
- interest on external credit decreasing by $5 million (12.54%), from $41 million to $36 million; and
- interest on deferred shares increasing by $2 million (28.89%), from $7 million to $9 million.

Bank charges increased by approximately $0.36 million (11.07%), from $3.27 million to $3.6 million.

Mr. Johnson emphasised that the reduction in interest payments on external credit was a positive trend, as the Credit Union sought to reduce dependence on external borrowing and increasingly utilise its own resources.

Operating Expenditure

Operational costs increased by 10.66% in 2024.

The principal movements included:

- personnel costs increased by $42 million (20.11%), from $211 million to $253 million;
- members' insurance decreased by approximately $1 million (3.74%), from $30 million to $29 million;
- marketing and promotion decreased by 24.61%, or approximately $2.4 million, from $10 million to $7 million;
- administrative expenses increased by 5.85%, from $75 million to $79 million; and
- affiliation expenditure decreased by $4 million (9.69%), from $42 million to $38 million.

Delinquency

Mr. Johnson reported that delinquency increased from $111.7 million in 2023 to $165.5 million in 2024. This required the Credit Union to provision approximately $105 million for bad debt.

He explained that the provision materially affected profitability and capital and could potentially cause the Credit Union to fall below the capital standard established by the Bank of Jamaica. Failure to maintain the required standard could place the Credit Union's licence at risk under the new regulatory framework. Members were advised that management would subsequently present a proposal intended to strengthen the Credit Union's capital base.

Profitability
Gross income increased by $46 million (13.08%), from $353 million to approximately $399 million. Expenses increased from $368 million to approximately $407 million, a change of $39 million or 10.66%. Net income decreased from $14.5 million to $7.5 million. Total comprehensive income improved from approximately negative $7 million in 2023 to positive $62 million in 2024.

Mr. Johnson explained that the $62 million represented unrealised income, principally arising from the revaluation of assets, including Union Square and Portmore. It was therefore not cash available for distribution.

The Treasurer expressed appreciation to management, staff, the Department of Co-operatives and Friendly Societies, Baker Tilly Jamaica, the Jamaica Co-operative Credit Union League, the general membership and his fellow Board members.

Adoption of Treasurer's and Auditors' Reports
The Treasurer invited questions or comments. There being no further questions, a motion was made for adoption of the Treasurer's Report and Auditors' Report.

Moved by: Samuel Kinghorne
Seconded by: Jason Rodriques
The motion was put to the meeting. There were no objections or abstentions, and the motion was carried.

CREDIT COMMITTEE REPORT
The Chairman invited Mr. Steven Watson, Chairman of the Credit Committee, to present the Credit Committee Report for the year ended 2024.

Mr. Watson reported that at the Annual General Meeting held on September 28, 2024, the following persons had been re-elected to serve an additional two-year term:

- Mr. Anthony Lewis;
- Mrs. Patsie Wallen-Lindsay; and
- Mrs. Carlene Allen.
- At a special meeting held on October 2, 2024, the Committee elected:
- Mr. Steven Watson — Chairman; and
- Mrs. Patsie Wallen-Lindsay — Secretary.

The Credit Committee's mandate was described as oversight of the administration of the Credit Union's lending activities and ensuring that loan applications were evaluated and approved in accordance with established policies, regulations and sound credit practices.

The Committee met, on average, twice per month, participated in the Credit Union's Annual Retreat and held joint meetings with the Board and Supervisory Committee when necessary.

During 2024, the Committee approved:
- 20,544 loans;
- across 23 loan categories;
- with an aggregate value of $1,644,333,237.

A total of 30 meetings were held during January–December 2024, with attendance reflected in the report.

Mr. Watson reaffirmed the Committee's commitment to ensuring that loans met the required standards and to delivering high levels of member service.

Adoption
There being no questions, a motion was made for adoption of the Credit Committee Report.

Moved by: Mrs. Sancha Miller-McPherson
Seconded by: Miss Jeanette Davis
The motion was carried, with the ayes having it.

SUPERVISORY COMMITTEE REPORT
Mr. Jason Rodriques, Chairman of the Supervisory Committee, introduced his team:
- Mr. Omar Drysdale — Secretary;
- Mrs. Juniffer Dixon-Gordon;
- Mrs. Sancha Miller-McPherson; and
- Miss Julian Oscar.

As the Supervisory Committee Report had been circulated to members, a motion was made for the Report to be taken as read.

Moved by: Maurice Channer
Seconded by: Andrew Johnson
The motion was carried.

There being no questions or comments, a motion was made for adoption of the Report.

Moved by: Christopher Murdock
Seconded by: George Hunter
The motion was carried, with the ayes having it.

DELEGATES REPORT
The Chairman invited Miss Dacy-Ann Graham, Assistant Secretary of the Board, to present the Delegates Report. A motion was made for the Report to be taken as read.

Moved by: Jason Rodriques
Seconded by: Nigel Davis

There being no questions, a motion was made for adoption of the Report.

Moved by: Vaughn White
Seconded by: Michael Farquharson

The motion was carried, with the ayes having it.

NOMINATING COMMITTEE REPORT
Miss Dacy-Ann Graham, Chairperson of the Nominating Committee, presented the Nominating Committee Report, contained on pages 122–124 of the booklet.

She stated that the Committee had been appointed by the Board of Directors in accordance with Rule 64 of the By-laws, which requires the Committee to recommend candidates to fill vacancies on the Board of Directors, Credit Committee and Supervisory Committee. The Committee met on July 10, 2025.

The Committee's membership included:
- Miss Dacy-Ann Graham — Chairperson (members of the Board of Directors);
- Mrs. Patsie Wallen-Lindsay — Credit Committee; and
- Mrs. Tamara Maxwell Green — Deputy CEO (Finance and Administration)

Board of Directors
Four vacancies existed, each for a two-year term. The Committee unanimously recommended:
1. Errol Adams;
2. Christopher Phillips;
3. Andrew Johnson; and
4. Jason Rodriques.

Credit Committee
Two nominees were recommended for two-year terms:
1. Steven Watson; and
2. Michael Farquharson.

Supervisory Committee
Six candidates were presented for five vacancies:
1. Julian Oscar;
2. Omar Drysdale;
3. Juniffer Dixon-Gordon;
4. Sancha Miller-McPherson;
5. Courtney Coley; and
6. Nigel Davis.

The Committee expressed confidence in the candidates' commitment, experience and integrity and encouraged members to participate actively in the election.
A motion was made for adoption of the Nominating Committee Report.
Moved by: James Golding
Seconded by: Rev. Dr. Courtney Faulknor
The motion was carried.

ELECTIONS
Mr. Marco White, Compliance Officer with the Department of Co-operatives and Friendly Societies, assumed responsibility for conducting the election process.

He congratulated the Credit Union on its achievements and made light-hearted reference to the possibility of Jamaica's Reggae Boyz still having a chance.

Board of Directors
Mr. White proposed that the following nominees be elected by acclamation:
- Errol Adams;
- Christopher Phillips;
- Andrew Johnson; and
- Jason Rodriques.

Moved by: Preston Wray
Seconded by: Vaughn White
The motion was carried.

Credit Committee
Mr. White proposed the election by acclamation of:
- Steven Watson; and
- Michael Farquharson.

Moved by: James Golding
Seconded by: Christopher Murdock
The motion was carried.

Supervisory Committee
There were six nominees for five positions:

- Julian Oscar;
- Omar Drysdale;
- Juniffer Dixon-Gordon;
- Sancha Miller-McPherson;
- Courtney Coley; and
- Nigel Davis.

Members were instructed to select five candidates by ticking five boxes on the ballot. Online members were also given an opportunity to vote.
A ballot was conducted.

RESOLUTION — TRANSFER OF VOLUNTARY SHARES TO DEFERRED SHARES
The Chairman invited the CEO, Mr. Osmond Bromfield, to present a resolution contained on page 126 of the booklet concerning the transfer of Voluntary Shares to Deferred Shares to strengthen institutional capital. The CEO explained that the matter was critical to ensuring that the Credit Union had adequate capital to continue operating as a going concern.

The resolution noted, inter alia:

- capital adequacy was fundamental to the preservation and viability of the Credit Union;
- the Bank of Jamaica would soon assume regulatory responsibility for Credit Unions;
- the Bank of Jamaica had established a minimum primary institutional capital ratio of 6% and a risk-weighted capital ratio of at least 10%;
- the Credit Union had established a minimum institutional capital standard of 10%;
- institutional capital as at December 31, 2024 was $451,084,876, representing approximately 9.22%;
- total assets as at December 31, 2024 were $4,894,801,565;
- the accumulated deficit was $38,786,144; and
- the shortfall required to achieve a 10% capital-to-assets ratio was approximately $77,181,424.50.

Resolution
It was proposed:
That the Annual General Meeting approve the transfer of 10% of each member's Voluntary Shares to Deferred Shares, effective December 1, 2025, for a minimum period of five years.

It was further proposed that the Credit Union pay interest on the transferred amount at a rate of 3% per annum, accrued from December 1, 2025 and credited to members' accounts at the end of each month.

Moved by: Osmond Bromfield
Seconded by: Andrew Johnson

DISCUSSION
The CEO explained that the Credit Union's PEARLS monitoring system requires institutional capital, consisting of Permanent Share and Deferred Share, to equal at least 10% of total assets. The Credit Union's ratio was approximately 9.2%, compared with 9.7% in 2023.

He noted that the Bank of Jamaica's August assessment had highlighted the impact of the accumulated deficit of approximately $38 million over the preceding three years.

The CEO explained that transferring 10% of existing Voluntary Shares would generate approximately $126 million, thereby placing the Credit Union in a safer capital position.

He further clarified that the proposal did not require members to contribute additional funds. Rather, 10% of existing Voluntary Shares would be transferred to Deferred Shares. Unlike Voluntary Shares, the Deferred Shares would earn interest at 3% per annum. The funds would remain invested for five years, after which they would become redeemable together with accrued interest.

Mr. James Golding indicated that he understood the prudential rationale and had no objection to the transfer.

The Chairman called for a vote and requested a 75% approval threshold, with the Registrar overseeing the count. Mr. Golding suggested that members in favour stand to facilitate counting.

The resolution was carried.

The Registrar reported that 100 of 108 members, including online participants, voted in favour.
The result was applauded.

FIXING OF MAXIMUM LIABILITY
The Treasurer advised that, in keeping with Rule 69, the Board proposed that the Maximum Liability for loans the Board may borrow be set at 16 times the Society's Capital and Reserve Fund.

He further explained that the provision also related to

the Credit Union's authority to accept deposits at 16 times the Society's Reserve Funds.

A motion was made for approval.

Moved by: Christopher Murdock
Seconded by: Jason Rodriques
The motion was carried, with the ayes having it.

APPOINTMENT OF AUDITORS

The Treasurer advised that members were also required to empower the Board to appoint/ recommend the auditors for the next financial year. The Board proposed the continuation of Baker Tilly as auditors.

A motion was made.

Moved by: Sancha Miller-McPherson
Seconded by: Juniffer Dixon-Gordon
The motion was carried, with the ayes having it.

LOANS PROPOSED FOR WRITE-OFF

The CEO referred members to page 136 of the booklet and explained the proposal concerning loans to be written off.

The aggregate value of the loans identified was $129,346,287.66. The CEO explained that writing off a loan did not extinguish the member's obligation. Rather, the amount would be removed from the main loan account and placed in a subsidiary account, while the debt would remain owing.

He stated that the proposed write-off would be funded from provisions already established for bad debt.

The CEO advised that the Credit Union had previously written off approximately $103 million and was now seeking approval for an additional approximately $129 million.

He explained that the write-off would assist the Credit Union in maintaining the required delinquency/bad-debt ratio and that collection efforts would continue after the write-off.

Members who could be located locally would continue to be pursued through the appropriate legal and collection processes. International debt collectors were also being considered for members who had migrated overseas without settling their obligations.

The CEO advised that members owing less than $1 million would be pursued through the Parish Court, while larger matters would be taken to the Supreme Court, as appropriate.

A motion was made for the identified amount to be written off from the main account and transferred to a subsidiary account.

Moved by: Maurice Channer
Seconded by: Julian Oscar
The motion was carried, with the ayes having it.

ANY OTHER BUSINESS

Special Deposit Portfolio and Interest Rate

Mr. Maurice Channer asked for an update on the Credit Union's special deposit portfolio and the applicable interest rate. The CEO reported that the special deposit portfolio stood at approximately $2.6 billion at the current date and attracted an interest rate of 7%. He stated that approximately $165 million in interest had been paid to members during the previous year. The CEO noted that the rate had been reduced by 1 percentage point effective October 1, 2025, and described the 7% rate as highly competitive.

Mr. Channer asked why the rate had been reduced. The CEO explained that market rates were falling and that the Credit Union reviewed its product pricing annually to ensure that products generated sufficient returns to cover expenses and, where possible, permit dividends. He noted that the Credit Union had not paid dividends during the preceding three years because it had been operating close to break-even. The accumulated deficit was explained as approximately $16 million in 2022, $14 million in 2023 and approximately $7 million for 2024.

Mr. Channer asked whether a dividend would be paid. The CEO explained that although comprehensive income was approximately $62 million, this was unrealised income arising principally from the revaluation of assets. A pension-related loss of approximately $30 million also affected the comprehensive-income calculation. Consequently, the $62 million could not be treated as distributable cash.

DELINQUENCY CONTROL AND RECOVERY INITIATIVES

Mr. Christopher Murdock, Senior Debt Collector, presented an update on measures being taken to address delinquency.

He advised that a Delinquency Committee had been established, chaired by Treasurer Mr. Andrew Johnson, and comprising two other Board members, the Deputy CEO, Loans Manager, Delinquency Officer, Senior Delinquency Clerk and Senior Debt Collector.

The Committee meets monthly to address delinquency matters.

Mr. Murdock stated that he and Mr. Owen Williams serve as internal debt collectors, supported by external debt collectors.

The Credit Union had:

- 11 matters before the Parish Court;
- obtained five judgments;
- received payments from persons against whom judgments had been obtained;
- one-member complete payment;
- another member scheduled to complete payment on December 18, 2025;
- six Parish Court matters pending for trial in 2026;
- six matters before the Supreme Court; and
- located 72 indebted persons, both locally and overseas.

Mr. Murdock stated that the Credit Union's collection team had developed methods to locate indebted persons and assured members that the team was actively pursuing delinquent borrowers.
He expressed his personal commitment to the Credit Union and stated that he had devoted his time to its service.

DELINQUENCY INTERVENTION
Mr. Johnson, as Chairman of the Delinquency Committee, explained that recovery efforts went beyond legal action.

The Committee also considered creative interventions for members who had genuinely fallen into financial difficulty. The Committee reviewed not only loans that were already delinquent but also loans showing trends towards delinquency.

Members could therefore receive telephone calls or emails from the Delinquency Unit as a preventative intervention before their accounts became seriously delinquent.

Mr. Johnson encouraged members to cooperate with the Credit Union and to assist in locating persons known to be delinquent.

MERGER DISCUSSIONS AND STRATEGIC GROWTH
The Chairman invited the CEO to address the Credit Union's ongoing merger discussions.

The CEO advised that mergers were being considered as a strategic means of expanding the Credit Union's business.

He reported that, under the guidance of the Registrar of Co-operatives, the Credit Union had been engaged in advanced discussions with the Essential and Emergency Service & Partners Co-operative Credit Union, which serves members of the Correctional Services and Fire Department.

The Essential and Emergency Service & Partners Co-operative Credit Union had indicated its willingness to transfer its engagement to the Public Sector Employees Co-operative Credit Union, subject to approval by its membership and the required processes.
The Essential and Emergency Service & Partners Co-operative Credit Union was reported to have approximately $1.4 billion in total assets, while the Public Sector Employees Credit Union was approximately $5.2 billion at the time of the discussion. A merger could therefore result in combined assets of approximately $6.7 billion.

The CEO explained that the Credit Union would have to return to the membership for formal approval once the other institution completed its own approval process.

He further advised that the Credit Union had also held discussions with the Jamaica Defence Force, although that institution remained somewhat reluctant to proceed.

The CEO reiterated the strategic objective of positioning the Public Sector Employees Co-operative Credit Union as a broad-based institution serving public-sector employees across Jamaica.

BOARD COMPOSITION AND MERGER
Mr. James Golding asked whether a merger would require changes to the Board and Committee composition.

The CEO explained that the Credit Union's existing rules provide for a maximum of 15 Directors, while there were currently nine. He noted that the membership had previously approved the increase to 15 Directors, thereby allowing additional Board representation if another Credit Union joined.

He further indicated that the existing rules provided for 15 Directors, nine Supervisory Committee members and nine Credit Committee members, allowing room to accommodate an incoming group without requiring another amendment.

RESULTS OF SUPERVISORY COMMITTEE ELECTION
Mr. Marco White returned to announce the results.
A total of 108 ballots, including online ballots, were received, and none were spoilt.

The results were:

Candidate	Votes
Omar Drysdale	104
Sancha Miller-McPherson	102
Juniffer Dixon-Gordon	101
Julian Oscar	97
Courtney Coley	73
Nigel Davis	67

Accordingly, the following five persons were declared elected to the Supervisory Committee:

1. Omar Drysdale
2. Sancha Miller-McPherson
3. Juniffer Dixon-Gordon
4. Julian Oscar
5. Courtney Coley

The results were applauded.

RECOGNITION OF OUTGOING BOARD MEMBERS AND SERVICE
The Chairman recognised Mr. Jason Rodriques, who was transitioning from the Supervisory Committee to the Board of Directors.

The Chairman also recognised Mr. George Hunter, who was retiring from the Board after approximately 31 years of service to the Credit Union, including many years as a member of staff and more than 12 years as a Board member.

The Chairman highlighted Mr. Hunter's dedication, noting that even while overseas in Dubai he had sought to participate in Board meetings through the hybrid arrangements.

On behalf of the membership, CEO and staff, the Chairman expressed appreciation for Mr. Hunter's years of volunteer service, mentorship and contribution to the development of other members and leaders.

Mr. Rodriques was also thanked for his service on the Supervisory Committee as he transitioned to the Board.

The Chairman noted that the Board was increasingly reflecting succession planning and the involvement of younger members and leaders.

Both Mr. Hunter and Mr. Rodriques were applauded.

PRIZES AND AWARDS
The Chairman conducted the presentation of prizes and recognised several winners, including:

1. Yvonne Johnson — prize;
2. Julian Hull — Gate Prize of $10,000;
3. Caroline Oakley-Rowe — $5,000;
4. Ricardo Martin — gift basket;
5. Nigel Davis — gift basket;
6. Yvonne Johnson — supermarket voucher valued at $5,000;
7. James Golding — gift basket;
8. Mr. James Golding — gift certificate to Adam and Eve Spa;
9. Miss Johnson's daughter — gift voucher valued at $5,000;
10. Mrs. Kerry Ellington-White — prize.

Additional gift baskets were also distributed.

VOTE OF THANKS
The Chairman invited newly elected Board member Mr. Christopher Phillips to deliver the Vote of Thanks. Mr. Phillips expressed gratitude to all members, guests, online participants, Board members, Committee members, management and staff for their presence and contribution to the successful 57th Annual General Meeting.

He specifically acknowledged:

- the Board of Directors and its leadership;
- the Board Report presented by the President/ Chairman;
- the Treasurer's Report presented by Mr. Andrew Johnson;
- the Auditors' Report presented by Mr. Royal Thorpe;
- the Department of Co-operatives and Friendly Societies;
- the Jamaica Co-operative Credit Union League;
- the Credit Committee;
- the Supervisory Committee;
- the Nominating Committee;
- the Delegates and presenters;
- Rev. Dr. Courtney Faulknor for the opening prayer and observance for deceased members;

- the stenographer;
- media and photography teams;
- Credit Union staff; and
- the management and staff of The Summit.

Mr. Phillips also expressed appreciation to Michael Wilson and his violin for contributing to the atmosphere of the meeting.

He thanked members for their participation in the deliberations, voting and discussions and emphasised the importance of their loyalty and trust.
He stated that the Credit Union remained committed to serving members with integrity, transparency and professionalism and expressed optimism about its future despite national challenges.
He concluded by emphasising the Credit Union's collective strength and the importance of unity, co-operation and commitment in building a stronger financial future.

The Vote of Thanks was warmly applauded.

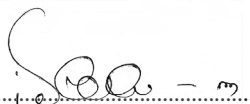
CLOSING REMARKS
The Chairman commended Mr. Phillips for his Vote of Thanks and congratulated him on his development and leadership.

In his closing remarks, the Chairman encouraged members to remain grateful for life, health and strength, particularly in light of the challenges experienced by many Jamaicans.

He reflected on the devastation caused by Hurricane Melissa, particularly in St. Elizabeth, and encouraged members to continue supporting those affected.
The Chairman thanked all members for their participation and wished everyone a safe journey home.

He advised that members would meet again at the next Annual General Meeting.

ADJOURNMENT
There being no further business, the 57th Annual General Meeting of the Public Sector Employees Co-operative Credit Union Limited was adjourned at 10:53 p.m.



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Errol G. Adams
Board Secretary

Board of Directors



Calvin Allen
President



Christopher Phillips
Vice President



Andrew Johnson
Treasurer



Errol Adams
Secretary



Jason Rodrigues
Asst. Treasurer



Dacy-Ann Graham
Asst. Secretary



Eric Wint
Director



Jeannette Davis
Director



Courtney Faulknor
Director

Board Report

Jamaica Economic Overview — Year Ending 2025
For the 2025 calendar year, the Jamaican economy recorded no overall growth, as the economic disruption associated with Hurricane Melissa effectively erased the gains achieved during the earlier part of the year.

Real economic activity expanded by 2.6% during the January to September period, reflecting the economy's recovery from the effects of Hurricane Beryl and the emergence of renewed growth momentum. However, the passage of Hurricane Melissa subsequently disrupted this recovery and reversed much of the progress achieved. As a result, economic activity for the full year remained essentially unchanged. This performance followed a 0.9% contraction in 2024.

Performance across the major sectors of the economy was mixed. Real Value Added within the Goods-Producing Industry increased by 1.5%, while the services Industry declined by 0.5%. The contraction in services was influenced largely by hurricane-related disruptions to tourism, transportation, and other service-based activities.

The impact of Hurricane Melissa on the Jamaican economy was substantial. Preliminary assessments estimated total damage, economic losses, and associated costs at approximately J$1.953 trillion (US$12.232 billion), equivalent to approximately 57% of Jamaica's 2024 Gross Domestic Product (GDP). The magnitude of these losses highlights the significant economic consequences of the hurricane and the scale of the recovery required.

During the year, the Bank of Jamaica (BOJ) remained focused on maintaining price stability and keeping inflation within its target range of 4% to 6%. The policy interest rate was reduced once during 2025, closing the year at 5.75%, compared with 6.0% at December 2024. Inflation remained relatively contained despite the challenging economic environment, ending the year at 4.5%.

Labour market conditions also showed modest improvement. The unemployment rate declined to 3.3% as at October 2025, compared with 3.5% in the corresponding period of 2024, reflecting the continued strength of the labour market despite the wider economic challenges.

On the foreign exchange market, the Jamaican dollar experienced moderate depreciation against the United States dollar. The exchange rate stood at approximately J$159.74 to US$1 at the end of 2025, representing depreciation of approximately 2.1% for the year. This was higher than the 0.95% depreciation recorded in 2024.

Notwithstanding the difficult operating environment, the banking sector remained resilient during 2025, recording growth across several key financial indicators. Net loans increased by 6.7%, or J$108.0 billion, demonstrating continued expansion in credit. Deposits recorded stronger growth of 12.5%, or J$267.8 billion, reflecting increased savings mobilization and continued depositor confidence. Total banking sector assets also increased by 9.0%, or J$269.2 billion, year over year.

The performance of the banking sector in 2025 represented an improvement in the rate of expansion when compared with 2024. In the previous year, net loans increased by 6.0% (J$90.5 billion), deposits grew by 7.8% (J$155.6 billion), and total assets expanded by 5.3% (J$151.8 billion).

The acceleration in deposit growth during 2025 was particularly significant, indicating stronger liquidity within the financial system and enhancing the sector's capacity to support lending and other financial activities. Overall, despite the economic disruption associated with Hurricane Melissa, Jamaica's financial sector continued to demonstrate resilience and remained an important source of stability within the wider economy.

The Credit Union's performance during 2025 must also be considered within the context of the broader economic environment, which was characterized by subdued economic growth and significant disruption arising from Hurricane Melissa. Despite these challenges, Jamaica's financial sector maintained positive growth in deposits, loans, and total assets. Against this background, PSECCU continued to

expand its asset and savings portfolios, although at rates below industry averages. The year also highlighted the importance of strengthening credit risk management, enhancing operational efficiency, and pursuing sustainable growth strategies to support the institution's long-term financial stability.

CREDIT UNION MOVEMENT

The 23 credit unions recorded broad-based growth in 2025, with gains across savings, loans, assets, and membership. However, the pace of expansion decelerated across all major indicators compared to 2024.

Savings grew to J$168.9 billion, representing a 9.5% year-over-year increase. Although growth remains positive, this marks a deceleration from the 10.2% recorded in 2024. The deceleration, though slight, highlights the importance of sustaining member confidence and introducing savings campaigns to stimulate stronger savings growth.

Net loans reached J$144 billion as of December 31, 2025, reflecting a 7.5% annual growth, a significant decline from the 13.1% recorded in the prior year. The decline in loan growth may signal tighter credit conditions or more cautious borrowing behaviour, underscoring the need for a continuous, proactive approach to loan promotion. Strengthening lending campaigns, enhancing member engagement, and refining credit offerings could help stimulate borrowing activity and support a return to stronger loan portfolio growth. Total assets increased to J$212.8 billion, up 8.4%, compared with 10.9% growth in 2024. Membership expanded by 2.8%, down from 3.3% in the previous year. While growth continues, the slower rate may reflect challenges in acquiring new members or in reaching communities. This could point to the need for a refreshed and more intentional outreach and recruitment strategy.
See Table 1.

Table 1: Credit Union Movement – Preliminary Statistical Information

Key Performance Indicators

Comparative Performance for the Years Ended December 31, 2025 and 2024

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

PUBLIC SECTOR EMPLOYEES CO-OP CREDIT UNION'S FINANCIAL PERFORMANCE

The Board of Directors continued to exercise oversight of the Credit Union's financial performance and position throughout 2025, with particular attention to asset growth, members' savings, lending, liquidity, capital, credit risk and overall financial sustainability. Despite a challenging operating environment, PSECCU recorded continued growth in its overall asset base and members' savings during the year. At the same time, the financial results reflected increased pressure from impairment allowances, which contributed significantly to the loss recorded for the year.

Asset Growth

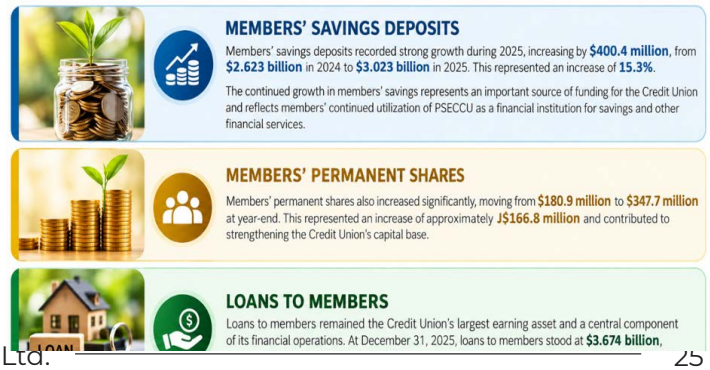


Total assets increased from $4.895 billion at December 31, 2024, to $5.104 billion at December 31, 2025, representing growth of approximately 4.3%, or $209.1 million. This growth demonstrates the continued expansion of the Credit Union's financial base

A notable movement during the year was the increase in earning liquid assets from J$595.0 million to J$874.9 million, strengthening the level of liquid resources held by the Credit Union.

The Board continued to monitor the composition and quality of the Credit Union's assets to ensure that resources were managed prudently and remained appropriately aligned with the institution's strategic and operational requirements.

Operational Portfolio



Members' savings deposits recorded strong growth during 2025, increasing by $400.4 million, from $2.623 billion in 2024 to $3.023 billion in 2025. This represented an increase of approximately 15.3%.

The continued growth in members' savings represents an important source of funding for the Credit Union and reflects members' continued utilization of PSECCU as a financial institution for savings and other financial services.

Members' permanent shares also increased significantly, moving from $180.9 million to $347.7 million at year-end. This represented an increase of approximately J$166.8 million and contributed to strengthening the Credit Union's capital base.

Loans to members remained the Credit Union's largest earning asset and a central component of its financial operations. As of December 31, 2025, loans to members stood at $3.674 billion, compared with $3.699 billion in 2024, representing a marginal decline of approximately 0.7%.

While the portfolio remained relatively stable, the movement underscores the importance of continued focus on responsible loan growth, member borrowing needs, credit administration and portfolio quality.

The Board will therefore continue to support initiatives aimed at strengthening lending activity while maintaining appropriate credit standards and effective risk management.

The Credit Union generated J$710.9 million in interest income during 2025, compared with J$641.4 million in 2024, representing growth of approximately 10.8%. Net interest income also improved, increasing from J$427.3 million to J$470.6 million, or approximately 10.1%. This improvement demonstrates continued income generation from the Credit Union's core financial activities.

Notwithstanding this growth, the Credit Union recorded a net loss of J$185.1 million for 2025, compared with a net loss of J$7.6 million in 2024.

A major contributor to the 2025 result was the substantial increase in impairment allowances on financial instruments, which rose from J$49.1 million in 2024 to J$212.4 million in 2025. Operating expenses also increased from J$407.1 million to J$462.0 million.

The Board recognizes the significance of the deterioration in the year's financial result and remains focused on measures aimed at strengthening asset quality, improving operational efficiency, managing expenditure and restoring sustainable profitability.

Capital Adequacy and Financial Strength

The Credit Union's capital position strengthened significantly during the year, increasing by 36.04%. This performance substantially exceeded the Credit Union Movement's average capital growth of 5.51% and the Banking Sector's growth rate of 3.85%.

The strong growth in capital reflects the Credit Union's ongoing commitment to maintaining a sound financial foundation and enhancing its long-term sustainability.

The Bank of Jamaica (BOJ) prescribes minimum Primary Capital and Risk-Based Capital Adequacy Ratios of 6% and 10%, respectively, for licensed deposit-taking institutions. The Credit Union's capital adequacy ratios remained above these benchmarks, reflecting its capacity to maintain an adequate capital buffer against potential financial risks.

The Board recognizes that maintaining a strong capital position is fundamental to the Credit Union's long-term financial stability, its ability to absorb potential losses, and its capacity to support future growth. Accordingly, strengthening institutional capital and maintaining prudent capital adequacy levels will remain key priorities of the Board's financial oversight.

Liquidity and Financial Resilience

The Credit Union maintained substantial liquid resources during 2025. Earning liquid assets increased by approximately 47.0%, from J$595.0 million to J$874.9 million.

At the same time, external credit declined from J$282.6 million to J$161.4 million, a reduction of approximately 42.9%.

These movements indicate a strengthening in the Credit Union's liquid asset position and reduced reliance on external funding. The Board will continue to monitor liquidity closely to ensure that PSECCU remains positioned to meet members' withdrawal requirements, lending needs and other financial obligations.

Financial Performance and Strategic Priorities

The Credit Union's financial performance for 2025 reflected both areas of resilience and challenges requiring sustained strategic attention. Growth in total assets, members' savings, permanent shares, liquidity, and net interest income provided a positive foundation and demonstrated the continued confidence of members in the institution. However, the substantial increase in impairment allowances, rising operating expenses, marginal decline in the loan portfolio, and resulting net loss underscored the

need for targeted corrective measures to strengthen financial performance and operational sustainability.

In response, the Board will maintain a strategic focus on restoring sustainable profitability, improving loan portfolio quality, and mitigating credit impairment risks. Priority will also be given to stimulating prudent loan growth, strengthening institutional capital, enhancing operational efficiency, and exercising greater control over expenditure. Additionally, emphasis will be placed on the effective deployment of available liquidity to optimize returns while maintaining sound financial management, robust internal controls, and prudent risk management practices.

Looking ahead, the Board remains firmly committed to positioning the Credit Union for improved financial performance, sustained growth, and long-term institutional stability. Our strategic direction will emphasize achieving an appropriate balance between business expansion, profitability, liquidity, capital adequacy, and effective risk management.

Particular attention will be directed towards strengthening the loan portfolio, enhancing revenue-generating opportunities, improving cost efficiency, and reinforcing the Credit Union's financial resilience. The Board recognizes that sustainable growth must be supported by sound governance, disciplined financial management, and the effective utilization of institutional resources.

Notwithstanding the financial challenges experienced during 2025, the Board remains confident in the Credit Union's capacity to strengthen its performance through deliberate strategic interventions, prudent decision-making, and continued collaboration with management.

Our commitment remains steadfast: to safeguard the financial strength of the Credit Union, protect members' interests, and build a resilient, competitive, and sustainable institution capable of serving its members for generations to come.

Delinquency Report 2025

Credit risk management remained a key focus for the Credit Union during 2025 as the institution continued to address the challenges associated with loan delinquency. While delinquency remains a significant risk area, the Credit Union made measurable progress during the year through enhanced collection efforts, strengthened recovery strategies, and proactive portfolio management.

The primary drivers of delinquency continue to be member attrition and migration, particularly among members of the Jamaica Constabulary Force and other public sector employees. In many instances, members who migrated overseas experienced challenges maintaining their loan repayment obligations, resulting in increased collection and recovery efforts by the Credit Union.

Despite these ongoing challenges, total delinquent loans decreased from $165.5 million in 2024 to $150.0 million in 2025, representing a reduction of $15.5 million or 9.37%. This decline reflects the effectiveness of management's delinquency reduction initiatives and demonstrates progress in improving the quality of the loan portfolio.

Notwithstanding the reduction in delinquent balances, the Loan Loss Provision increased significantly from $105.3 million in 2024 to $169.0 million in 2025, an increase of $63.7 million or 60.51%. The increase reflects the Credit Union's prudent and conservative approach to risk management, ensuring that adequate provisions are maintained to absorb potential credit losses and strengthen the institution's financial resilience.

During the year, the Credit Union continued to implement several measures aimed at mitigating credit risk and improving loan recoveries, including:

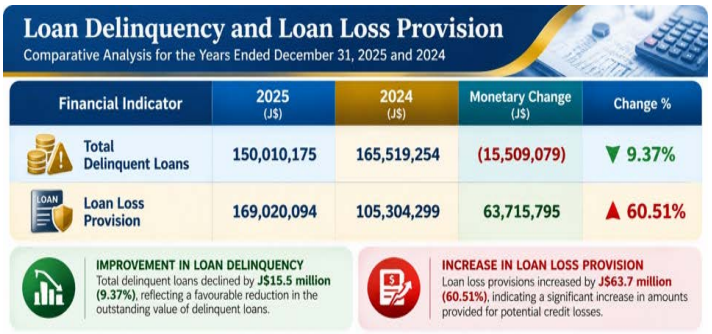
- Maintaining an in-house debt collection function to enhance recovery efforts;
- Pursuing legal action against non-compliant borrowers where appropriate;
- Liquidating pledged assets and collateral where necessary;
- Writing off loans that exceeded regulatory and policy thresholds for delinquency;
- Strengthening loan monitoring and collection procedures to facilitate earlier intervention in delinquent accounts.

As part of its portfolio clean-up strategy, the Credit Union wrote off approximately $165 million in severely delinquent loans during 2025. This action was undertaken in accordance with regulatory requirements and prudent financial management practices and formed part of the broader effort to improve asset quality and strengthen the balance sheet.

Management and the Board of Directors remain committed to maintaining a disciplined approach to credit risk management while balancing the Credit Union's responsibility to provide affordable credit to members. Efforts to strengthen underwriting standards, enhance collection processes, and

improve member engagement will continue to be prioritized in the coming year.

While challenges remain, the reduction in delinquent loans, coupled with increased provisioning and decisive recovery actions, demonstrates the Credit Union's commitment to protecting members' assets and preserving the long-term financial health of the institution.



Risk Management and Compliance Report
The Public Sector Employees Co-operative Credit Union Limited remains committed to maintaining a robust risk management and compliance framework to safeguard members' assets, ensure operational resilience, and support the long-term sustainability of the institution. Throughout 2025, the Credit Union continued to strengthen its risk management practices while navigating a challenging economic and operating environment.

Risk Management
Our Enterprise Risk Management Framework provides a structured approach to identifying, assessing, monitoring, and mitigating risks across all areas of the organization. The framework focuses on the following key risk categories:

Credit Risk
Credit risk remained a key area of focus during 2025 as the Credit Union continued to address elevated levels of loan delinquency. Enhanced credit assessment, monitoring, and collection strategies were employed to mitigate potential losses and improve portfolio quality. Management remains committed to prudent lending practices while supporting members' financial needs.

Operational Risk
The Credit Union maintained comprehensive policies, procedures, and internal controls designed to ensure efficient, secure, and reliable operations. Regular internal reviews, audits, and risk assessments were conducted throughout the year to identify and address operational vulnerabilities.
A significant test of the Credit Union's operational resilience occurred during the passage of Hurricane Melissa. Our Head Office in Kingston, along with the Mandeville, Portmore, and St. Mary branches, experienced minimal disruption and continued to provide essential services to members. The Montego Bay branch, however, was more significantly affected and operated on reduced business hours for approximately two months following the hurricane as recovery efforts progressed.

Despite these challenges, the Credit Union's business continuity and disaster recovery measures were effectively activated, enabling the institution to maintain critical operations, support affected members, and minimize service disruptions across the branch network. The experience reinforced the importance of our operational risk management framework and demonstrated the organization's resilience and preparedness in responding to unforeseen events.

Market Risk
The Credit Union continued to monitor economic conditions, interest rate movements, and broader market developments throughout the year. Investment decisions were guided by established risk tolerance levels and focused on preserving capital, maintaining liquidity, and generating sustainable returns for members.

Liquidity Risk
Maintaining adequate liquidity remained a priority throughout 2025. The Credit Union actively monitored liquidity levels to ensure its ability to meet member withdrawals, loan demand, and other financial obligations. Liquidity management strategies were regularly reviewed to support financial stability and regulatory compliance.

Compliance
The Credit Union remains committed to complying with all applicable laws, regulations, and industry standards governing its operations.

Regulatory Compliance
Throughout 2025, the Credit Union maintained compliance with the requirements of the Department of Co-operatives and Friendly Societies (DCFS), the Bank of Jamaica (BOJ), and the Jamaica Co-operative Credit Union League (JCCUL). This included adherence to prescribed capital adequacy and liquidity requirements, submission of statutory reports, and ongoing engagement with regulatory and industry stakeholders.

Anti-Money Laundering and Counter Financing of Terrorism
The Credit Union continued to strengthen its Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT) programme through ongoing monitoring, staff training, customer due diligence, and transaction monitoring activities. Policies and procedures were reviewed periodically to ensure alignment with evolving regulatory requirements and industry best practices.

Data Protection
Safeguarding members' personal information remains a fundamental responsibility and key priority of the Credit Union. Throughout 2025, the Credit Union continued to strengthen its data governance framework, enhance information security practices, and promote compliance with Jamaica's Data Protection Act, 2020, while upholding members' rights to privacy and confidentiality.

Following its successful registration as a Data Controller with the Office of the Information Commissioner (OIC) in June 2024, the Credit Union focused on reinforcing its data protection policies, procedures, and internal controls. Particular emphasis was placed on aligning data management practices with the eight data protection standards established under the Act and ensuring the lawful, fair, and transparent collection, processing, storage, and retention of personal information.

During the year, efforts were directed towards strengthening technical and organizational safeguards to minimize the risk of unauthorized access, disclosure, loss, or misuse of members' information. The Credit Union also continued to facilitate the exercise of members' data protection rights, including access to and correction of their personal information. Additionally, staff training and sensitization initiatives were undertaken to reinforce employees' responsibilities in maintaining confidentiality, protecting sensitive information, and complying with established data protection requirements.

The Credit Union recognizes that the confidence and trust of its members are essential to its continued success. Accordingly, it remains committed to maintaining high standards of data privacy, security, transparency, and accountability, while fostering a culture in which the protection of personal information is recognized as a shared organizational responsibility.

The Credit Union remains committed to fostering a strong risk management and compliance culture across all levels of the organization. We will continue to enhance our risk management, regulatory compliance, business continuity, cybersecurity, and data protection frameworks to address emerging risks and evolving regulatory expectations.

Despite the challenges experienced during 2025, including the operational disruptions caused by Hurricane Melissa and ongoing credit risk pressures, the Credit Union demonstrated resilience, adaptability, and a steadfast commitment to serving its members. These efforts position the institution to continue operating safely, responsibly, and sustainably in the years ahead.

ADMINISTRATION AND HUMAN RESOURCES REPORT

The Board of Directors recognizes the important role of the Administration and Human Resources Department in supporting the Credit Union's strategic and operational objectives throughout 2025. During the year, emphasis was placed on strengthening workforce capacity, improving administrative efficiency, enhancing employee engagement, supporting staff development, and maintaining compliance with established policies, procedures, and regulatory requirements.

The year presented several operational challenges which required management and staff to demonstrate resilience, adaptability, and commitment. Notwithstanding these challenges, the Department continued to provide essential administrative and human resource support while implementing initiatives aimed at strengthening the organization's overall effectiveness.

Particular attention was given to recruitment and placement, staff development, employee confirmation and promotion, orientation of new employees, and training in key operational and regulatory areas. These initiatives contributed to maintaining the human resource capacity required to support the Credit Union's operations and service delivery.

Staff Complement
As of December 31, 2025, the Credit Union had a total staff complement of forty-eight (48) employees.
During the year, three (3) persons were employed and assigned to the Portmore Branch and Head Office. These appointments supported the Credit Union's efforts to maintain appropriate staffing levels and strengthen its operational capacity.

The Credit Union continued to recognize employee performance and development opportunities during the year. Consequently, two (2) employees were promoted, while five (5) employees successfully

completed their probationary periods and were confirmed in permanent employment.
Staff movements during the year also included three (3) resignations, comprising one employee each from Head Office, the Montego Bay Branch, and the Portmore Branch. Additionally, one (1) employee proceeded on early retirement, while one (1) position was made redundant as part of the organization's human resource and operational considerations.
The Board acknowledges the service and contribution of employees who departed the organization during the year and extends its appreciation for their respective periods of service to the Credit Union.

Training and Staff Development
The Credit Union continued to recognize training and professional development as essential to building institutional capacity, enhancing employee competencies, maintaining regulatory compliance, and improving the quality of service delivered to members.

During 2025, employees participated in several internal and external training and sensitization programmes aimed at strengthening their technical knowledge, operational efficiency, and understanding of regulatory requirements. These included the New Credit Union Staff Orientation Programme facilitated by the Jamaica Co-operative Credit Union League (JCCUL), International Financial Reporting Standards (IFRS) Training, Proceeds of Crime Act (POCA) Training, and an ATM Reconciliation Sensitization Session.

New Employee Orientation Programme
As part of its commitment to employee development, the Credit Union also conducted a structured orientation programme for newly recruited employees to facilitate their effective integration into the organization. The programme provided a comprehensive overview of the Credit Union's organizational structure, policies, operating procedures, regulatory obligations, products and services, and internal control framework.

Key areas covered included the Personnel Policy, Customer Charter and Complaints Procedure, Products and Services, New Account Opening Procedures, Proceeds of Crime Act (POCA), Compliance Policy, Organizational Structure, Accounting Policies and Procedures, Authorization Schedule for Accounts, Credit Administration and Loan Schedule, and Information Technology, with particular emphasis on the Emortelle V10 core banking system.

The orientation programme was designed to equip new employees with the knowledge and understanding necessary to perform their duties effectively, promote adherence to established policies and procedures, and foster a culture of accountability, professionalism, and service excellence.

Through these initiatives, the Credit Union reaffirmed its commitment to continuous learning, regulatory compliance, operational efficiency, and the development of a competent and responsive workforce capable of supporting its strategic objectives and meeting the evolving needs of its members standards expected in the execution of their duties.

Human Resource Development and Organizational Capacity
The Board remains committed to the continued development of the Credit Union's human resources. The training and staff development activities undertaken during 2025 were therefore aimed not only at addressing immediate operational requirements but also at strengthening the institution's capacity to respond to an increasingly dynamic financial services and regulatory environment.

The focus on compliance, accounting standards, credit administration, information technology, internal procedures, and member service reflects the Credit Union's commitment to maintaining a knowledgeable, competent, and responsive workforce.

Going forward, the Credit Union will continue to place emphasis on strengthening its human resource and administrative framework. Priorities will include continued staff training and development, succession planning, performance management, employee engagement, leadership development, improved administrative processes, and ensuring that staffing arrangements remain aligned with the Credit Union's strategic objectives.

Greater emphasis will also be placed on equipping employees to respond effectively to technological developments, regulatory requirements, changing member expectations, and the evolving needs of the Credit Union.

MARKETING AND MEMBER RELATIONS REPORT
The year 2025 represented another period of strategic growth, strong performance, and continued progress for the Public Sector Employees Co-operative Credit Union Limited (PSECCU). The Board of Directors recognizes the important contribution of the Marketing Department in supporting the Credit Union's strategic objectives through membership growth, brand development, digital engagement, member relationship management, and community

outreach.

A significant achievement during the year was the successful attainment and surpassing of the annual membership target. The Credit Union welcomed 1,037 new members, exceeding the annual target of 1,000. This achievement reflects the effectiveness of the Credit Union's member acquisition strategies, Mobile Branch activities, targeted promotional initiatives, and the continued confidence placed in PSECCU by public sector employees and other members.

The Department also strengthened PSECCU's brand visibility and market presence through traditional and digital media, while maintaining consistent engagement with existing and prospective members. Significant growth was recorded across the Credit Union's digital platforms, particularly Google, Instagram, and Facebook.

Overall, the Marketing Department played an important role in supporting membership expansion, strengthening member relationships, increasing brand awareness, and advancing the Credit Union's strategic objectives during 2025.

Membership Growth
PSECCU's membership base maintained a positive growth trajectory throughout 2025. Against an annual target of 1,000 new members, the Credit Union closed the year with 1,037 new accounts, representing achievement of approximately 103.7% of the annual target. The new accounts opened, 886 were adult accounts, representing approximately 85% of new accounts, while 151 were Youth Saver accounts, representing approximately 15%.

Membership Outreach and Expansion
Membership growth during 2025 was supported by the Credit Union's continued focus on targeted outreach and direct engagement across the public sector. Through regular weekly Mobile Branch visits, focused marketing initiatives, promotional activities, and on-site engagement, PSECCU strengthened its presence within key Ministries, Departments, and Agencies while creating greater awareness of the benefits of Credit Union membership.

These initiatives enabled the Credit Union to extend its reach across a diverse cross-section of the public sector. New members were recruited from the Ministries of National Security; Health; Education; Local Government; Transport and Mining; Foreign Affairs; Justice; Finance; Agriculture; and Culture and Gender, as well as the Jamaica Fire Brigade, eGov Jamaica, Department of Correctional Services, Accountant General's Department, National Land Agency, National Environment and Planning Agency, Tax Administration Jamaica, Jamaica Promotions Corporation, and Statistical Institute of Jamaica.

The breadth of organizations represented reflects PSECCU's strong and expanding presence within the public sector and demonstrates the value of sustained institutional outreach in supporting membership growth and strengthening relationships with the employees and organizations the Credit Union serves. The diversity of organizations represented among new members demonstrates PSECCU's continued reach across Jamaica's public sector and provides opportunities for further membership growth and deeper institutional relationships.

Mobile Branches – Kingston and Portmore
The Mobile Branch initiative continued to be an important component of the Credit Union's membership and engagement strategy during 2025. Throughout the year, the Mobile Branches engaged more than 970 members, bringing the Credit Union's products and services directly to members and prospective members at strategically selected locations.

The initiative enhanced accessibility and convenience while creating opportunities for direct engagement, member education, product promotion, new account acquisition, and relationship building.
The Board recognizes the continued value of the Mobile Branch programme as a means of extending PSECCU's presence beyond its physical branch network and bringing financial services closer to the members we serve.

Advertising and Promotions
The Credit Union maintained a consistent advertising and promotional presence throughout 2025. Campaigns were implemented across traditional and digital media, with particular emphasis on promoting the Special Deposit Account and strengthening general awareness of PSECCU's products and services.

Advertising and promotional activities were undertaken through Television Jamaica, Irie FM, ZIP 103 FM, the Jamaica Observer, The Gleaner, Force Orders, social media platforms, and Google.
The combination of traditional and digital channels enabled the Credit Union to communicate with a broad audience while allowing targeted campaigns to reach prospective members through increasingly important digital platforms.

DIGITAL PLATFORM
Digital marketing recorded significant growth during 2025, strengthening PSECCU's online visibility, audience reach, and engagement.

The performance across Google advertising and social media platforms demonstrates the increasing importance of digital channels to the Credit Union's overall marketing strategy and its ability to communicate effectively with both existing and prospective members.

Google advertising generated strong year-over-year growth across both Display Ads and Google AdWords campaigns.

The Google Display Ads campaign recorded a 32% increase in clicks and an 18% increase in impressions compared with 2024. These results demonstrate increased audience visibility and interaction with the Credit Union's digital advertisements.

Google AdWords also recorded substantial growth. Clicks increased by 56% to 32,547, while impressions increased by 51% to 65,537 compared with the previous year.

These results demonstrate the effectiveness of targeted digital advertising in expanding PSECCU's online reach and directing increased attention to the Credit Union's products and services.

Social Media
PSECCU's social media platforms recorded significant improvements in reach and engagement during 2025.

Instagram was particularly strong, with page views increasing by more than 493% compared with 2024. Follower growth increased by 379%, content interactions by 135%, and page visits by 124%. These results indicate substantial growth in audience interest and engagement and reflect the Department's increased emphasis on developing relevant and engaging digital content.

Facebook also recorded considerable growth during the year. Post reach increased by 332%, while views increased by 184% compared with 2024, demonstrating a significant expansion in the number of users being reached by PSECCU's content.

Collectively, these results reflect a stronger digital presence and reinforce the importance of social media as a channel for member communication, product promotion, financial education, and brand development.

Members Relationship Management
Maintaining strong relationships with members remained a central component of the Credit Union's activities throughout 2025.

PSECCU maintained regular communication with members through quarterly newsletters, SMS notifications, birthday greetings, email communications, website Live Chat, and social media platforms. These channels provided members with timely information while enabling them to submit queries and receive assistance.

Welcome letters were also issued to new members, formally introducing them to the PSECCU family and reinforcing the Credit Union's commitment to providing a positive member experience from the beginning of the relationship.

These initiatives supported the Credit Union's broader objective of maintaining meaningful engagement with members and improving accessibility and responsiveness across multiple communication channels.

Credit Union Week Activities
Credit Union Week was celebrated from October 12–18, 2025, providing an opportunity to recognize and celebrate PSECCU's members across the branch network.

Throughout the week, members participated in activities designed to demonstrate the Credit Union's appreciation for their continued loyalty and support. Member Appreciation Day was a major feature of the celebrations, with members receiving food, beverages, giveaways, and other expressions of appreciation.

At Head Office, the Credit Union partnered with Jetour, which displayed selected vehicle models for members. The initiative provided an additional opportunity for engagement while enhancing the overall Member Appreciation experience.

Credit Union Week reinforced PSECCU's commitment to placing members at the centre of the organization and building lasting relationships with the communities it serves.

Corporate Social Responsibility
The Board remains committed to ensuring that PSECCU continues to make a meaningful contribution to the lives of its members and the wider society. During 2025, the Credit Union supported several educational, humanitarian, and community-based initiatives.

PEP Grants: Seventy-one (71) successful PEP applicants were awarded educational grants totaling $1 million to support their continued educational development.

Memorial Scholarships: A total of $800,000 was awarded to four (4) members pursuing undergraduate and postgraduate studies, supporting their academic and professional development.

Disaster Relief Support: Following Hurricane Melissa, assistance was provided to affected members through the distribution of more than 400 care packages. This initiative provided practical support to members facing displacement and other challenges associated with recovery and rebuilding.

Community and Member Support: The Credit Union also provided assistance through various donations and other initiatives aimed at addressing the needs of members and contributing to the well-being of the communities in which PSECCU operates.

These initiatives demonstrate the Credit Union's continued commitment to education, member empowerment, community development, disaster response, and social responsibility.

Outlook for 2026

Building on the achievements of 2025, the Credit Union will continue to strengthen its marketing and member engagement strategies during 2026.

Priority will be given to expanding membership across the public sector, increasing the effectiveness and reach of the Mobile Branch programme, strengthening relationships with Ministries, Departments, and Agencies, and utilizing data-driven approaches to identify new opportunities for membership growth.

The Credit Union will also continue to expand its digital presence, with greater emphasis on targeted online advertising, social media engagement, digital member acquisition, and the use of analytics to evaluate the effectiveness of marketing initiatives.

Members relationship management will remain a priority, with continued focus on strengthening communication, enhancing the member's experience, promoting products and services relevant to members' financial needs, and deepening relationships with both existing and new members.
PSECCU will also continue to advance its corporate social responsibility agenda through initiatives that support education, member welfare, community development, and financial empowerment.

The addition of 1,037 new accounts, continued success of the Mobile Branch programme, significant expansion in digital reach and engagement, and ongoing investment in member and community initiatives represent important achievements for the Credit Union.

The Board extends its appreciation to management, the Marketing Department, staff, members, and our strategic partners for their contribution to these achievements.

As PSECCU moves forward, we remain committed to strengthening our brand, expanding our membership, deepening relationships with the public sector, embracing digital opportunities, and ensuring that our members remain at the heart of everything we do.

Board Governance

Throughout the year, the Board of Directors remained committed to maintaining strong governance, accountability, and effective oversight of the Credit Union's operations. In fulfilling its fiduciary and strategic responsibilities, the Board utilized a range of governance mechanisms to monitor organizational performance, manage risks, and support the achievement of the Credit Union's strategic objectives.

Oversight

Throughout 2025, the Board of Directors continued to discharge its governance and oversight responsibilities through established structures and practices designed to promote accountability, transparency, sound decision-making, and effective management of the Credit Union.

The Board convened monthly meetings to review the Credit Union's financial and operational performance, assess emerging risks, monitor strategic priorities, and deliberate on matters requiring policy direction and strategic intervention. These deliberations were supported by monthly and periodic reports from the Supervisory Committee, Credit Committee, and Board-appointed committees, including the Finance and Investment Committee, Delinquency Committee, and Enterprise Risk Management (ERM) Committee. These reporting mechanisms facilitated informed decision-making and strengthened the Board's oversight of key operational and financial activities.

The Annual Strategic Planning Retreat provided an important forum for evaluating organizational performance, reviewing strategic objectives, identifying emerging opportunities and challenges, and establishing priorities to guide the Credit Union's continued development. Additionally, Board members participated in ongoing training and professional development initiatives aimed at enhancing their governance competencies, strengthening their understanding of regulatory

requirements, and supporting effective leadership and decision-making.

The Board also utilized the Balanced Scorecard as a strategic performance management tool to monitor progress against established objectives and key performance indicators. Periodic Board assessments were undertaken to evaluate governance effectiveness, identify opportunities for improvement, and promote continuous enhancement of the Credit Union's governance framework.

Through these initiatives, the Board remained committed to exercising prudent oversight, reinforcing a culture of accountability and transparency, strengthening risk management practices, and safeguarding the Credit Union's financial stability and long-term sustainability in the best interests of its members.

BOARD OF DIRECTORS

Meeting Attendance for the Year Ended December 31, 2025

DIRECTORS	NUMBER OF MEETINGS	ATTENDANCE	ABSENT WITH EXCUSED
Calvin Allen	15	15	-
Christopher Phillips	6	6	-
Errol Adams	15	14	1
Andrew Johnson	15	14	1
Dacy-Ann Graham	15	15	-
Jason Rodriques	2	2	-
Jeanette Davis	15	12	3
Courtney Faulknor	15	15	-
Eric Wint	15	15	-

Appreciation

On behalf of the Board of Directors, I wish to thank the many individuals and organizations who have partnered with us throughout the year 2025. Namely the Department of Co-operatives & Friendly Societies, Jamaica Co-op Credit Union League, Credit Union Fund Management Company, Centralized Strategic Services, CUNA Caribbean Insurance Jamaica Ltd and National Union of Co-operatives.

We could not have done it on our own and so, special appreciation to our Chief Executive Officer, Mr. Osmond Bromfield and his capable management team and staff for their prudent performance throughout the year. We thank the Credit and Supervisory Committees for their assistance throughout the year and most of all, to you, the general membership for your support over the period. It has been our honour to serve you throughout 2025, and we look forward to serving you again.

.....

Calvin Allen MSc.
PRESIDENT

Treasurer's Report

The Credit Union continued along its growth trajectory during the year, albeit at a more moderate pace than in previous years. Significant challenges arising from loan delinquency adversely affected overall performance and contributed to results that fell below the key performance indicator averages recorded by both the Credit Union Movement and the wider Banking Sector.

Total assets grew by 4.27%, representing the first single-digit growth rate since 2021. While this was below the Credit Union Movement's average growth rate of 8.35%, it reflected the Credit Union's ability to maintain positive growth despite a challenging operating environment.

The savings portfolio increased by 8.46%, compared to the Movement's average growth of 9.53% and the Banking Sector's growth rate of 12.49%. Savings growth was impacted by the strategic transfer of approximately $125 million from Voluntary Shares to Deferred Shares. Notwithstanding this adjustment, members continued to demonstrate confidence in the institution through sustained savings activity.

The Credit Union's capital position strengthened significantly during the year, increasing by 36.04%. This performance substantially exceeded the Credit Union Movement's average capital growth of 5.51% and the Banking Sector's growth rate of 3.85%. The strong growth in capital reflects the Credit Union's ongoing commitment to maintaining a sound financial foundation and enhancing its long-term sustainability.

Loan portfolio performance was adversely affected by elevated delinquency levels. During the year, delinquent loans totaling approximately $165 million were written off as part of the Credit Union's efforts to strengthen asset quality and maintain prudent financial management practices. As a result, the loan portfolio declined by 0.68%, compared to average loan growth of 7.5% within the Credit Union Movement and 6.7% within the Banking Sector. While this outcome was below industry benchmarks, the write-offs represent a necessary step in addressing legacy delinquency issues and positioning the Credit Union for healthier portfolio growth in the future.

Despite these challenges, the Credit Union remained financially sound and resilient. The institution continued to meet its obligations, strengthen its capital base, and safeguard members' savings while implementing measures to improve portfolio quality and operational efficiency. These achievements underscore the Credit Union's stability and reinforce confidence in its ability to navigate challenges while remaining focused on long-term growth and sustainability.

Your Credit Union remains committed to prudent financial stewardship, sound governance, and the delivery of value to its members. Although the year presented significant obstacles, the strength of the institution, coupled with the dedication of management, staff, and the Board of Directors, positions the Credit Union to capitalize on future opportunities and maintain its standing as one of the premier financial institutions serving its members.

Table 1 – Portfolio Growth

Portfolio Item	2025	2024	Monetary Change	Change %
Loans	3,673,557,670	3,698,742,890	(25,185,220)	-0.68%
Savings	4,176,760,361	3,851,122,126	325,638,235	8.46%
Capital	613,675,846	451,084,875	162,590,971	36.04%
Total Assets	5,103,852,908	4,894,801,564	209,051,344	4.27%



INCOME

Loan interest income increased by $65 million or 10.59% from $619 million for 2024 to $684 million in 2025. This growth was primarily driven by the performance of the loan portfolio and remained the Credit Union's largest source of revenue.

Investment income also demonstrated significant improvement, increasing by $3.9 million, or 32.37%, from $22 million in 2024 to $26 million in 2025. This growth reflects enhanced returns on the Credit Union's investment portfolio and prudent treasury management.

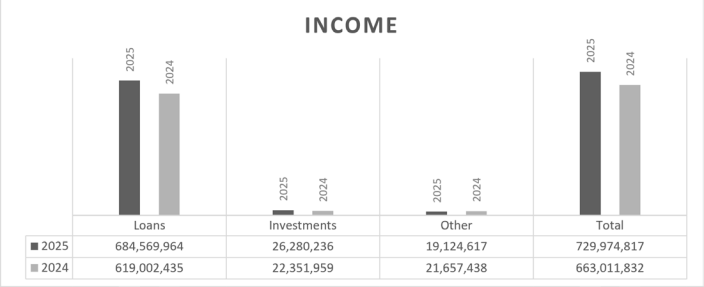
Other income amounted to $19 million in 2025, compared to $21 million in 2024, representing a decrease of $2 million, or 11.69%. While this category experienced a modest decline, its impact was offset by the strong growth recorded in both loan interest and investment income.

As a result of these performances, the Credit Union's total income increased to $730 million in 2025, up from $663 million in 2024. This represents an increase of $67 million, or 10.10%, and underscores the institution's ability to generate sustainable revenue despite the challenges experienced during the year. The overall improvement in income contributed positively to the Credit Union's financial strength and supports its continued commitment to delivering value to its members.

Table 2 – Total Income

Income Source	2025 (J$)	2024 (J$)	Monetary Change (J$)	Change %
Loan Interest Income	684,569,964	619,002,435	65,567,529	10.59%
Investment Income	26,280,236	22,351,959	3,928,277	17.57%
Other Income	19,124,617	21,657,438	(2,532,821)	-11.69%
Total	**729,974,817**	**663,011,832**	**66,962,985**	**10.10%**

Figure 2 - Income



COST OF FUNDS

The Credit Union's total Cost of Funds increased by $26 million, or 12.23%, rising from $214 million in 2024 to $240 million in 2025. This increase was primarily attributable to higher interest expenses on members' deposits, reflecting both growth in the savings portfolio and the prevailing interest rate environment during the year.

Interest paid on deposits increased by $36 million, or 22.10%, from $166 million in 2024 to $202 million in 2025. This category remained the largest component of the Credit Union's Cost of Funds and reflects the institution's commitment to providing competitive returns to members while maintaining a stable funding base.

Partially offsetting this increase was a reduction in interest expense on external credit facilities. Interest payments on external credit declined by $9 million, or 24.78%, from $36 million in 2024 to $27 million in 2025. This decrease reflects the Credit Union's continued efforts to effectively manage its borrowing obligations and optimize its funding structure.

Interest paid on Deferred Shares also decreased during the year, falling by $2 million, or 26.21%, from $9 million in 2024 to $7 million in 2025. This reduction contributed positively to overall funding cost management.

Bank charges increased by approximately $0.8 million, or 21.14%, rising from $3.6 million in 2024 to $4.4 million in 2025. The increase reflects higher transaction volumes and the continued expansion of electronic and banking services utilized by the Credit Union and its members.

Overall, while the Cost of Funds increased during the year, the growth was largely driven by higher returns paid to members on their deposits. The reduction in external borrowing costs and deferred share interest expenses helped mitigate some of the impact, demonstrating the Credit Union's continued focus on prudent financial management and maintaining a balanced funding structure.

Table 3 – Cost of Funds

Cost of Funds	2025 (J$)	2024 (J$)	Monetary Change (J$)	Change %
Interest on Deposits	202,333,892	165,717,996	36,615,896	22.10%
Interest on External Credit	26,855,510	35,702,512	(8,847,002)	-24.78%
Interest on Deferred Shares	6,641,873	9,000,952	(2,359,079)	-26.21%
Bank Charge	4,396,618	3,629,246	767,372	21.14%
Total	**240,227,893**	**214,050,706**	**26,177,187**	**12.23%**

PROFITABILITY

The Credit Union's financial performance for the year was significantly impacted by increased provisioning for loan losses, which affected both profitability and

overall comprehensive income.

Gross income declined by $122 million, or 30.69%, decreasing from $399 million in 2024 to $276 million in 2025. The primary factor contributing to this reduction was a substantial increase in the Loan Loss Allowance of $212 million. This increase reflects the Credit Union's prudent approach to recognizing and addressing credit risk within the loan portfolio and reinforces its commitment to maintaining the integrity of its financial position.

Operating expenses increased by $55 million, or 13.49%, rising from $407 million in 2024 to $462 million in 2025. The increase in expenses was driven by the continued investment in operational activities, member services, and the resources required to support the Credit Union's strategic objectives during the year.

As a result of the decline in gross income and the increase in operating expenses, the Credit Union recorded a net loss of $185 million in 2025, compared to a net loss of $7.5 million in 2024. While this represents a significant year-over-year decline in earnings performance, it is important to note that the result was heavily influenced by the increased Loan Loss Allowance, a non-cash accounting adjustment aimed at strengthening the Credit Union's financial resilience and ensuring adequate provisioning against potential credit losses.

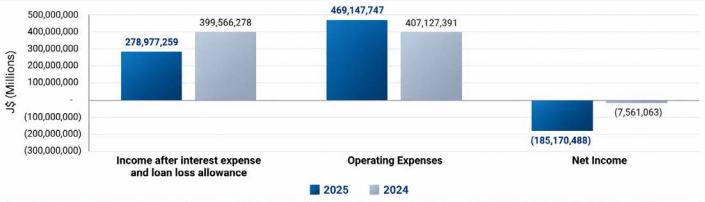
Total comprehensive income also declined, moving from a surplus of $62 million in 2024 to a deficit of $158 million in 2025. This outcome reflects the combined impact of the increased loan loss provisioning and higher operating costs experienced during the year.

Despite these results, the Credit Union remains financially stable and committed to strengthening its balance sheet, improving asset quality, and enhancing long-term sustainability. The decisive actions taken during the year to address delinquency and bolster loan loss reserves position the institution to better manage risk and support future growth opportunities. While the financial results were challenging, these measures demonstrate prudent stewardship and a proactive approach to safeguarding members' assets and the long-term viability of the Credit Union.

Table 4 - Profitability

Item	2025 (J$)	2024 (J$)	Monetary Change (J$)	Change %
Gross Income	276,922,359	399,566,278	(122,643,919)	-30.69%
Operating Expenses	462,042,747	407,127,341	54,915,406	13.49%
Net Income	(185,120,388)	(7,561,063)	(177,559,325)	-2348.34%
Total Comp. Income	**(158,162,828)**	**62,249,457**	**(220,412,285)**	**354.08%**

PROFITABILITY



Item	2025 (J$)	2024 (J$)	Monetary Change (J$)	Change (%)
Income after interest expense and loan loss allowance	278,977,259	399,566,278	(120,589,019)	-30.17%
Operating Expenses	469,147,747	407,127,391	62,020,356	15.23%
Net Income	**(185,170,488)**	**(7,561,063)**	**(177,609,425)**	**2,350.23%**

EXPENDITURE

The Credit Union's operational costs increased by 13.49% during 2025, reflecting continued investment in human resources, member services, and the overall infrastructure necessary to support the institution's operations and strategic objectives. Personnel costs increased by $44 million, or 17.17%, moving from $253 million in 2024 to $297 million in 2025. This increase reflects the Credit Union's ongoing investment in its workforce, recognizing that skilled and dedicated employees remain critical to delivering quality service and achieving organizational goals.

Members' insurance expense decreased by $6 million, or 21.61%, falling from $29 million in 2024 to $23 million in 2025. This reduction contributed positively to overall expense management and helped partially offset increases in other operating cost categories.

Marketing and promotion expenses remained stable at $7.5 million in both 2024 and 2025. The consistency in expenditure demonstrates the Credit Union's continued commitment to member engagement, brand awareness, and business development initiatives while maintaining disciplined cost control.
Administrative expenses increased by $8 million, or 9.82%, rising from $79 million in 2024 to $87 million in 2025. The increase reflects higher operational and support costs associated with maintaining and enhancing the Credit Union's services, systems, and day-to-day activities.
Affiliation expenditure increased by $10 million, or 26.00%, from $38 million in 2024 to $47 million in 2025. This increase reflects the Credit Union's continued participation in and support of the broader credit union network, regulatory requirements, and

industry-related initiatives that contribute to the strength and sustainability of the sector.

Overall, while operating costs increased during the year, the expenditures were largely concentrated in areas that support the Credit Union's people, operations, and long-term strategic priorities. Management remains focused on balancing operational efficiency with the need to provide high-quality service, maintain regulatory compliance, and strengthen the institution's capacity to meet the evolving needs of its members.

Table 5 - Expenditure

Expenditure Category	2025 (J$)	2024 (J$)	Monetary Change (J$)	Change %
Personnel Cost	297,315,824	253,738,627	43,577,197	17.17%
Members' Insurance	22,690,006	28,945,661	(6,255,655)	-21.61%
Marketing & Promotions	7,599,780	7,566,880	32,900	0.43%
Administrative Expenditure	87,044,014	79,262,520	7,781,494	9.82%
Affiliation Expenditure	47,393,123	37,613,653	9,779,470	26.00%
Total	**462,042,747**	**407,127,341**	**54,915,406**	**13.49%**

ACKNOWLEDGEMENT

As I conclude this report, I wish to express my sincere appreciation to the staff and management team for their unwavering dedication, professionalism, and commitment throughout the year. Your collective efforts have been instrumental in advancing the Credit Union's strategic objectives and maintaining the high standard of service our members have come to expect.

I also extend heartfelt thanks to the Department of Co-operatives and Friendly Societies (DCFS), our regulator, for its guidance and oversight, which continue to strengthen the governance and stability of our Credit Union. Special thanks are also extended to Baker Tilly Jamaica, our external auditors, for their professionalism, expertise, and valuable insights throughout the audit process. I further acknowledge the Jamaica Co-operative Credit Union League (JCCUL) for its continued support, advocacy, and commitment to the development of the credit union movement.

Most importantly, I thank you, our members, for your continued trust, loyalty, and confidence in the Board of Directors and the leadership of the Credit Union. Your support remains the foundation of our strength and success.

Finally, I express my gratitude to my fellow Board members for their guidance, collaboration, and steadfast commitment to the Credit Union's mission. It has been a privilege and an honour to serve as Treasurer and to contribute to another year of growth, resilience, and achievement for our Credit Union.

Together, we remain committed to building a stronger and more prosperous future for all our members.



Andrew Johnson
Treasurer

Ministry of Industry
Investment & Commerce

Jamaica's **Business** Ministry

76 DCFS ANNIVERSARY

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:

S1
R335-72/06/2026

June 23, 2026

The Secretary
Public Sector Employees Co-operative
Credit Union Limited
7-9 Union Square
Cross Roads
Kingston 5

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,

.....

Vanessa Porter Allen (Mrs.)
(For) REGISTRAR OF CO-OPERATIVE SOCIETIES
AND FRIENDLY SOCIETIES

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INDEPENDENT AUDITORS' REPORT

To The Registrar of Co-operatives and Friendly Societies
Public Sector Employees Co-operative Credit Union Limited
(A Society Registered Under the Co-operative Societies Act)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Public Sector Employees Co-operative Credit Union Limited (the "Credit Union") set out on pages 1 – 76, which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a Summary of material accounting policies and other explanatory notes.

In our opinion, the 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 cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants *Code* of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Responsibilities of Management and the Board of Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS 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.

PARTNERS: Wayne Strachan; FCA;FCCA;MBA Emile Lafayette; FCA;FCCA;MBA Roxiana Malcolm-Tyrell; FCA;FCCA;MBA
Royal Thorpe; FCA;FCCA;MBA

Baker Tilly Strachan Lafayette trading as BakerTilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Report on the Audit of the Financial Statements (continued)

Responsibilities of Management and the Board of Directors for the Financial Statements (continued)

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. The Board of Directors is responsible for overseeing the Credit Union's financial reporting process.

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 judgment and maintain professional skepticism 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.

.../3

Report on the Audit of the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 presents a true and fair view.

We communicate with the Board of Directors 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.

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

In our opinion, proper accounting records have been maintained and the financial statements, which are in agreement therewith, are correct, duly vouched and in accordance with the provisions of the Co-operative Societies Act.

Baker Tilly

Chartered accountants
Kingston, Jamaica
21 May 2026

Public Sector Employees Co-operative Credit Union Limited
(A Society Registered Under the Co-operative Societies Act)

Statement of Financial Position
As at 31 December 2025

	Note	2025	2024
		$	$
ASSETS			
Earning assets			
Liquid assets	6	874,877,776	595,032,475
Loans to members	7	3,673,557,670	3,698,742,889
Financial investments	8	85,439,338	83,024,579
		4,633,874,784	4,376,799,943
Non-earning assets			
Liquid assets	6	97,967,620	136,555,475
Receivables	9	53,147,719	70,032,877
Property, plant and equipment	10	305,536,785	311,413,269
Retirement benefit asset	11	13,326,000	-
		469,978,124	518,001,621
TOTAL ASSETS		5,103,852,908	4,894,801,564
LIABILITIES AND CAPITAL			
Interest bearing liabilities			
Savings deposits	12	3,023,485,829	2,623,120,097
Members' voluntary shares	13	1,153,274,532	1,228,002,029
Members' deferred shares	14	141,634,995	146,706,933
External credits	15	161,360,440	282,597,901
		4,479,755,796	4,280,426,960
Non-interest bearing liabilities			
Payables	16	67,775,692	53,922,254
Retirement benefit liability	11	-	11,458,000
		67,775,692	65,380,254
Total liabilities		4,547,531,488	4,345,807,214
Capital			
Members' permanent shares	17	347,677,638	180,883,329
Institutional capital	18	124,363,213	123,494,613
Non-institutional capital	19	84,280,569	244,616,408
Total capital		556,321,420	548,994,350
TOTAL LIABILITIES AND CAPITAL		5,103,852,908	4,894,801,564

Approved for issue by the Board of Directors on 21 May 2026 and signed on its behalf by:



President
Calvin Allen



Treasurer
Andrew Johnson

Public Sector Employees Co-operative Credit Union Limited
(A Society Registered Under the Co-operative Societies Act)

Statement of Comprehensive Income
Year ended 31 December 2025

	Note	2025	2024
		$	$
Interest income			
Loans to members		684,569,964	619,002,435
Liquid assets	20	26,157,623	22,191,168
Financial investments	20	122,613	160,791
		710,850,200	641,354,394
Interest expense and other financial costs			
Savings deposits		(202,333,892)	(165,717,996)
External credits		(26,855,510)	(35,702,512)
Members' deferred shares		(6,641,873)	(9,000,952)
Other financial costs	21	(4,396,618)	(3,629,246)
		(240,227,893)	(214,050,706)
Net interest income		470,622,307	427,303,688
Change in fair value of financial investments through profit and loss	8	(447,791)	(307,920)
Impairment allowances on financial instruments	22	(212,376,774)	(49,086,928)
Net interest income after fair value adjustments and impairment allowances		257,797,742	377,908,840
Non-interest income			
Miscellaneous income	23	19,124,617	21,657,438
Net interest income and other revenue		276,922,359	399,566,278
Operating expenses	24	(462,042,747)	(407,127,341)
Net loss for the year		(185,120,388)	(7,561,063)
Other comprehensive income/(loss)			
Item that will never be reclassified to profit or loss:			
Surplus on revaluation of properties	10	-	100,424,519
Change in fair value of financial investments through other comprehensive income	8	(133,440)	-
Re-measurement of retirement benefit asset	11(g)	27,091,000	(30,614,000)
		26,957,560	69,810,519
Total comprehensive (loss)/income		(158,162,828)	62,249,456

Public Sector Employees Co-operative Credit Union Limited
(A Society Registered Under the Co-operative Societies Act)

Statement of Changes in Equity
Year ended 31 December 2025

	Permanent Shares	Institutional Capital (Page 4)	Non-Institutional Capital (Pages 5 - 6)	Total
	$	$	$	$
Balance at 1 January 2024	180,883,329	122,433,048	180,415,380	483,731,757
Net loss for the year	-	-	(7,561,063)	(7,561,063)
Other comprehensive income:				
Surplus on revaluation of properties	-	-	100,424,519	100,424,519
Re-measurement of retirement benefit asset	-	-	(30,614,000)	(30,614,000)
Total comprehensive income for the year	-	-	62,249,456	62,249,456
Transaction with owners:				
New permanent share subscriptions	5,441,034	-	-	5,441,034
Withdrawals from permanent shares	(5,441,034)	-	-	(5,441,034)
Share transfer fund used to repurchase shares	-	-	1,951,572	1,951,572
Entrance fees	-	1,061,565	-	1,061,565
	-	1,061,565	1,951,572	3,013,137
Balance at 31 December 2024	180,883,329	123,494,613	244,616,408	548,994,350
Net loss for the year	-	-	(185,120,388)	(185,120,388)
Other comprehensive income:				
Change in fair value of investment securities at FVOCI	-	-	(133,440)	(133,440)
Re-measurement of retirement benefit asset	-	-	27,091,000	27,091,000
Total comprehensive loss for the year	-	-	(158,162,828)	(158,162,828)
Transaction with owners:				
New permanent share subscriptions	1,687,060	-	-	1,687,060
Transfer from deferred shares	162,425,181	-	-	162,425,181
Share transfer fund used to repurchase shares	2,682,068	-	(2,173,011)	509,057
Entrance fees	-	868,600	-	868,600
	166,794,309	868,600	(2,173,011)	165,489,898
Balance at 31 December 2025	347,677,638	124,363,213	84,280,569	556,321,420

Statement of Changes in Equity (Continued)
Year ended 31 December 2025

	Institutional Capital (Note 18)		
	Legal & Statutory Reserves	**Retained Earnings Reserve**	**Total**
	$	**$**	**$**
Balance at 1 January 2024	112,433,048	10,000,000	122,433,048
Transaction with owners:			
Entrance fees	1,061,565	-	1,061,565
Balance at 31 December 2024	113,494,613	10,000,000	123,494,613
Transaction with owners:			
Entrance fees	868,600	-	868,600
Balance at 31 December 2025	114,363,213	10,000,000	124,363,213

Public Sector Employees Co-operative Credit Union Limited
(A Society Registered Under the Co-operative Societies Act)

Statement of Changes in Equity (Continued)
Year ended 31 December 2025

	Non-Institutional Capital (Note 19)						
	Revaluation & Building Reserve	Retirement Benefit Reserve	General Reserve	Special Reserve	Share Transfer Fund	Accumulated Deficit	Total
	$	$	$	$	$	$	$
Balance at 1 January 2024	192,079,350	15,830,000	1,554	29,137	374,420	(27,899,081)	180,415,380
Net loss for the year	-	-	-	-	-	(7,561,063)	(7,561,063)
Other comprehensive income:							
Surplus on revaluation of land and building	100,424,519	-	-	-	-	-	100,424,519
Re-measurement of retirement benefit asset	-	-	-	-	-	(30,614,000)	(30,614,000)
Total comprehensive income for the year	100,424,519	-	-	-	-	(38,175,063)	62,249,456
Appropriations:							
Share transfer fund used to repurchase shares, net	-	-	-	-	1,951,572	-	1,951,572
Transfers between and to/(from) reserves:							
Transfer from retirement benefit reserve	-	(27,288,000)	-	-	-	27,288,000	-
	-	(27,288,000)	-	-	1,951,572	27,288,000	1,951,572
Balance at 31 December 2024	292,503,869	(11,458,000)	1,554	29,137	2,325,992	(38,786,144)	244,616,408

Statement of Changes in Equity (Continued)
Year ended 31 December 2025

	Non-Institutional Capital (Note 19) (Continued)							
	Revaluation & Building Reserve	Retirement Benefit Reserve	General Reserve	Special Reserve	Share Transfer Fund	Fair Value Reserve	Accumulated Deficit	Total
	$	$	$	$	$	$	$	$
Balance at 1 January 2025	292,503,869	(11,458,000)	1,554	29,137	2,325,992	-	(38,786,144)	244,616,408
Net loss for the year	-	-	-	-	-	-	(185,120,388)	(185,120,388)
Other comprehensive income:								
Change in fair value of securities FVOCI	-	-	-	-	-	(133,440)	-	(133,440)
Re-measurement of retirement benefit asset	-	-	-	-	-	-	27,091,000	27,091,000
Total comprehensive loss for the year	-	-	-	-	-	(133,440)	(158,029,388)	(158,162,828)
Appropriations:								
Share transfer fund used to repurchase shares, net	-	-	-	-	(2,173,011)	-	-	(2,173,011)
Transfers between and to/(from) reserves:								
Transfer to retirement benefit reserves	-	24,784,000	-	-	-	-	(24,784,000)	-
	-	24,784,000	-	-	(2,173,011)	-	(24,784,000)	(2,173,011)
Balance at 31 December 2025	292,503,869	13,326,000	1,554	29,137	152,981	(133,440)	(221,599,532)	84,280,569

Public Sector Employees Co-operative Credit Union Limited

(A Society Registered Under the Co-operative Societies Act)

Statements of Cash Flow
Year ended 31 December 2025

	Note	2025	2024
		$	$
Cash flows from operating activities:			
Net loss for the year		(185,120,388)	(7,561,063)
Adjustments for:			
Interest income		(710,850,200)	(641,354,394)
Interest expense		240,227,893	214,050,706
Depreciation		14,052,239	9,400,295
Deferred loan fee recognised		(11,696,086)	(11,307,259)
Expected credit losses on loans and investments		212,376,774	49,086,929
Pension expense		9,463,000	3,916,000
Fair value adjustment on shares		447,791	-
Gain on sale of motor vehicle		-	(1,100,000)
		(431,098,977)	(384,868,786)
Changes in operating assets and liabilities:			
Loans to members		(187,191,555)	(400,502,142)
Savings deposits		400,365,732	422,007,456
Members' voluntary shares		51,749,411	64,660,177
Receivables		16,885,158	3,218,351
Payables		2,157,352	(26,891,556)
Mandatory reserve deposits with JCCUL		(27,872,409)	(23,895,776)
		(175,005,288)	(346,272,276)
Interest received		733,762,905	644,908,927
Interest paid		(244,034,432)	(212,392,116)
Loan fees received		3,704,552	23,998,465
Net cash provided by operating activities		318,427,737	110,243,000
Cash flows from investing activities:			
Financial investments, net		(2,414,759)	(3,814,645)
Purchase of property, plant and equipment		(8,175,755)	(10,143,497)
Proceeds from sale of motor vehicle		-	1,100,000
Pension contributions		(7,155,777)	(7,242,000)
Net cash used in investing activities		(17,746,291)	(20,100,142)
Cash flows from financing activities:			
External credits		(121,237,461)	(91,391,917)
Members' deferred shares		32,538,040	21,202,896
Permanent shares		25,355	-
Increase in institutional capital from entrance fees		868,600	1,061,565
Share transfer fund used to repurchase shares, net		509,057	1,951,572
Net cash (used in)/provided by financing activities		(87,296,409)	(67,175,884)
Net increase in liquid assets		213,385,037	22,966,974
Liquid assets at beginning of year		510,535,011	487,568,037
Liquid assets at end of year	6	723,920,048	510,535,011

1. Identification and principal activities

The Public Sector Employees Co-operative Credit Union Limited (the "Credit Union") was registered and incorporated under the Co-operative Societies Act and is domiciled in Jamaica. The registered office and principal place of business of the Credit Union is located at 7-9 Union Square, Cross Roads, Kingston 5. The liability of individual members is limited by shares. Individual membership may not exceed 20% of total share capital.

Membership in the Credit Union is limited to the following:

(a) All Employees of the Government of Jamaica i.e. Public Sector Employees.
(b) Past employees of the public sector who were members of the Credit Union when they resigned or retired.
(c) Employees of the Public Sector Employees Co-operative Credit Union Limited.
(d) Members of other credit unions who serve public sector employees.
(e) Spouses and/or children of the “active” members mentioned above.

Any or all of whom shall not be less than the age prescribed by the Co-operative Societies Act provided that any person who gains membership by virtue of sections (c), (d) and (e) above shall not be entitled to transmit membership to their spouse and children.

The main objectives of the Credit Union are:

(a) the promotion of thrift among its members by affording them an opportunity to accumulate their savings and to create for them a source of credit;
(b) the provision of loans to members at reasonable rates of interest and exclusively for provident and productive purposes;
(c) to receive the savings of its members either as payment on shares or as deposits.

The Co-operative Societies Act requires, amongst other provisions, that at least 20% of the net profit of the credit union be transferred annually to a reserve fund. Section 59 (1) of the Act provides for the exemption from Income Tax for the Credit Union.

Being a co-operative society, the Credit Union is regulated by the Department of Co-operatives and Friendly Societies.

The Credit Union is a member of and is supervised by the Jamaica Co-operative Credit Union League (JCCUL, the League), which provides common services to credit unions in Jamaica. JCCUL has fixed the rate of league fees at 0.2% (2024 - 0.2%) of total assets. Stabilization dues are fixed at a rate of 0.15% (2024 - 0.15%) of total savings. Rule 15 of the League requires the Credit Union to maintain liquidity deposit with the League of 6% of average savings liabilities which is not subject to withdrawal and also 2% of average savings liabilities that can be drawn down on at anything but should be replenished to meet the 2% for the month.

2. Summary of material accounting policies

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

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards as issued by the International Accounting Standards Board (IASB) and Interpretations (collectively IFRSs). The financial statements are also prepared under the historical cost convention as modified by the revaluation of financial assets that are measured at fair value.

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

The preparation of financial statements in conformity with IFRS 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.

2. Summary of material accounting policies (continued)

(a) Basis of preparation (continued)

Standards and amendments to published standards effective in the current year that are relevant to the Credit Union's operations

The following amendments to standards have been adopted by the Credit Union for the first time which have been issued and are effective for mandatory adoption for the financial year beginning on or after 1 January 2025:

Lack of Exchangeability Amendments to IAS 21 (effective for annual periods beginning on or after 1 January 2025). An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The adoption of these amendments did not result in any significant impact on the Credit Union's financial statements.

2. Summary of material accounting policies (continued)

(a) Basis of preparation (continued)

Standards and amendments to published standards that are not yet effective and have not been early adopted by the Credit Union

At the date of authorisation of these financial statements, certain new accounting standards, amendments and interpretation to existing standards have been issued which are not yet effective, and which the Credit Union has not early adopted. The Credit Union has assessed the relevance of all such new standards, interpretations and amendments and has determined that the following may be relevant to its operations. Unless stated otherwise, the impact of the changes is still being assessed by management.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9, and IFRS 7) effective for annual periods beginning on or after 1 January 2026 clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date.

IFRS 18 Summary for Financial Statements replaces IAS 1 effective for annual periods beginning on or after 1 January 2027 enhances transparency and comparability in financial reporting by introducing new requirements include: new categories and subtotals in the statement of profit or loss, disclosure of management-defined performance measures (MPMs) and enhanced requirements for grouping information.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a material impact on the operations of the Credit Union.

2. Summary of material accounting policies (continued)

(b) Loans to members and provision for loan impairment

Loans are stated net of any unearned income and provision for impairment losses. The Credit Union, under the IFRS 9 Expected Credit Loss (ECL) impairment framework, recognises ECLs on loans, taking into account past events, current conditions and forecast information. In this regard, the Credit Union determines the economic variables that are likely to influence the borrowers' ability to meet their loan obligations in the future and incorporate such forward-looking economic information in the overall estimation of the expected credit loss.

Additionally, the Credit Union is required to update the amount of ECLs recognised at each reporting date to reflect changes in credit risk of the loan portfolio.

Loans to members are held solely for the collection of principal and interest in accordance with the contractual arrangement between the Credit Union and the borrower. Therefore, loans are classified under the hold to collect business model and are measured at amortized cost.

The Credit Union assigns an initial risk rating to each loan at the date of disbursement. The risk rating is determined by the credit score assigned and categorised in the recognised credit score bands.

Loan Staging
By way of disclosure, the Credit Union estimates and reports the ECL on a stage by stage basis.

Stage 1
Loans are placed in Stage 1 at origination and remains in this stage providing that such loans have not experience a significant increase in credit risk.

Stage 2
Loans are transitioned to Stage 2 when there is evidence that such loans have experienced a significant increase in credit risk.

Stage 3
Loans are transitioned into Stage 3 if there is evidence that these loans are impaired or are at a default stage. Loans that are past due for a period of 90 days or more are deemed to have defaulted.

2. Summary of material accounting policies (continued)

(b) Loans to members and provision for loan impairment (continued)

Specific provisions are established as a result of a review of the carrying value of loans in arrears and are derived based on the Supervisory Body's provisioning policy of making a full provision for loans in arrears over twelve (12) months. General provisions of ten percent (10%) to sixty percent (60%) are established in respect of loans in arrears for two (2) to twelve (12) months.

Regulatory loan loss reserve requirements that exceed the provision required under International Financial Reporting Standards - IFRS 9 "Financial Instruments" are dealt with in a non-distributable loan loss reserve as a transfer from unappropriated profits.

(c) Investments

At initial recognition, the Credit Union measures a financial asset at its fair value, plus or minus (in the case of a financial asset 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 profit or loss.

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

From 1 January 2018, the Credit Union has applied IFRS 9 and classified its financial assets as either Fair value through profit or loss (FVTPL); Fair value through other comprehensive income (FVOCI) or Amortised cost.

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.

2. Summary of material accounting policies (continued)

(c) Investments (continued)

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 the collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI') and that are not designated at 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 at 2(i). Interest income from these financial assets is included in 'Interest and similar income' using the effective interest method.

- Fair value through other comprehensive income (FVOCI): Financial 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 (FVOCI).

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

Business Model: 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.

2. Summary of material accounting policies (continued)

(d) Property, plant and equipment

Property, plant and equipment, including furniture, fixtures and equipment, computers and building held for administrative purposes, are stated in the statement of financial position at cost, less accumulated depreciation and any impairment losses. Depreciation is charged so as to write off the cost of assets, other than land, over their estimated useful lives, using the straight line method, on the following bases:

Buildings	4% per annum
Computers & Equipment	25% per annum
Furniture, Fixtures	10% per annum
Generator	10% per annum
Motor Vehicle	20% per annum

No depreciation is provided on land.

Property, plant and equipment are reviewed periodically for impairment. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit. Repairs and renewals are charged to the statement of comprehensive income when the expenditure is incurred.

(e) Impairment

The Credit Union recognises loss allowances for expected credit losses (ECL) on financial assets that are debt instruments that are not measured at Fair Value Through Profit & Loss (FVTPL).

Loss allowances are measured at an amount equal to lifetime ECL except for the following are measured as a 12-month ECL:

- debt investment securities that are low in risk
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly.

2. Summary of material accounting policies (continued)

(e) Impairment (continued)

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

Lifetime ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial Instruments for which lifetime ECL is recognised and is not credit-impaired is referred to Stage 2 financial instruments.

At each reporting date, the Credit Union assesses whether the financial assets carried at amortised cost are credit-impaired (referred to Stage 3 financial assets)

(f) Retirement benefit asset

The Credit Union participates in a multi-employer defined benefit pension scheme. The pension scheme is generally funded by payments from employees and the Credit Union, taking into account the recommendation of independent qualified actuaries. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The asset or liability in respect of the defined benefit plan is the difference between the present value of the defined benefit obligation at the reporting date and the fair value of plan assets, together with adjustments for actuarial gains/losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit method. The present value of the defined benefit obligation is determined by the estimated future cash outflows using interest rates of Government securities which have terms to maturity approximating the terms of the related liability.

Remeasurement of the net defined benefit asset is recognised directly in equity. The remeasurement includes:

- actuarial gains and losses
- return on Plan assets (interest included)
- any asset ceiling effects (interest included).

Service costs are recognised in the profit or loss, and include current and past service costs as well as gains or losses on curtailment.

2. Summary of material accounting policies (continued)

(g) Liquid assets

For the purposes of the statement of cash flows, cash and cash equivalents comprise earning liquid assets, non-earning liquid assets, less mandatory reserve deposits with JCCUL. Cash comprise cash on hand plus current and savings accounts held at regulated deposit taking institutions. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(h) Resale agreements

Resale agreements (otherwise called "Reverse repurchase agreements") are short-term transactions whereby securities are bought with simultaneous agreements to resell the securities on a specified date and at a specified price. The difference between the purchase and resale considerations is recognised on the accrual basis over the period of the agreements, using the effective yield method, and is included in interest income.

The Credit Union's investments in resale agreements are for periods of three months or less from the date of acquisition and are therefore regarded as cash equivalents [see Note 2(g)]. They are measured at amortised cost, less impairment loss.

(i) Other assets

Other assets comprise receivables which are carried at original amounts less provisions made for bad debts and impairment losses. A provision for bad debts is established when there is objective evidence that the Credit Union will not be able to collect all amounts due according to the original terms of the receivables. The amount of any provision is the difference between the carrying amount and the expected recoverable amount.

(j) Members' shares

Shares held by members comprise permanent shares and voluntary shares. Permanent shares represent the minimum shareholding required to maintain membership with the Credit Union. These shares are available for withdrawal only on termination of membership with the Credit Union. Voluntary shares represent any balances in excess of permanent shares, and are immediately available for withdrawal.

The Credit Union classifies permanent shares as equity and voluntary shares as liabilities.

2. Summary of material accounting policies (continued)

(k) Institutional Capital

Institutional Capital is comprised of retained earnings reserve and other statutory and legal reserves as set out in Article XIV Rule 66. These reserves are set aside in order to strengthen the capital base of the Credit Union and thereby protect the interest of the members. They are not available for distribution. Transfers to other reserves are made on the basis of decisions taken at Annual General Meetings.

Statutory & Legal Reserves

The Co-operative Societies Act provides that at least twenty percent (20%) of annual net surplus should be carried to a Reserve Fund. Members entrance fees are also credited to these reserves.

(l) Members' deposits

Members' deposits are stated at their nominal value.

(m) Other liabilities

Other liabilities are stated at their nominal value.

(n) Deferred Income

Donations or contributions received for capital or recurring expenditure is recognised in deferred income at amortised cost. An amount equivalent to the depreciation charge on capital assets acquired from the funds is recognised as income in profit or loss. Amounts used for recurring expenses are recognised in profit or loss as the expenses are incurred.

(o) Provisions

Provisions are recognised when the Credit Union has a present legal or constructive obligation as a result of past events, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the date of the statement of financial position.

2. Summary of material accounting policies (continued)

(p) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts for services provided in the normal course of business. Interest income earned from loans, investments and fees are recorded on the accrual basis using the effective interest method.

(q) Borrowing costs

Borrowing costs are recognized in the Statement of Comprehensive Income for all Interest-Bearing Liabilities in the period in which they are incurred by reference to the principal outstanding and at the effective interest rate applicable.

(r) Expenses

Expenses are recognized in the Statement of Comprehensive Income on the accrual basis.

(s) Foreign Currency Transactions

Transactions in foreign currencies are converted at the rates of exchange ruling on the dates of those transactions. Foreign currency balances at the date of the statement of financial position are translated at the rates ruling on that date. Gains or losses arising from fluctuations in exchange rates are included in the Statement of Comprehensive Income.

(t) Comparative information

Where necessary, comparative figures have been re-classified and/or restated to conform with changes in presentation in the current year.

2. Summary of material accounting policies (continued)

(u) Related party

A related party is a person or entity that is related to the Credit Union.

(i) A person or a close member of that person's family is related to the Credit Union if that person:

(a) has control or joint control over the Credit Union;
(b) has significant influence over the Credit Union; or
(c) is a member of the key management personnel of the Credit Union.

(ii) An entity is related to the Credit Union if any of the following conditions applies:

(a) The entity and the Credit Union are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
(b) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an entity of which the other entity is a member).
(c) Both entities are joint ventures of the same third party.
(d) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
(e) The entity is a post-employment benefit plan for the benefit of employees of either the Credit Union or an entity related to the Credit Union.
(f) The entity is controlled, or jointly controlled, by a person identified in (i) above.
(g) A person identified in (i) has significant influence over the entity or is a member of the key management personnel of the entity.
(h) The entity, or any member of a group of which it is a part, provides key management services to the Credit Union or to the parent of the Credit Union.

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 pension plan and key management personnel including directors.

3. Critical accounting judgements and estimates

The Credit Union makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Critical accounting judgments

(i) Classification of financial assets

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

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.

(b) Key assumptions and other sources of estimation uncertainty

(i) Allowance for impairment losses on financial asset

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 5(a), which also sets out key sensitivities of the ECL to changes in these elements. The use of assumptions make uncertainty inherent in such estimate.

3. Critical accounting judgements and estimates s (continued)

(b) Key assumptions and other sources of estimation uncertainty (continued)

(ii) Employee benefits obligation

The amounts recognised in the statement of financial position and statement of profit or loss 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.

4. Financial risk management

The Credit Union's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Credit Union's aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Credit Union's financial performance.

The Credit Union's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Credit Union regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices.

The Credit Union is exposed through its operations to the following financial risks:
- Credit risk.
- Liquidity risk
- Market risk

There have been no substantive changes in the Credit Union's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

a) Financial risk factors

(i) Credit risk

The Credit Union takes on exposure to credit risk, which is the risk that its members, clients or counterparties will cause a financial loss for the Credit Union by failing to discharge their contractual obligations. Credit risk is the most important risk for the Credit Union's business; management therefore carefully manages its exposure to credit risk. Credit risk exposures arise principally from the Credit Union's loans to members, deposits with other institutions and investment securities. The Credit Union structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single member.

Credit review process

The Credit Union has a Credit Committee that operates within the guidelines established by the Board of Directors for the granting of loans. The process is managed to ensure that members credit worthiness is carefully assessed before loans are granted. The established guidelines are also designed to protect the interest of savers by providing competitive interest rates and prompt service to borrowers. In respect of waivers of loan policies or procedures, the Credit Committee has to refer such loans to the Board of Directors before they can grant approval.

4. Financial risk management (continued)

a) Financial risk factors (continued)

(i) Credit risk (continued)

Credit review process (continued)

Loans to members

The Credit Union's exposure to credit risk is influenced mainly by the individual characteristics of each member. The Board of Directors has established a credit policy under which each member is assessed individually for creditworthiness prior to the Credit Union offering them a credit facility.

Loans may be granted at a maximum ratio of $10 for each $1 share value held by a member. One is required to be a member for at least one (1) month before becoming eligible for a loan, except in extraordinary circumstances which will be determined by the Credit Committee in collaboration with the Loans Manager.

All applications for loan must be accompanied by supporting documents, and loans are not granted to delinquent members or comakers of delinquent members. The verification of applicant's income must be carried out before the approval of loans and the Credit Union reserves the right to request additional information.

The repayment period for loans ranges from one month (1) to one hundred & eighty months (180) as follows:

	Ratio	Type of Loan	Maximum period
1)	10 : 1	Consolidation Loan	180 months
2)	3 : 1	Demand Loan	36 months
3)	5 : 1	Personal Loan	180 months
4)		Easy Access Loan	192 months

Collateral

The Credit Union holds collateral against loans to members as follows:

1) Shares and deposits held for the respective customers.
2) First and second mortgage where National Housing Trust or any reputable Institution is the holder, providing they are willing to register the Interest of the Credit Union.
3) Bill of sale on appliances, machines and equipment (only at the time of being purchased through the Credit Union).
4) Bill of Sale on motorcars not exceeding ten years old.
5) Assignment of Ninety percent (90%) of cash surrender value of Life Insurance Policies.
6) Assignment of deposits with other Credit Unions.
7) Period Assignment of maximum of seventy percent (70%) of market value of bonds and government securities within prescribed list of quoted stocks.

4. Financial risk management (continued)

a) Financial risk factors (continued)

(i) Credit risk (continued)

Credit review process (continued)

Loans to members (continued)

Allowances for impairment

The Credit Union under IFRS 9 established an impairment framework that estimates excepted credit losses in its loan portfolio. The Credit Union have a documented IFRS 9 policy in place to guide the recognition and derecognition process. Management is responsible for the reassessment of credit risk of all loans to members annually or earlier if the needs arises and determine whether there is a significant increase in the credit risk from the loan origination date to the date reporting date.

Management remedies fluctuations in the ECL through the Statement of Profit and Loss and the ECL Reserve account on a monthly basis

The Credit Union writes off loans (and any related allowances for impairment losses) when the Credit Union determines that the loans are not collectible. This determination is usually made after considering information such as changes in borrower's financial position, or that proceeds from collateral will not be sufficient to pay back the entire exposure. During the year, no write offs were done.

Maximum exposure to credit risk and credit quality analysis

The following tables sets out information about the maximum exposure to credit risk and the credit quality of financial assets. Unless specifically indicated, for financial assets, the amounts in the table represent principal amounts.

	31 December 2025			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	$	**$**	**$**	**$**
Loans to members before expected credit loss	3,596,085,776	97,519,757	166,958,860	3,860,564,394
Expected credit loss	8,107,741	5,819,344	155,093,010	169,020,094

	31 December 2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	$	**$**	**$**	**$**
Loans to members before expected credit loss	3,687,642,771	39,044,348	120,092,883	3,846,780,002
Expected credit loss	7,316,048	3,036,549	111,707,351	122,059,948

4. Financial risk management (continued)

a) Financial risk factors (continued)

(i) Credit risk (continued)

Credit review process (continued)

Savings deposits and investments

The Credit Union limits its exposure to credit risk by investing mainly in liquid assets. These investments are held only with counterparties that have high credit quality. The management therefore does not expect any counterparty to fail to meet its obligations.

Receivables and prepayments

Interest receivable on loans represent over eighty percent 63% (2024:80%) of receivables and prepayments. Interest is not accrued after ninety (90) days of delinquency. The risk exposure in respect of other balances is considered low.

Financial investments and resale agreements

The following table summarises the credit exposure of the Credit Union to business and government, without taking account of the value of any collateral held or other credit enhancements:

	2025	2024
	$	$
Liquid assets-earning	874,877,776	595,032,475
Loans to members, (net)	3,673,557,670	3,698,742,889
Financial investments	85,439,338	83,024,579
Liquid assets- non-earning	97,967,620	136,555,475
Receivables and prepayments	53,147,719	70,032,877
	4,784,990,123	4,583,388,295

4. Financial risk management (continued)

a) Financial risk factors (continued)

(i) Credit risk (continued)

Impairment

The Credit Union applies the 'three stage' model under IFRS 9 in measuring the expected credit losses on loans receivables and debt investments and makes estimations about 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 - The LGD 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 realized and also the time value of money.

The 'Three Stage" model is used to categorize financial assets according to credit quality as follows:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Credit Union.

- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit impaired.

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information.

- Purchased or originated credit-impaired financial assets (POCI) are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

4. Financial risk management (continued)

a) Financial risk factors (continued)

(i) Credit risk (continued)

Impairment (continued)

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

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Credit Union considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Credit Union's historical experience and third party policies including forward-looking information.

The Credit Union uses three criteria for determining whether there has been a significant increase in credit risk:

- quantitative test based on movement in PD;
- qualitative indicators; and
- a backstop of 30 days past due.

Credit risk grades.

The Credit Union uses internal credit risk gradings that reflect its assessment of the probability of default of individual counterparties. The Credit Union use internal rating models tailored to the various categories of counterparty.

Borrower and loan specific information collected at the time of application (such as disposable income, and level of collateral for retail exposures; and turnover and industry type for wholesale exposures) is fed into this rating model. This is supplemented with external data such as credit bureau scoring information on individual borrowers. In addition, the models enable expert judgement from the Credit Risk Officer to be fed into the final internal credit rating for each exposure. This allows for considerations which may not be captured as part of the other data inputs into the model.

4. Financial risk management (continued)

a) Financial risk factors (continued)

(i) Credit risk (continued)

Impairment (continued)

For debt securities in the Treasury portfolio, external rating agency credit grades are used. These published grades are continuously monitored and updated. The PD's associated with each grade are determined based on realised default rates over the prior 12 months, as published by Moody's rating agency.

Determining whether credit risk has been increased significantly:

The Credit Union assesses whether credit risk has increased significantly since initial recognition at each reporting date. Determining whether an increase in credit risk is significant depends on the characteristics of the financial instrument and the borrower.

Credit risk is deemed to increase significantly where the probability of default on a security or a loan has moved by six (6) basis points.

As a backstop, the Credit Union considers that a significant increase in credit risk occurs no later than when an asset is more than 30 days past due. Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist.

In these cases, the Credit Union determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met, includes a history of up-to-date payment performance against the modified contractual terms.

4. Financial risk management (continued)

a) Financial risk factors (continued)

(i) Credit risk (continued)

Impairment (continued)

Definition of default

In assessing whether a borrower is in default, the Credit Union considers indicators that are:

- qualitative: e.g. breaches of covenant;
- quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Credit Union; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Incorporation of forward-looking information

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

These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgment has also been applied in this process. Forecasts of these economic variables (the "base economic scenario") are provided by the Credit Union's Finance team on an annual basis and provide the best and worst estimate view of the economy.

The impact of these economic variables on the PD, EAD and LGD has been determined by performing a trend analysis and comparing historical information with forecast macro-economic data to determine whether the indicator describes a positive, negative or stable trend and to understand the impact, changes in these variables have had historically on default rates and on the components of LGD and EAD.

4. Financial risk management (continued)

a) Financial risk factors (continued)

(i) Credit risk (continued)

Impairment (continued)

Incorporation of forward-looking information (continued)

In addition to the base economic scenario, the Credit Union considers other possible scenarios and scenario weightings. At 31 December 2025 and 2024, the Credit Union concluded that three scenarios appropriately captured nonlinearities. The scenario weightings are determined by a combination of statistical analysis and expert credit judgement, taking account of the range of possible outcomes each chosen scenario is representative of.

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

Each scenario considers the expected impact of interest rates, unemployment rates and gross domestic product (GDP).

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have also been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors. This is reviewed and monitored for appropriateness on a quarterly basis.

Measurement of the expected credit loss (ECL)

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month).

This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

4. Financial risk management (continued)

a) Financial risk factors (continued)

(i) Credit risk (continued)

Impairment (continued)

Measurement of the expected credit loss (ECL) (continued)

The lifetime PD is developed by applying a maturity profile to the current 12- month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

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

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

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

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

(ii) Liquidity risk

Liquidity risk is the mismatch between assets and liabilities where the Credit Union cannot easily liquidate assets at market value to meet its short-term obligations. The Credit Union's obligations include withdrawals from deposits which make up between 60% to 80% of total assets, loan granting with an average double digit annual growth rate and recurring monthly operational expenditure. Prudent liquidity risk management is critical to ensure that cash needs are continuously met.

The key measure used by the Credit Union for managing liquidity risk is the ratio of liquid assets to savings deposits. The Credit Union manages its liquidity risk by maintaining sufficient cash, substantial near cash investments, marketable securities and lines of credit facilities. The Credit Union's specific liquid assets include cash and bank balances, deposits held with the Jamaica Co-operative Credit Union League (JCCUL) and highly liquid investments which are readily converted into cash within ninety days.

4. Financial risk management (continued)

a) Financial risk factors (continued)

(ii) Liquidity risk (continued)

The Credit Union maintains a significant portion of its assets in liquid form. Most of the Credit Union's liquid assets are held by JCCUL. Strict liquidity standards are set by JCCUL, which the Credit Union complies with. The Credit Union is required to hold its liquid assets with JCCUL in addition to additional amounts such as debit card settlement reserves.

The Credit Union's liquidity risk management process is executed daily and monitored monthly by the Finance Committee and reports are presented at monthly Board of Directors meetings.

Management ensures daily cash flow needs are met while future cash flows are monitored to ensure the availability of funds and reduction foreseen interruptions to cash flow by maintaining committed lines of credit while optimizing cash returns on investments.

As at 31 December 2025 management has assessed the liquidity risk profile of liabilities as follows:

Liability	Level	Risk Rating
Shares	3	Moderate
Deposits	4	Major
External Credits	2	Minor
Accounts Payable	3	Moderate

The estimated impact on liquidity of the above risk ratings has been assessed as follows:

RISK IMPACT RANKING		
LEVEL	DESCRIPTION	IMPACT
1	Insignificant	- Impact on liquidity (0%-1%)
2	Minor	- Impact on liquidity (1%-2%)
3	Moderate	- Impact on liquidity (2%-5%)
4	Major	- Impact on liquidity (5%-10%)
5	Catastrophic	- Impact on liquidity (above 10%)

4. Financial risk management (continued)

a) Financial risk factors (continued)

(ii) Liquidity risk (continued)

Exposure to liquidity risk

The tables below summarises the net liquidity gap and the cumulative liquidity gap of the Credit Union analysing its financial assets and financial liabilities into their earliest possible contractual maturity categories.

	2025						
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 years	Non-Specific Maturity	Total
	$	$	$	$	$	$	$
Financial assets							
Liquid assets	97,967,620	874,877,776	-	-	-	-	972,845,396
Loans to members	1,981,173	3,145,746	37,743,402	295,705,557	3,334,981,792	-	3,673,557,670
Financial investments	-	56,014,665	-	-	-	29,424,673	85,439,338
Receivables	53,147,719	-	-	-	-	-	53,147,719
	153,096,512	934,038,187	37,743,402	295,705,557	3,334,981,792	29,424,673	4,784,990,123
Financial liabilities							
Savings deposits	-	-	-	76,366,266	-	2,947,119,563	3,023,485,829
Member's voluntary shares	-	-	-	-	1,153,274,532	-	1,153,274,532
Member's deferred shares	-	-	-	141,634,995	-	-	141,634,995
External credits	9,124,466	18,268,106	82,532,250	51,435,618	-	-	161,360,440
Payables	67,775,692	-	-	-	-	-	67,775,692
	76,900,158	18,268,106	82,532,250	269,436,879	1,153,274,532	2,947,119,563	4,547,531,488
Net financial position	76,196,354	915,770,081	(44,788,848)	26,268,678	2,181,707,260	(2,917,694,890)	237,458,635
Cumulative maturity gap	76,196,354	991,966,435	947,177,587	973,446,265	3,155,153,525	237,458,635	-

4. Financial risk management (continued)

a) Financial risk factors (continued)

(ii) Liquidity risk (continued)

	2024						
	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	Over 5 years	Non-Specific Maturity	Total
	$	$	$	$	$	$	$
Financial assets							
Liquid assets	136,555,475	595,032,475	-	-	-	-	731,587,950
Loans to members	283,946	2,691,880	30,367,545	260,462,405	3,404,937,113	-	3,698,742,889
Financial investments	-	53,020,676	-	-	-	30,003,903	83,024,579
Receivables	70,032,877	-	-	-	-	-	70,032,877
	206,872,298	650,745,031	30,367,545	260,462,405	3,404,937,113	30,003,903	4,583,388,295
Financial liabilities							
Savings deposits	22,551,213	159,193,712	105,852,396	2,241,943,346	93,579,430	-	2,623,120,097
Member's voluntary shares	-	-	-	-	1,228,002,029	-	1,228,002,029
Member's deferred shares	-	-	-	146,706,933	-	-	146,706,933
External credits	11,075,084	22,292,522	87,869,880	161,360,415	-	-	282,597,901
Payables	53,922,254	-	-	-	-	-	53,922,254
	87,548,551	181,486,234	193,722,276	2,550,010,694	1,321,581,459	-	4,334,349,214
Net financial position	119,323,747	469,258,797	(163,354,731)	(2,289,548,289)	2,083,355,654	30,003,903	249,039,081
Cumulative maturity gap	119,323,747	588,582,544	425,227,813	(1,864,320,476)	219,035,178	249,039,081	-

4. Financial risk management (continued)

a) Financial risk factors (continued)

(iii) Market risk

The Credit Union takes on exposure to market risks, 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 risks mainly arise from changes in foreign currency rates and interest rates. Market risk is monitored by the central treasury department 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.

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

1. Foreign Currency risk

Foreign currency risk is the risk that the market value of, or the cash flows from, financial instruments will vary because of exchange rate fluctuations.

The Credit Union is not directly exposed to foreign currency risk as at 31st December 2024 as it does not hold accounts in currencies other than Jamaican currencies.

2. Equity price risk

Equity price risk arises from equity securities held by the Credit Union as part of its investment portfolio. The primary goal of the Credit Union's investment strategy is to maximize returns on investments and to have an appropriate asset mix.

A small portion of the Credit Union's equity securities are listed on the Jamaica Stock Exchange. The amount of the quoted exposure at year end is $476,400 (2024: $609,840).

An increase of 1.5% (2024: 6%) and decrease of 1% (2024: 2%) in share prices would result in an indirect increase or decrease, respectively, in income by $7,146 and $4,764 (2024: $36,590 and $12,197).

4. Financial risk management (continued)

a) Financial risk factors (continued)

(iii) Market risk (continued)

3. Interest rate risk

Interest rate risk is the risk that the value or the future cash flow of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Credit Union to cash flow interest rate risk, whereas fixed interest rate instruments expose the Credit Union to fair value interest rate risk.

Interest rate risk is managed principally through monitoring interest rate gaps and by setting pre-approved gap ratios. The Asset and Liability Management Committee has oversight responsibility for the management and monitoring of interest rate risk and reports frequently to the Board of Directors on its strategies and position.

At the reporting date, the interest rate profile of the Credit Union's interest-bearing financial instruments were as follows:

	2025		2024	
	%	$	%	$
Interest bearing financial assets				
Jamaica Co-operative Credit Union League Ltd.:				
Liquidity reserve deposit	3	250,342,525	3	225,678,231
Demand deposit	0.75	189,278,171	0.75	246,032,985
Mortgage fund (i)	2.5	81,069	2.5	79,069
C.U.E.T.S. Security deposit (ii)	6.46	56,014,665	6.46	53,020,676
Cumax Wealth Management Ltd.:				
CUFMC-CUMAX		4823		4,823
CUFMC-CUMAX (Cupremium)		964,744		964,744
CUFMC- MMF		320,173		-
Resale agreements	5.2	252,051,170		-
Barita Investments Ltd.:				
Resale agreements	5.65	181,916,170	6.35	122,351,692
Loans to members	7.99-24	3,673,557,670	7.99-26	3,698,742,889
		4,604,531,180		4,346,875,109
Interest bearing financial liabilities				
Savings deposits	1.0-7.0	3,023,485,829	1.0-8.0	2,623,120,097
Members' voluntary shares		1,153,274,532		1,228,002,029
Member's deferred shares	5-6	141,634,995	6.0	146,706,933
External credits	11-12	161,360,440	8.75-12	282,597,901
		4,479,755,796		4,280,426,960
		124,775,384		66,448,149

4. Financial risk management (continued)

a) Financial risk factors (continued)

(iii) Market risk (continued)

3. Interest rate risk (continued)

Interest rate sensitivity

The following table indicates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the Credit Union's statement of comprehensive income and members' equity.

2025		2024	
Change in Basis Points	**Effect on Surplus $**	**Change in Basis Points**	**Effect on Surplus $**
+25	311,938	+25	167,367
-25	(311,938)	-50	(334,734)

4. Financial risk management (continued)

a) Financial risk factors (continued)

(iii) Market risk (continued)

3. Interest rate risk (continued)

The following table summarizes the interest rate gap of the Credit Union's financial assets and financial liabilities based on the earlier of contractual re-pricing or maturity dates.

	2025						
	Within 1 Month	**1 to 3 Months**	**3 to 12 Months**	**1 to 5 Years**	**Over 5 years**	**Non Rate Sensitive**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Financial assets							
Liquid assets	-	874,877,776	-	-	-	97,967,620	972,845,396
Loans to members	1,981,173	3,145,746	37,743,402	295,705,557	3,334,981,792	-	3,673,557,670
Financial investments	-	56,014,665	-	-	-	29,424,673	85,439,338
Receivables	-	-	-	-	-	53,147,719	53,147,719
	1,981,173	934,038,187	37,743,402	295,705,557	3,334,981,792	180,540,012	4,784,990,123
Financial liabilities							
Savings deposits	2,947,479,563	-	-	76,366,266	-	-	3,023,845,829
Member's voluntary shares	-	-	-	-	1,153,274,532	-	1,153,274,532
Member's deferred shares	-	-	-	141,634,995	-	-	141,634,995
External credits	9,124,466	18,268,106	82,532,250	51,435,618	-	-	161,360,440
Payables	-	-	-	-	-	67,775,692	67,775,692
	2,954,622,856	18,268,106	82,532,250	269,436,879	1,153,274,532	67,775,692	4,547,891,488
Total interest repricing gap	(2,954,622,856)	915,770,081	(44,788,848)	26,268,678	2,181,707,260	112,764,320	237,098,635
Cumulative interest repricing gap	(2,954,622,856)	(2,038,852,775)	(2,083,641,623)	(2,057,372,945)	124,334,315	237,098,635	-

4. Financial risk management (continued)

a) Financial risk factors (continued)

(iii) Market risk (continued)

3. Interest rate risk (continued)

	2024						
	Within 1 Month	**1 to 3 Months**	**3 to 12 Months**	**1 to 5 Years**	**Over 5 years**	**Non Rate Sensitive**	**Total**
	$	**$**	**$**	**$**	**$**	**$**	**$**
Financial assets							
Liquid assets	-	595,032,475	-	-	-	136,555,475	731,587,950
Loans to members	283,946	2,691,880	30,367,545	260,462,405	3,404,937,113	-	3,698,742,889
Financial investments	-	53,020,676	-	-	-	30,003,903	83,024,579
Receivables	-	-	-	-	-	70,032,877	70,032,877
	283,946	650,745,031	30,367,545	260,462,405	3,404,937,113	236,592,255	4,583,388,295
Financial liabilities							
Savings deposits	22,551,213	159,193,712	105,852,396	2,241,943,346	93,579,430	-	2,623,120,097
Member's voluntary shares	-	-	-	-	1,228,002,029	-	1,228,002,029
Member's deferred shares	-	-	-	146,706,933	-	-	146,706,933
External credits	11,075,084	22,292,522	87,869,880	161,360,415	-	-	282,597,901
Payables	-	-	-	-	-	53,922,254	53,922,254
	33,626,297	181,486,234	193,722,276	2,550,010,694	1,321,581,459	53,922,254	4,334,349,214
Total interest repricing gap	(33,342,351)	469,258,797	(163,354,731)	(2,289,548,289)	2,083,355,654	182,670,001	249,039,081
Cumulative interest repricing gap	(33,342,351)	435,916,446	272,561,715	(2,016,986,574)	66,369,080	249,039,081	-

4. Financial risk management (continued)

a) Financial risk factors (continued)

(iii) Market risk (continued)

4. 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 financial risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Credit Union's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to its 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 identify operational risk is assigned to Senior Management. This responsibility is supported by overall Credit Union standards for the management of operational risk in the following areas:

- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified.
- Requirements for the 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.
- Documentations of controls and procedures
- Requirements for the reporting of operational losses and proposed remedial action.
- Development of contingency plans.
- Training and professional development
- Ethical and business standards.
- Risk mitigation, including insurance where this is effective.

Compliance with Credit Union policies is supported by a programme of periodic reviews undertaken by the Credit Union's Regulatory Body. The results of these are discussed with the Credit Union's Management and Board of Directors.

4. Financial risk management (continued)

b) Capital management

The Credit Union's objectives when managing capital are to safeguard its ability to continue as a going concern, to provide returns to its members and benefits to other stakeholders, and to maintain a strong capital base in order to support the development of its business. The Credit Union's capital is defined as its Institutional Capital and other eligible reserves. Its dividend payout is usually made taking into account maintenance of an adequate capital base. In accordance with regulatory requirements, at least twenty percent (20%) of net surplus must be transferred to Institutional Capital at the end of each financial year before any appropriation of surplus.

The Credit Union has adopted JCCUL's PEARLS monitoring system which is intended among other things to reveal institutional weaknesses and trends. PEARLS is the acronym for Protection, Effective Financial Structure, Asset Quality, Rates of Return and Costs, Liquidity, and Signs of Growth, and are a set of financial ratios or indicators, each with a prudential norm or associated goal. The target goal for each indicator is set by the World Council of Credit Unions based on its field experience.

One of the requirements under the PEARLS monitoring system is for the Credit Union to maintain its Institutional Capital (consisting of Institutional Capital, Permanent Shares and Deferred Shares) at a minimum of ten percent (10%) of total assets. At the date of the statement of financial position, this ratio was 13.6% (2024: 9.2%).

5. 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.

When measuring the fair value of an asset or liability, where a quoted market price is available, fair value is computed using the quoted bid price at the reporting date, without any deduction for transaction costs or other adjustments.

Where a quoted market price is not available, fair value is computed using alternative techniques making use of available input data; the Credit Union uses observable data as far as possible. Fair values are categorised into different levels in a three-level fair value hierarchy, based on the degree to which the inputs used in the valuation techniques are observable.

The different levels in the fair value hierarchy have been defined as follows:

Level 1
Financial assets and financial liabilities that are measured by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2
Financial assets and financial liabilities that are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions, and for which pricing is obtained via pricing services, but where prices have not been determined in an active market. This includes financial assets with fair values based on broker quotes, investments in funds with fair values obtained via fund managers, and assets that are valued using a model whereby the majority of assumptions are market observable.

Level 3
Financial assets and financial liabilities that are measured using non-market observable inputs. This means that fair values are determined in whole or in part using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

In the absence of quoted market prices, the fair value of a significant proportion of the Group's assets was determined using Oppenheimer or Jamaica Central Securities Depository (JCSD) pricing mechanism. 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.

5. Fair value of financial instruments (continued)

Accounting classifications and fair values

	2025			
	Carrying Amount	Fair Value		
		Level 1	Level 2	level 3
	$	$	$	$
Fair value through other comprehensive income				
Quoted Investments at fair value	476,400	476,400	-	-

	2024			
	Carrying Amount	Fair Value		
		Level 1	Level 2	Level 3
	$	$	$	$
Fair value through other comprehensive Income				
Quoted investments at fair value	609,840	609,840	-	-

Many of the credit financial instruments lack an available trading market. Therefore, these instruments have been valued using present value or other valuation techniques and may not necessarily be indicative of the amounts realisable in an immediate settlement of the instruments.

The fair values of cash resources, other assets, other liabilities, are assumed to approximate their carrying values due to their short-term nature.

The fair value of the quoted equities is determined based on their quoted bid price at the date of the statement of financial position. The fair value of other securities is estimated by discounting the future cash flows of the securities at the estimated yields at the date of the statement of financial position for similar securities. The estimated fair values of loans to members are assumed to be the principal receivable less any allowance for loan losses.

The fair value of external credits, deposits payable on demand or after notice, and deposits with a variable or floating rate payable on a fixed date are assumed to be equal to their carrying values. The estimated fair values of fixed rate deposits payable within a year are assumed to approximate their carrying values, due to their short-term nature.

5. Fair value of financial instruments (continued)

Accounting classifications and fair values (continued)

The fair value of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	2025		2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	$	$	$	$
Financial assets				
Earning				
Liquid assets	874,877,776	874,877,776	595,032,475	595,032,475
Loans to members	3,673,557,670	3,673,557,670	3,699,241,451	3,699,241,451
Financial investments	85,439,338	85,439,338	83,024,579	83,024,579
Non-earning				
Liquid assets	97,967,620	97,967,620	136,555,475	136,555,475
Receivables	53,147,719	53,147,719	70,032,877	70,032,877
Financial liabilities				
Interest bearing				
Savings deposits	3,023,485,829	3,023,485,829	2,623,120,097	2,623,120,097
Members' voluntary	1,153,274,532	1,153,274,532	1,228,002,029	1,228,002,029
Members' deferred	141,634,995	141,634,995	146,706,933	146,706,933
External credit	161,360,440	161,360,440	282,597,901	282,597,901
Non-interest bearing				
Payables	67,775,692	67,775,692	53,922,254	53,922,254

6. Liquid assets

	2025	2024
	$	$
Earning		
Jamaica Co-operative Credit Union League Limited: (i)		
Liquidity reserve deposit	250,342,525	225,678,231
Demand deposit	189,278,171	246,032,985
Cumax Wealth Management Limited:		
CUFMC- CUMAX	4,823	4,823
CUFMC-CUMA (Cupremium)	964,744	964,744
CUFMC- MMF	320,173	-
Resale agreements (ii)	252,051,170	-
	692,961,606	472,680,783
Barita Investments Limited:		
Resale agreements (ii)	181,916,170	122,351,692
	874,877,776	595,032,475
Non-earning		
Cash and bank balances:		
Savings account	737,111	690,364
Current accounts	88,258,532	123,460,854
Cash on hand	8,971,977	12,404,257
	97,967,620	136,555,475

(i) As indicated earlier, the Credit Union is a member of and is supervised by the Jamaica Co-operative Credit Union League (JCCUL, the League), Rule 15 of which requires the Credit Union to maintain liquidity deposit with the League of 6% (2024: 6%) of average savings liabilities which is not subject to withdrawal and also 2% (2024: 2%) of average savings liabilities that can be drawn down on at any time but should be replenished to meet the 2% for the month.

(ii) The weighted average effective interest rate on resale agreements is 5.2% (2024: 6.30%). These resale agreements have a maturity date covering up to one month and are backed by certain government of Jamaica certificate of deposit and corporate bonds fair valued at $474,181,000 (2024: $130,400,000). These agreements may result in credit exposure in the event that the counterparty to the transaction is unable to fulfill its contractual obligations. The risk is managed primarily by reviews of the financial status of the counterparty.

6. Liquid assets (continued)

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	2025	2024
	$	$
Earning liquid assets	874,877,776	595,032,475
Less: Mandatory reserve deposits with JCCUL	(248,925,348)	(221,052,939)
	625,952,428	373,979,536
Non-earning liquid assets	97,967,620	136,555,475
	723,920,048	510,535,011

7. Loans to members

	2025	2024
	$	$
Principal – personal loans	3,860,564,394	3,846,780,002
Less: provision for loan impairment (See below)	(169,020,094)	(122,059,948)
	3,691,544,300	3,724,720,054
Less: unamortised loan fees	(17,986,630)	(25,977,164)
	3,673,557,670	3,698,742,890

Interest receivable on loans amounted to $34,356,157 (2024: $56,334,502) and is included in receivables (Note 9).

Loans to members, before provision for impairment, comprise:

	2025	2024
	$	$
Motor vehicle loans	394,175,350	332,755,072
Mortgage loans	41,408,673	57,806,089
Regular loans	3,299,339,683	3,350,410,621
Other loans	125,640,688	105,808,220
	3,860,564,394	3,846,780,002

7. Loans to members (continued)

The movement in loans to members may be summarised as follows:

	2025	2024
	$	$
Balance at beginning of year	3,846,780,002	3,446,277,860
Add: loans granted	1,440,214,029	1,663,490,993
	5,286,994,031	5,109,768,853
Less: repayments, transfers and write-offs	(1,426,429,637)	(1,262,988,851)
Balance at end of year	3,860,564,394	3,846,780,002

The movement in deferred loan fees is as follows:

	2025	2024
	$	$
Balance at beginning of year	25,977,164	13,285,958
Additions during the year	3,704,552	23,998,465
	29,682,716	37,284,423
Fees amortized during the year	(11,696,086)	(11,307,259)
Balance at end of year	17,986,630	25,977,164

The movement in the provision for impairment is as follows:

	2025	2024
	$	$
Balance at beginning of year	122,059,948	72,973,019
Increase in expected credit losses (Note 22)	212,376,774	49,086,929
Loans written off to provision	(165,416,628)	-
Balance at end of year	169,020,094	122,059,948

7. Loans to members (continued)

Provision for loan losses determined under JCCUL Regulatory requirements is shown below. The value of securities held against outstanding loans have not been taken into account in estimating the provision.

2025

Period overdue	Number in arrears	Loans in Arrears	Provision (%)	Loan loss provision required
		$		$
31-60 Days	3	3,145,746	Nil	-
61-90 Days	16	19,267,478	10	1,926,748
91-180 Days	15	10,407,569	30	3,122,270
181-361 Days	40	56,441,302	60	33,864,781
Over 361 Days	47	60,748,080	100	60,748,080
	121	150,010,175		99,661,879

2024

Period overdue	Number in arrears	Loans in Arrears	Provision (%)	Loan loss provision required
		$		$
31-60 Days	13	12,545,260	Nil	-
61-90 Days	18	17,909,696	10	1,790,970
91-180 Days	36	21,635,907	30	6,490,772
181-364 Days	69	41,014,585	60	24,608,751
Over 365 Days	106	72,413,806	100	72,413,806
	242	165,519,254		105,304,299

The above regulatory provision exceeds the amount determined under IFRS 9, as follows:

	2025	2024
	$	$
Regulatory loan loss provision	99,661,879	105,304,299
Less: IFRS 9 Expected credit losses (ECL)	(169,020,094)	(122,059,948)
Excess over IFRS 9, transferred to loan loss reserve [Note 19(vi)]	-	-

8. Financial investments

	2025 $	2024 $
Fair value through other comprehensive income		
Quoted equities, at market value:		
NCB – Ordinary stocks	476,400	609,840
Fair value through profit and loss (FVPL)		
Unquoted equities, at historical cost:		
JCCUL – Ordinary shares	138,699	138,699
JCCUL – Permanent shares	2,007,555	2,007,555
CUFMC – Ordinary shares	750,000	1,207,500
QNet – Ordinary shares	970,950	961,241
JPCCU – Deferred shares	25,000,000	25,000,000
	28,867,204	29,314,995
Amortised cost		
JCCUL:		
Mortgage fund (i)	81,069	79,068
C.U.E.T.S. Security deposit (ii)	56,014,665	53,020,676
	56,095,734	53,099,744
	85,439,338	83,024,579

NCB – National Commercial Bank Jamaica Limited
JCCUL – Jamaica Co-operative Credit Union League Limited
CUFMC – Credit Union Fund Management Company Limited, now, Cumax Wealth Management Limited
QNet – Quality Network Co-operative Limited
JPCCU – Jamaica Police Co-operative Credit Union Limited
C.U.E.T.S. – Credit Union Electronic Transfer System

(i) The rules of the League stipulate that each participating credit union must invest 5% of the net increase in the members' share accounts in the mortgage fund, to be used for the granting of mortgages to their members.

(ii) The CUETS Security deposit is required by the League for participation in the ATM network.

8. Financial investments (continued)

The movement in financial investments is as follows:

	2025	2024
	$	$
Balance at beginning of year	83,024,579	79,209,934
Change in fair value through profit and loss	(447,791)	(307,920)
Change in fair value through other comprehensive income	(133,440)	-
Additions, net	2,995,990	4,122,565
Balance at end of year	85,439,338	83,024,579

9. Receivables

	2025	2024
	$	$
Interest receivable:		
Loans	34,356,157	56,334,502
Financial investments	1,053,386	24,542
	35,409,543	56,359,044
Prepaid expenses	14,997,568	8,499,420
Deposits and advances	2,740,608	1,261,047
Other receivables	-	3,913,366
	53,147,719	70,032,877

Included in receivables is an amount of $11,831,438 (2024: $Nil) representing deposit on the purchase of fixed assets costing approximately $16,700,838 (2024: $Nil) (Note 29).

10. Property, plant and equipment

	Freehold Land	Freehold Building	Furniture and Fixture	Motor Vehicle	Computers and Equipment	Total
	$	$	$	$	$	$
Cost or valuation:						
1 January 2023	36,000,000	167,452,756	32,688,568	4,750,000	76,074,738	316,966,062
Additions	-	-	470,526	4,100,000	5,572,971	10,143,497
Revaluation adjustment	8,000,000	79,547,243	-	-	-	87,547,243
Disposal	-	-	-	(2,400,000)	-	(2,400,000)
31 December 2024	44,000,000	246,999,999	33,159,094	6,450,000	81,647,709	412,256,802
Additions	-	-	1,357,733	-	6,818,022	8,175,755
31 December 2025	44,000,000	246,999,999	34,516,827	6,450,000	88,465,729	420,432,557
Accumulated depreciation:						
1 January 2023	-	12,877,276	23,781,701	4,559,727	65,501,810	106,720,514
Charge for the year	-	-	1,712,591	866,492	6,821,212	9,400,295
Revaluation adjustment	-	(12,877,276)	-	-	-	(12,877,276)
Relieved on disposal	-	-	-	(2,400,000)	-	(2,400,000)
31 December 2024	-	-	25,494,292	3,026,219	72,323,022	100,843,533
Charge for the year	-	9,880,000	2,221,653	817,753	1,132,832	14,052,239
31 December 2025	-	9,880,000	27,715,945	3,843,972	73,455,854	114,895,772
Net book value:						
31 December 2025	44,000,000	237,119,999	6,800,882	2,606,028	15,009,876	305,536,785
31 December 2024	44,000,000	246,999,999	7,664,802	3,423,781	9,324,687	311,413,269

10. Property, plant and equipment (continued)

Land and buildings located at Caribbean Estate, Portmore, St. Catherine were revalued on 26 November 2024 by Oliver's Property Services for forty-one million dollars ($41,000,000). Land and buildings located at 7 and 9 Union Square, Kingston 5, St. Andrew were revalued on 26 November 2024 by Oliver's Property Services for one hundred and fifty million dollars ($150,000,000) and one hundred million dollars ($100,000,000), respectively. The net increase in value ($100,424,519) was credited to the Revaluation Reserve [Note 19(i)].

The net book value of land and building if they were measured on the historical cost basis, cannot be reliably determined.

The fair value of land and building is categorised as level 3 in the fair value hierarchy. The following table shows the valuation technique used in measuring fair value as well as the significant unobservable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market comparable approach: The approach is based on the principle of substitution whereby the purchaser with perfect knowledge of the property market pays no more for the subject property than the cost of acquiring an existing comparable assuming no cost delay in making the substitution. The approach requires comparison of the subject property with others of similar design and utility, inter alia, which were sold in the recent past. However, as no two properties are exactly alike, adjustment is made for the difference between the property subject to valuation and comparable properties.	• Details of the sales of comparable properties • Conditions influencing the sale of the comparable properties. • Comparability adjustment.	The estimated fair value would increase/(decrease) if: • Sale value of comparable properties were higher/(lower). • Comparability adjustments were higher/(lower).

11. Retirement benefit asset/(liability)

The Credit Union participates in a multi-employer, defined benefit pension scheme, which is sponsored by the Jamaica Co-operative Credit Union League Limited and is administered by Cumax Wealth Management Limited. The plan, which is open to all permanent employees, provides benefits to members based on a formula of 1.85% of a member's average pensionable salary for their final 3 years of service times his years of pensionable service. The Credit Union contributes the amount recommended by the actuary, consequent on the triennial reviews of the scheme; currently 8% of employees' pensionable salaries. Employees' compulsory contribution is 5% of pensionable salary, plus, where applicable, an amount which taken together with the employer's contributions and the employee's compulsory contributions, does not exceed 20% of pensionable salary. The assets of the funded plan are held independently of the Credit Union's assets in a separate trustee administered fund. Independent actuaries value the plans forming a part of the scheme every year using the projected unit credit method. The latest actuarial valuations were carried out as at 31 December 2025. Additionally, the plan is valued by independent actuaries triennially to determine the adequacy of funding; the latest such valuation, being as at 31 December 2024, revealed that the scheme was adequately funded as at that date.

The Board 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 Board of the plan is responsible for the investment policy with regards to the assets of the plan. The plan is managed by Cumax Wealth Management Limited under a management agreement.

The plan was closed to new members effective 31 December 2016. There were no material changes to the terms of the defined benefit pension plan in 2025.

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

	2025	2024
	$	$
Fair value of plan assets [Note 11(d)]	172,285,000	153,541,000
Present value of funded obligations [Note 11(c)]	(158,959,000)	(164,999,000)
Asset/(liability) in the statement of financial position	13,326,000	(11,458,000)

11. Retirement benefit asset/(liability), (continued)

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

	2025	2024
	$	$
Balance at beginning of year	(11,458,000)	15,830,000
Employer's contribution	7,156,000	7,242,000
Pension expense recognised in profit [Note 11(g)]	(9,463,000)	(3,916,000)
Re-measurement gains/(losses) recognised in other comprehensive income [Note 11(g)]	27,091,000	(30,614,000)
Balance at end of year	13,326,000	(11,458,000)

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

	2025	2024
	$	$
Balance as at beginning of the year	164,999,000	116,209,000
Employer's current service cost	7,866,000	5,351,000
Employees' contributions	5,751,000	5,961,000
Interest cost	15,556,000	12,613,000
Benefits paid	(2,497,000)	(3,097,000)
	191,675,000	137,037,000
Actuarial loss, arising from:		
Changes in financial and demographic assumptions	(21,236,000)	21,116,000
Experience adjustments	(11,480,000)	6,846,000
	(32,716,000)	27,962,000
Balance as at end of year	158,959,000	164,999,000

11. Retirement benefit asset/(liability), (continued)

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

	2025	2024
	$	$
Balance as at beginning of year	153,541,000	132,039,000
Interest income	15,081,000	15,080,000
Employees' contributions	5,751,000	5,961,000
Employer's contributions	7,156,000	7,242,000
Benefits paid	(2497,000)	(3,097,000)
Administrative expenses	(1,122,000)	(1,032,000)
Actuarial loss on plan assets	(5,625,000)	(2,652,000)
Balance as at end of year	172,285,000	153,541,000

(e) The pension plan assets are allocated based on the Credit Union's obligation as a proportion of the total obligations of the plan. The distribution of allocated plan assets was as follows:

	2025			
	Quoted Investments	Unquoted Investments	Total	Percentage
	$'000	$'000	$'000	%
Equity securities	37,307	-	37,307	21.65%
Real estate	-	39,975	39,975	23.20%
Government of Jamaica securities	-	62,083	62,083	36.04%
Resale agreements	-	16,507	16,507	9.58%
Other	-	16,413	16,413	9.53%
	37,307	134,978	172,285	100%

	2024			
	Quoted Investments	Unquoted Investments	Total	Percentage
	$'000	$'000	$'000	%
Equity securities	34,680	-	34,680	22.59%
Real estate	-	37,689	37,689	24.54%
Government of Jamaica securities	-	56,041	56,041	36.50%
Resale agreements	-	10,475	10,475	6.82%
Other	-	14,656	14,656	9.54%
	34,680	118,861	153,541	100.00%

11. Retirement benefit asset/(liability), (continued)

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

	2025	2024
	$	$
Effect of asset ceiling at beginning of year	-	-
Interest on effect of asset ceiling	-	-
Change in effect on asset ceiling	-	-
Effect of asset ceiling at end of year	-	-

(g) The amounts recognised in the statement of comprehensive income are as follows:

	2025	2024
	$	$
Employer's current service cost	7,866,000	5,351,000
Interest cost on obligation	15,556,000	12,613000
Interest income on plan assets	(15,081,000)	(15,080,000)
Interest on effect of asset ceiling	-	-
Administrative expenses	1,122,000	1,032,000
Net pension expense recognised and included in staff costs [Note 24(e)]	9,463,000	3,916,000
Actuarial (gain)/loss on obligation	(32,716,000)	27,962,000
Actuarial loss on plan assets	5,625,000	2,652,000
Change in effect of asset ceiling	-	-
Remeasurement (income)/expense recognised in other comprehensive income	(27,091,000)	30,614,000

Expected contributions to the plan for the year ending 31 December 2026 is $6,760,000 (2025: $7,000,000).

11. Retirement benefit asset/(liability), (continued)

(h) The principal actuarial assumptions used in valuing the plan were as follows:

	2025	2024
Discount rate	10.00%	9.50%
Expected future salary increases	7.00%	7.00%
Pension increases	5.00%	5.00%
Price inflation	5.00%	5.00%

(i) 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.

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

	2025		2024	
	1%	-1%	1%	-1%
	$'000	$'000	$'000	$'000
Discount rate	(33,775)	46,119	(37,163)	51,360
Future salary increases	23,736	(19,868)	26,447	(21,990)
Future pension increases	17,953	(14960)	19,775	(16,376)

11. Retirement benefit asset/(liability), (continued)

(j) Liability duration

	2025	2024
	Years	**Years**
Active members	27.5	29.2
Retirees	7.8	8.2
All participants	27.2	28.8

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 $4,150,000 (2024: $4,580,000).

(k) The five-year trend for the fair value of plan assets, the defined benefit obligations, the surplus in the pension plan experience adjustments for plan assets and liabilities were as follows:

	2025	2024	2023	2022	2021
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Fair value of plan assets	172,285	153,542	132,039	113,957	105,557
Defined benefit obligation	(158,959)	(164,999)	(116,209)	(48,682)	(89,516)
Change in effect of asset ceiling	-	-	-	(62,438)	-
Surplus in the plan	13,326	(11,457)	15,830	2,837	16,041
Experience adjustments					
Fair value of plan assets	(5,652)	(2,652)	(6,226)	(8,598)	(3,792)
Defined benefit obligation	(11,480)	6,846	5,030	940	(1,192)

11. Retirement benefit asset/(liability), (continued)

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.

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.

12. Savings deposits

	2025	2024
	$	$
Special deposits	2,662,950,612	2,180,940,192
Youth savings deposits	75,230,738	63,247,940
Regular savings and deposits	142,074,337	159,193,712
Fixed deposits	29,395	100,388,984
Christmas savings club	6,006,433	5,463,411
Golden harvest savings	28,759,629	26,372,029
Golden harvest (7%)	69,894,088	61,003,155
New golden harvest	6,472,178	-
Partner plan	2,440,600	1,682,068
Standing orders (delinquent)	2,387,126	1,961,451
Standing orders	26,437,898	22,551,213
Cuna loan protection	802,795	315,942
	3023,485,829	2,623,120,097

13. Members' voluntary shares

	2025	2024
	$	$
Balance at beginning of year	1,228,002,029	1,163,341,852
Add: subscription	373,730,513	374,041,731
	1,601,732,542	1,537,383,583
Less: Transfer to deferred shares (Note 14)	(125,128,827)	-
Withdrawals	(323,329,183)	(309,381,554)
Balance at end of year	1,153,274,532	1,228,002,029

Voluntary shares have no par value and are not a part of risk capital. The following rights and restrictions are attached to voluntary shares:

(i) Voluntary shares may be withdrawn in whole or in part on any day when the Credit Union is open for business, but the Board of Directors shall reserve the right at any time to require a member to give notice not exceeding three (3) months; provided however that no member may withdraw any shareholding below the amount of his liability to the Credit Union as a borrower or co-maker.

(ii) Voluntary shares shall be treated as liabilities of the Credit Union.

(iii) Subject to the profitability of the Credit Union, the Board of Directors may recommend the declaration and payment of dividends on voluntary shares in amounts and at times as it may determine, and such dividends, when paid, are treated as interest expense.

(iv) The Credit Union shall have a lien on all voluntary shares and deposits of a member for, and to the extent of, any sum due to the Credit Union from the said member or any loan endorsed by the member.

(v) Voluntary share accounts are required for members to qualify to utilize the products and services of the Credit Union as determined by the Board of Directors from time to time.

At an annual general meeting held on November 22, 2025, the members approved the transfer of 10% of the Voluntary Shares of each member to their Deferred Shares, effective December 1, 2025, for a minimum period of five (5) years. The transfer was made for the purpose of capital adequacy support. The actual amount transferred was $125,128,827.

14. Members' deferred shares

	2025	2024
	$	$
Balance at beginning of year	146,706,933	125,504,037
Add: Additions	47,789,533	34,124,176
Transfer from voluntary shares (Note 13)	125,128,827	-
	319,625,293	159,628,213
Less: Transfer to permanent shares (Note 17)	(162,425,181)	-
withdrawals	(15,565,117)	(12,921,280)
Balance at end of year	141,634,995	146,706,933

Deferred shares are not withdrawable for a period of five (5) years. Interest will be paid at a rate of 3% per annum.

Based on the draft Bank of Jamaica Credit Union Regulations, deferred shares are treated as institutional capital, and as such are included in the calculation of the capital to asset ratio. However, they are classified as liabilities in these financial statements in accordance with the requirements of IFRS.

As indicated at Note 13, at an annual general meeting held on November 22, 2025, the members approved the transfer of 10% of the Voluntary Shares of each member to their Deferred Shares, effective December 1, 2025, for a minimum period of five (5) years. The transfer was made for the purpose of capital adequacy support. The actual amount transferred was $125,128,827.

At a meeting of the Board of Directors held on August 14, 2025, a proposal was unanimously approved to transfer $166,241,346.81 in Deferred Shares to Permanent Shares with effect from October 1, 2025, for the purpose of supporting capital adequacy, an action that is supported by the By-Laws. The actual amount transferred was $162,425,181.

15. External credits

		2025	2024
		$	$
Jamaica Co-operative Credit Union League Limited:			
Maturing 2025	(i)	-	42,224,780
Maturing 2027	(ii)	18,760,440	28,773,121
		18,760,440	70,997,901
Sagicor Bank Jamaica Limited:			
Maturing 2026	(iii)	57,000,000	111,600,000
Maturing 2027	(iv)	85,600,000	100,000,000
		142,600,000	211,600,000
		161,360,440	282,597,901

(i) This loan of $150 million, which was received in September 2022, attracts interest at 11% per annum and was repayable over 36 months. The loan was repaid during the year.

(ii) This loan of $49 million, which was received in August 2022, attracts interest at 8.75% per annum and is repayable over 60 months.

Loans (i) to (ii) are secured by 1st legal mortgage over commercial properties located at 7 and 9 Union Square, Kingston 5, Jamaica, registered volumes 1113 and 1243, folios 463 and 755.

(iii) This loan of $150 million was received in December 2023, attracts interest at 11.25%, and is repayable over 36 months. The loan is unsecured.

(iv) This loan of $100 million was received in December 2024, attracts interest at 12%, and is repayable over 36 months. The loan is unsecured.

16. Payables

	2025	2024
	$	$
Accounts payable and accrual		
Deceased estate accounts	13,494,744	13,872,309
ATM payable	1,901,765	4,691,777
Bill express payable	1,812,036	4,761,544
Withheld tax payable	12,512,815	11,119,471
Interest charges payable	1,252,792	2,271,064
Dividend payable	9,031	9,031
Accruals	3,220,367	358,230
Audit fees accrued	3,300,000	3,000,000
Conec Mobile Wallet	80,505	80,505
Bank error payables	1,162,029	1,162,029
Staff expenses accrued	18,967,549	4,877,717
NHT micro-finance payable	6,298,411	2,788,266
Other	2,486,591	2,870,097
	66,498,635	51,862,040
Other provisions		
Restoration reserve	223,139	223,139
Disaster relief fund	1,010,201	1,761,358
Disability fund	61,402	93,402
Scholarship reserve/education provision	1,180	1,180
Building improvement reserve	1,325	1,325
Opening balance difference	(20,190)	(20,190)
	1,277,057	2,060,214
	67,775,692	53,922,254

17. Members' permanent shares

	2025	2024
	$	$
Balance at beginning of year	180,883,329	180,883,329
Add: New subscriptions during the year	4,369,128	5,441,034
Transfer from deferred shares (Note 14)	162,425,181	-
	347,677,638	186,324,363
Less: Withdrawals	-	(5,441,034)
Balance at end of year	347,677,638	180,883,329

Under the proposed Bank of Jamaica regulations and International Financial Reporting Standards, voluntary shares in the Credit Union can no longer be regarded as share capital but should now be treated as a liability. The Credit Union has therefore established permanent shares in order to strengthen its capital base. Special Bye-laws were passed at an Annual General Meeting held on July 19, 2007, in accordance with the Co-operative Societies Act and approved by the Registrar. All new applicants for membership and existing members of the Credit Union are required to subscribe to a minimum of 3,000 permanent shares. These shares are issued at a par value of $1 each and are referred to as permanent shares.

Monies 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 redeem any amount held as permanent shares. Permanent shares are redeemable only upon transfer to another member.

As indicated at Note 14, at a meeting of the Board of Directors held on August 14, 2025, a proposal was unanimously approved to transfer $166,241,346.81 in Deferred Shares to Permanent Shares with effect from October 1, 2025, for the purpose of supporting capital adequacy, an action that is supported by the By-Laws. The actual amount transferred was $162,425,181.

18. Institutional capital

		2025	2024
		$	$
Retained earnings reserves	(i)	10,000,000	10,000,000
Legal and statutory reserves	(ii)	114,363,213	113,494,613
		124,363,213	123,494,613

(i) Retained earnings reserves represent appropriations from undistributed net surplus for the purpose of strengthening the capital base of the Credit Union. The amount transferred is determined at the Annual General Meeting.

(ii) The legal and statutory reserves are maintained in accordance with the provisions of the Co-operative Societies Act and the rules of the Credit Union which require that a minimum of 20% of net surplus, and amounts collected for entrance fees must be transferred to a reserve fund. Upon application, the Registrar may allow the required percentage to be reduced, but not below 10%. The transfer is calculated on net surplus, net of change in the loan loss reserve.

The movement in the legal and statutory reserve is as follows:

	2025	2024
	$	$
Balance at beginning of year	113,494,613	112,433,048
Entrance fees	868,600	1,061,565
Balance at end of year	114,363,213	113,494,613

19. Non- institutional capital

		2025	2024
		$	$
Non-institutional capital comprises: (Page 6):			
Revaluation and building reserve	(i)	292,503,869	292,503,869
Retirement benefit reserve	(ii)	13,326,000	(11,458,000)
General reserve	(iii)	1,554	1,554
Special reserve	(iv)	29,137	29,137
Share transfer fund	(v)	152,981	2,325,992
Fair value reserve	(vi)	(133,440)	-
Accumulated deficit	(vii)	(221,599,532)	(38,786,144)
		84,280,569	244,616,408

(i) Revaluation and building reserve
This represents unrealised gains on the revaluation of the Credit Union's land and buildings (Note 10).

(ii) Retirement benefit reserve
This reserve was created to match the value of the retirement benefit asset/(liability) of the Credit Union (Note 11). Movement on this reserve is dealt with as an appropriation to or from the undistributed surplus/(accumulated deficit).

(iii) General reserve
The general reserve was set up for unspecific purposes to be decided upon.

(iv) Special reserve
The general reserve was set up for unspecific purposes to be decided upon.

(v) Share transfer fund
The share transfer fund is maintained to facilitate the repurchase of shares. Shares purchased through this reserve must be sold to members of the Credit Union before any new shares may be issued.

(vi) Loan loss reserve
This represents the excess, if any, of the Credit Union's provision for loan impairment as required by the regulator, over that which is required under IFRS (Note 7).

(vii) Accumulated deficit
This represents accumulated deficits for 2025, 2024 and 2023.

20. Liquid asset and financial investment income

	2025	2024
	$	$
Liquid Assets		
Term deposits	26,157,623	22,191,168
Financial Investments		
Dividend on NCB shares	15,300	25,500
Dividend on league investment	107,313	135,291
	122,613	160,791

21. Other financial costs

	2025	2024
	$	$
Bank charges	4,396,618	3,629,246

22. Impairment allowances on financial instruments

	2025	2024
	$	$
Increase in expected credit losses on loan to members (Note 7)	212,376,774	49,086,928

23. Miscellaneous income

	2025	2024
	$	$
Fees and commission	6,608,907	10,453,299
Internet banking income	149,375	83,580
ATM fee income	2,761,568	3,628,743
Recovered debt	6,071,852	6,286,491
Sale of rule books	90,930	105,325
Refund of prior years card settlement accounts	3,441,985	-
Gain on sale of motor vehicle	-	1,100,000
	19,124,617	21,657,438

24. Expenses by nature

	2025	2024
	$	$
(a) Administrative expenses	87,044,014	79,262,520
(b) Members security	22,690,006	28,945,661
(c) Marketing and promotion	7,599,780	7,566,880
(d) Representation and affiliation	47,393,123	37,613,653
(e) Personnel expenses	297,315,824	253,738,627
	462,042,747	407,127,341

	2025	2024
	$	$
(a) Administrative expenses		
Repairs and maintenance	8,567,751	8,860,505
Depreciation	14,052,239	9,400,295
Rent	7,310,611	7,379,223
Audit fee	3,300,000	3,862,500
Professional and consulting fees	10,641,637	7,601,189
Security	7,979,534	6,157,806
Stationery	5,409,302	3,926,685
Office supplies	1,664,908	1,657,414
Insurance- premises and assets	3,838,457	3,178,292
Electricity	7,189,061	8,089,873
Telephone	8,224,758	10,782,663
Water, rates and taxes	1,117,472	1,299,306
Cable television charges	477,622	445,442
Donations	1,715,841	1,387,500
Miscellaneous	5,554,821	5,233,827
	87,044,014	79,262,520
(b) Members security		
Golden harvest insurance	502,216	614,364
Life savings and loan protection insurance	18,967,790	25,111,297
Cumis bond	3,220,000	3,220,000
	22,690,006	28,945,661

24. Expenses by nature (continued)

	2025	2024
	$	$
(c) Marketing and promotion		
Advertising and public relations	6,652,583	7,290,132
Promotion	947,197	276,748
	7,599,780	7,566,880
(d) Representation and affiliation		
League fees	9,502,785	8,492,732
Stabilization dues	5,776,136	5,046,531
Annual general meeting- league	941,057	1,684,507
Annual general meeting-members	3,597,068	4,098,995
Funeral aid (staff and committee)	400,000	200,000
Travel and subsistence- volunteers	10,602,480	10,550,525
Meetings and seminars- volunteers	9,197,460	1,045,810
PEP grant	1,000,000	1,000,000
Scholarships	1,600,000	-
Members' welfare	922,702	1,016,132
ATM participation fee	3,853,435	4,478,421
	47,393,123	37,613,653
(e) Personnel expenses		
Salaries and wages	246,515,909	212,728,193
Employer's statutory contribution	24,720,667	23,322,435
Staff training and welfare	9,779,521	7,837,625
Staff travel and subsistence	499,706	452,035
Group life insurance	1,317,468	1,072,083
Pension defined contribution	5,019,553	4,410,256
Pension defined benefit [Note 11(g)]	9,463,000	3,916,000
	297,315,824	253,738,627

25. Comparison of ledger balances

	2025				
	Permanent shares	**Voluntary shares**	**Deferred shares**	**Savings deposits**	**Loans**
	$	**$**		**$**	**$**
General ledger	347,677,638	1,153,274,532	141,634,995	3,023,485,829	3,860,564,394
Personal ledger	347,643,077	1,153,274,532	142,206,597	2,993,191,103	3,860,371,288
Differences as at 31 December 2025	34,561	-	571,602	1,803,089	193,105

	2024				
	Permanent shares	**Voluntary shares**	**Deferred shares**	**Savings deposits**	**Loans**
	$	**$**		**$**	**$**
General ledger	180,883,329	1,228,002,029	146,706,933	2,623,120,097	3,846,780,002
Personal ledger	180,883,329	1,227,913,680	146,706,933	2,623,120,097	3,846,780,002
Differences as at 31 December 2024	-	88,349	-	-	-

26. Staff and volunteer balances

These represent loans granted to and deposits held by members of staff, key management personnel including the Board of Directors, Supervisory and Credit Committees and volunteers:

2025			
	Number	**Loans**	**Shares and deposits**
		$	**$**
Staff	50	119,267,694	60,615,802
Directors	4	33,850,780	67,819,339
Supervisory and credit committee	7	17,898,809	35,939,050
	61	171,017,283	164,374,191

2024			
	Number	**Loans**	**Shares and deposits**
		$	**$**
Staff	48	125,670,388	56,356,262
Directors	9	53,208,235	60,970,944
Supervisory and credit committee	10	25,822,524	40,003,288
	67	204,701,147	157,330,494

No waiver was granted on the above loans. As at 31st December 2025 and 2024 all loans were being repaid in accordance with the loan agreements.

27. Related parties, balances and transactions

The Credit Union has a related party relationship [as defined in Note 2(u)] with its directors, other key management personnel, the League and the pension plan.

(a) The statement of financial position includes balances arising in the ordinary course of business with related parties as follows:

	2025	2024
	$	$
Staff and volunteer balances (Note 26):		
Loans to members	171,017,283	204,701,147
Members' shares and deposits	164,374,191	157,330,494
Balances with JCCUL and its affiliates:		
Liquid assets: deposits (Note 6)	692,961,606	472,680,783
Financial investments (Note 8)	84,962,938	82,414,740
External credits: borrowings (Note 15)	18,760,440	70,997,901

(b) The statement of comprehensive income includes income earned from, and expenses incurred in, transactions with related parties in the ordinary course of business, as follows:

	2025	2024
	$	$
Interest income:		
The League	11,511,882	7,512,743
Key management personnel	2,095,443	2,725,573
Expense:		
Interest expense:		
The League	2,121,987	6,547,752
Key management personnel	556,845	604,206
Directors' emoluments:		
Fees	-	-
Travelling	10,602,480	10,550,525
Salaries and other short-term employee benefits:		
Key management personnel	89,317,782	90,374,304
League fees	9,502,785	8,492,732
Stabilization dues	5,776,136	5,046,531
Annual general meeting- league	941,057	1,684,507

28. Insurance

(a) Fidelity insurance coverage
The Credit Union had fidelity insurance coverage with Cuna Mutual Insurance Credit Union Limited. The total premium for the year was $3,220,000 (2024: $3,220,000).

(b) Life savings and loan protection coverage
During the year, the Credit Union had life savings and loan protection coverage with Cuna Mutual Insurance Credit Union Limited. The total premium for the year was $18,967,790 (2024: $25,111,297).

(c) Premises and assets
During the year, the Credit Union had insurance coverage in respect of premises and assets. The total premium for the year was $3,838,457 (2024: $3,178,292)

29. Commitments

(a) At 31 December 2025 and 2024, there were no loan commitments to members.
(b) At 31 December 2025, total commitments amounted to $16,700,868 of which $11,831,437 have been deposited (2024: $Nil).



Steven Watson
Chairman



Patsie Wallen-Lindsay
Secretary



Carlene Allen
Member



Michael Farquharson
Member



Anthony Lewis
Member

Credit Committee's Report

The Credit Committee met on Wednesday, November 26th, 2025, at 2:00 pm. in the Board Room of the Public Sector Employees Co-operative Credit Union Limited, 7-9 Union Square, Cross Roads, Kingston 5.

The purpose of this meeting was to nominate the Chairman and Secretary from the 57th Annual General Meeting, held on Saturday, November 22, 2025, at the Summit Hotel, 16 Chelsea Avenue, Kingston 10. Mrs. Carlene Allen was excused from the meeting.

Nominations were held for Chairman and Secretary, respectively; the outgoing Chairman, Mr. Steven Watson, and Mrs. Patsie Wallen-Lindsay were nominated and elected to serve on the Credit Committee as Chairman and Secretary for one (1) year.

The Credit Committee met on average twice per month during the reporting period. In addition to our regular meetings, we also participated in PSECCU joint meetings with the Board of Directors and the Supervisory Committee, which serves as a strategic forum for reviewing and deliberating on the Credit Union's policies and standard operating procedures, and financial position.

The year 2025 saw the Credit Committee approved/ ratified a combined total of Fifteen Thousand Five Hundred Ninety-Three (15,593) loans, in the categories of twenty-three (23) different loan types. The value of these loans amounted to One Billion Four Hundred Forty Million Two Hundred Fourteen Thousand Twenty-Eight Dollars and Seventy-Two Cents ($1,440,214,028.72).

The Committee ensures all loans meet the required standards for approval in accordance with the rules, regulations, and policies of the Credit Union. We are committed to delivering exceptional customer satisfaction and hope that we remain your trusted financial institution of choice.

ATTENDANCE REPORT JANUARY 2025 - DECEMBER 2025

For the year 2025, a total of Twenty- Seven (27) meetings were held.

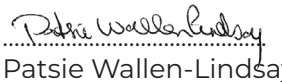
Members	Attendance
Steven Watson (Chairman)	27
Patsie Wallen-Lindsay (Secretary)	27
Carlene Allen (Member)	24
Anthony Lewis (Member)	15
Michael Farquharson (Member)	27

ACKNOWLEDGEMENT
The Credit Committee extends its sincere gratitude to our valued members for their continued confidence and trust in allowing us to serve you during 2026. We greatly appreciate your support and patronage and remain committed to providing you with quality service.

Thanks to the Board of Directors, staff, and other Committee members for your support during the year. We look forward to serving you even better in 2027.



Steven Watson
Chairman



Patsie Wallen-Lindsay
Secretary



Courtney Coley
Chairman



Omar Drysdale
Secretary



Julian Oscar
Member



Sancha Miller-McPherson
Member



Juniffer Dixon-Gordon
Member

Supervisory Committee Report

The Supervisory Committee is pleased to submit its Annual Report for the 2025/2026 reporting period, providing an account of the oversight, monitoring and inspection of activities undertaken by the Credit Union during the year. In satisfying/fulfilling its mandate, the Committee remained committed to promoting sound governance, accountability, transparency, effective internal controls, and the overall operational soundness of the Public Sector Employees Co-operative Credit Union Limited (PSECCU).

Throughout the period under review, the Committee carried out independent audits, compliance assessments, operational reviews, and inspections designed to determine whether established policies, procedures, regulatory requirements, and internal controls were appropriately maintained. The Committee's activities were also directed toward identifying areas requiring attention, making recommendations where necessary, and supporting continuous improvement in the Credit Union's operations while safeguarding the interests of its membership.

This report therefore highlights the principal activities undertaken by the Committee, areas examined, observations arising from its oversight responsibilities, and the collaborative efforts of the Board, Committees, Management, and staff in strengthening the Credit Union's governance and operational framework.

In keeping with sound governance practices, the Supervisory Committee comprises five (5) volunteer members, who perform their responsibilities independently of the Credit Union's Management and officials.

At the 57th Annual General Meeting, held at the Summit, Kingston 10 on Saturday, November 22, 2025, the following members were duly elected to serve on the Supervisory Committee for a further term of one (1) year:

- Mr. Courtney Coley
- Mr. Omar Drysdale
- Miss Julian Oscar
- Mrs. Juniffer Dixon-Gordon
- Mrs. Sancha Miller-McPherson

The Committee subsequently met on Thursday, November 27, 2025, in keeping with Rule 49, subsection (i) of the Society's Rules, to determine the officers of the Committee. At that meeting, Mr. Courtney Coley was elected Chairman and Mr. Omar Drysdale was elected Secretary.

The Supervisory Committee wishes to place on record its sincere appreciation to Mr. Jason Rodriques following his appointment with the Board of Directors of the Public Sector Employees Co-operative Credit Union Limited.

During his tenure as a member and Chairman of the Supervisory Committee, Mr. Rodriques made a meaningful contribution to the work of the Committee. His experience, knowledge, sound judgment, and valuable insights assisted in guiding discussions and strengthening the Committee's oversight of the Credit Union's affairs. His commitment to good governance and effective oversight was greatly appreciated by the Committee.

As Mr. Rodriques assumes his new responsibilities on the Board of Directors, the Committee extends its best wishes to him and looks forward to the continued benefit of his experience in his new capacity.

The Committee also takes this opportunity to welcome Mr. Courtney Coley as his replacement. Mr. Coley is familiar with the activities and operations of the Credit Union and brings with him an understanding of its affairs and continued development. The Committee looks forward to his contribution, participation, and commitment as he assumes the role of Chairman and joins the other members in carrying out the Committee's mandate.

During the period under review, the Supervisory Committee convened fifteen (15) scheduled meetings and actively maintained robust oversight and inspection activities. The Committee's work included visits to the Head Office, Portmore Branch, St. Mary Branch, Mandeville Branch, and Montego Bay Branch.

Regular attendance and participation remained an important component of the Committee's effectiveness. The attendance recorded during the period was as follows:

Members	Attendance (# of Meetings 15)
Jason Rodriques	12
Omar Drysdale	15
Julian Oscar	12
Sancha Miller-McPherson	12
Juniffer Dixon-Gordon	9
Courtney Coley	2

The Committee recognizes that consistent participation is essential to the effective discharge of its oversight responsibilities. Members' attendance and involvement in meetings, inspections, and other Committee activities enabled the Supervisory Committee to maintain continuous oversight of the Credit Union's operations throughout the reporting period.

The Supervisory Committee continued to fulfil its responsibilities by conducting regular inspections of the Credit Union's facilities throughout the period. These inspections were undertaken to assess the efficiency and effectiveness of operations, evaluate adherence to established procedures, and determine whether appropriate internal controls were being maintained.

During the year, the Committee conducted unannounced visits to the Credit Union's five (5) locations. The unannounced nature of these visits allowed the Committee to obtain a more accurate representation of normal operating conditions and to independently assess service delivery, administrative practices, record management, cash controls, and compliance with established procedures.

Findings arising from these inspections were reviewed by the Committee and, where necessary, communicated to the Board of Directors through formal reports and recommendations. The Committee also monitored matters requiring follow-up to determine whether appropriate corrective action had been taken.

As part of its oversight programme, the Supervisory Committee conducted reviews across several key areas of the Credit Union's operations. These included, but were not limited to:

1. Board Minutes and Governance Records
2. Cash and Teller Operations
3. Bank Reconciliation Processes
4. Member Account and Share Verification
5. Procurement and Expenditure
6. Fixed Asset Verification
7. Information Technology and Digital Banking Controls
8. Branch Operations and Physical Security
9. Delinquency and Collections
10. Member Complaints and Service Delivery
11. Governance and Committee Effectiveness
12. Follow-up on Previous Audit Recommendations

The reviews were intended to assess the adequacy of controls, verify compliance with established procedures, identify potential areas of operational risk, and ensure that appropriate measures were being implemented to address issues identified during previous inspections or reviews.

In addition to operational audits and inspections, the Supervisory Committee conducted targeted compliance assessments to determine the Credit Union's adherence to applicable legislation, regulatory requirements, internal policies, and established procedures.

The Committee's compliance monitoring formed an integral part of its oversight responsibilities and provided an opportunity to assess whether required submissions, controls, reporting mechanisms, and administrative practices were being maintained. Areas reviewed included regulatory and statutory obligations, financial reporting, liquidity requirements, AML/CFT-related controls, statutory payments, policy compliance, and other matters relevant to the sound operation of the Credit Union.
The Committee recognizes that an effective audit and inspection programme does not end with the identification of an issue. Accordingly, attention was also given to follow-up reviews of previous recommendations and reported observations.

Where matters requiring corrective action were identified, the Committee monitored the responses provided and assessed the progress made toward resolution. This process assisted in ensuring that recommendations were not merely recorded but were given appropriate consideration by the relevant officers, Management, or Committees.

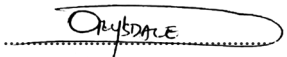
The continued monitoring of outstanding matters remains important to the Committee, as it supports accountability, strengthens internal controls, and reduces the likelihood of recurring operational weaknesses.

Acknowledgement
The Supervisory Committee takes this opportunity to express its sincere appreciation to all those whose commitment and contribution supported the operations and development of the Public Sector Employees Co-operative Credit Union Limited during the period under review.

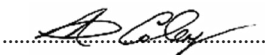
The Committee recognizes the Board of Directors for its leadership, guidance, and continued commitment to sound governance and the advancement of the Credit Union. Appreciation is also extended to the Credit Committee for its diligence in the assessment and management of loans and its continued efforts to maintain responsible lending practices.

Special recognition is given to the Management and staff for their dedication, professionalism, cooperation, and continued support in carrying out the day-to-day operations of the Credit Union. Their efforts have contributed to the delivery of services and the achievement of the organization's objectives. The Committee also extends its sincere appreciation to the members of PSECCU for their continued confidence, loyalty, participation, and support. The membership remains central to the strength and sustainability of the Credit Union, and their continued engagement is highly valued.

Finally, the Supervisory Committee acknowledges the collective contribution of the Board of Directors, Committees, Management, staff, and membership. Their combined efforts continue to provide a strong foundation for the Credit Union's operations, governance, and future development.



Omar Drysdale,
Secretary



Courtney Coley
Chairman

Delegates' Report of JCCUL 83rd AGM

ANNUAL GENERAL MEETING AND CONVENTION

The Annual General Meeting and Convention was held from Thursday, May 30 to Sunday, June 2, 2024, at the Ocean Coral Springs Resort in Trelawny, and concluded with resounding success. The event brought together over 180 participants for four days of meaningful dialogue, knowledge-sharing, and networking.

Guided by the theme "Credit Unions: Change with Intent...The Change Continues," the convention emphasized innovation and the adoption of new workflows to strengthen credit unions' capacity to improve members' financial well-being and enhance their overall banking experience.

The programme featured a wide range of activities, including a trade show, workshops, roundtable discussions, the formal Annual General Meeting (AGM), and a Youth Congress under the NeXGen initiative. The gathering culminated with an Awards Gala, which celebrated achievements and recognized contributions within the movement.

YOUTH SUMMIT – NEXGEN CHANGE MAKERS

The second staging of the Credit Unions of Jamaica NeXGen Change Makers Youth Congress was held on Thursday, May 30, 2024, at the Ocean Coral Spring Resort & Spa in Trelawny, bringing together 74 young credit union professionals under the age of 40. The summit provided a dynamic and immersive experience, encouraging participants to "trust the process" while engaging with discussions on the co-operative model, the role of financial co-operatives in society, and the responsibility of young professionals to drive positive change within their communities and the global Credit Union Movement.

Keynote messages reinforced the importance of youth involvement. Cleon Cadogan, President of NeXGen Change Makers, urged attendees to commit to being agents of change, while Nicole Haughton Johnson, 1st Vice President, outlined the programme's goals and objectives for the coming year, sharing her personal experiences in the co-operative movement across multiple regions.

Leaders of the Jamaica Co-operative Credit Union League, including President Andrea Messam and CEO Robin Levy, expressed their confidence in the NeXGen cohort. They emphasized the need for youth engagement to address the challenge of an aging membership base (average age 55 years) and called on young professionals to champion recruitment and strengthen the movement's sustainability.

The summit underscored the critical role of emerging leaders in shaping the future of credit unions, highlighting opportunities for personal and professional growth, while reinforcing the importance of global solidarity and impact.

NEXGEN CONGRESS HIGHLIGHTS & OPENING CEREMONY

At the NeXGen Change Makers Congress, Robin Levy, Group CEO of the JCCUL, highlighted the historical significance of the credit union movement in Jamaica, emphasizing its unwavering focus on serving people. Using interactive exercise, Mr. Levy demonstrated that with determination, individuals can surpass perceived limitations, reinforcing the message that ambitious goals are achievable.

Participants also received messages of encouragement from credit union colleagues worldwide, showcasing the strong global support for young professionals in the movement. Greetings came from representatives across Jamaica, Brazil, Canada, and Barbados, underscoring the commitment of the global cooperative network to youth development and empowerment.

The congress empowered attendees through exposure to global cooperative practices, UN Sustainable Development Goals (SDGs), and ESG principles. Participants engaged in practical dramatization exercises and, following their induction, were officially recognized as NeXGen Leaders with golden pins. They pledged to transform how credit unions approach challenges, operations, and their

relevance to younger generations. With membership now 120 strong, the NeXGen Change Makers left energized and committed to driving innovation and revitalization within the credit union movement.

The official opening ceremony of the Annual Convention and 83rd Annual General Meeting took place on Friday, May 31, 2024, attended by directors, senior managers, and JCCUL staff. The event featured the Convention's first flag ceremony, symbolizing unity across the movement, facilitated by credit union leaders and NeXGen representatives. Greetings were delivered by Andrea Messam (President, JCCUL), Robin Levy (CEO, JCCUL Group), and Cleon Cadogan (President, NeXGen Change Makers).

The keynote address was delivered by His Worship the Mayor, Councillor Richard Vernon of Montego Bay, who emphasized the importance of effecting meaningful change and the need for strong leadership to adapt to evolving member needs and technological transformation.

After a brief break, the convention continued with a series of thought-provoking presentations. These sessions challenged traditional business practices and explored innovative regulatory approaches for the future. The speakers engaged are as follows:

- **Presenter**: Krystal Tomlinson, Master Public Speaking Coach and Strategist
  Topic: "Driving Change"
- **Presenter**: Rory Ebanks, Director of Cyber Security, Symptai Consulting Ltd
  Topic: "Cyber Security Risk and Response"
- **Presenter**: Tom Hewlett, CEO of Credit Union Brand Engineering (CUBE)
  Topic: "Innovative Branding Strategies: Enhancing Competiveness for Credit Unions in a Changing Financial Landscape"
- **Round Table**
  Presenters: Robert Gordon, Chief Operations Officer at CRIF Information Bureau Jamaica Ltd

  Andrew Rousseau, Managing Director of CGR Communications and Co-founder of Shift Interactive

  Jamie Ranston, Director at CGR Communications and Co-founder if Shift Interactive
  Topic: "Change is the only Constant"

2024 JCCUL ANNUAL GENERAL MEETING

Over 180 delegates and alternate delegates from credit unions across the island attended the JCCUL's 83rd annual convention on Saturday, June 1 at the Ocean Coral Springs Resort & Spa.

The meeting was chaired by Andrea Messam who welcomed the delegates. She began the meeting by orating a summary of the Board Report for the year 2023. All other reports including that from the Treasurer, the Supervisory and Nominating Committees, as well as the audited financial statements were presented.

DISTRIBUTION OF SURPLUS

The Delegates agreed to the distribution of the surplus of three hundred and six million, seven hundred and seventy thousand dollars ($306,770,000).

The Delegates also voted for the maximum liability of the League to be set at $5 billion.

ELECTION OF OFFICERS

The Delegates elected the following Directors of the JCCUL Board for 2024:

Name	Credit Union	Category	Yrs.
Norris Gilbert	PWD	Small	3
Desmond Pringle	JDF	Medium	3
Anthony McLaughlin	Jamaica Police	Large	3

At Large Category
The Committee nominates the following persons to fill the vacancies in the 'At Large' category:

Name	Credit Union	Category	Yrs.
Lambert Johnson	Gateway	At Large	3
Sheldon Graham	Postal & Partners	At Large	3

The Delegates elected the following members to serve on the Supervisory Committee:

Name	Credit Union
Mary Dick	JTA Co-operative
Andrea Graveney	First Heritage Co-operative
Karen Robotham-Teape	Broadcast & Allied Services Co-operative
Barrington Hibbert	NAJ & Health Services Co-operative
Nicola Reid	Palisadoes Co-operative

RESOLUTIONS

Four (4) resolutions were passed at the meeting as follows:

Anniversary congratulatory resolutions

- Jamaica Defence Force Co-op Credit Union – 60th anniversary resolution
- Congratulatory resolutions
- Jamaica Police Co-op Credit Union – Dr Anthony McLaughlin, national award honouree
- Jamaica Defence Force Co-op Credit Union – Lieutenant Colonel Michael Anglin's retirement from the Board of Directors
- Jamaica Defence Force Co-op Credit Union – Mrs. Patricia Tomlinson's years of service and contribution to the credit union.

CREDIT UNION AWARDS BANQUET

The Credit Union Awards Banquet was held on June 1, 2024 with Guest Speaker Darien Henry, JP, Principal of Montego Bay Community College and Journalist.

The following persons and credit unions received awards:

CPD Online Awards 2023		
Awardee	Award	Credit Union
Ramona Downe	Top User	Jamaica Police Co-operative
	2nd Runner –up : Top Performing Credit Union	C&WJ Co-operative
	1st Runner –up : Top Performing Credit Union	FHC Co-operative
	WINNER : Top Performing Credit Union	Postal & Partners Co-operative

Sectional Awards 2023	
Award	Credit Union
OJ Thorbourne Award for Corporate Social Responsibility	**WINNER**: First Regional Co-operative
	RUNNER-UP: Postal & Partners Co-operative
G. Arthur Brown Award for Corporate Governance	**WINNER**: C&WJ Co-operative
	RUNNER-UP: Grace Co-operative
Lorrel Bruce Award for Service Excellence	**WINNER**: JPS & Partners Co-operative
	RUNNER-UP: C&WJ Co-operative
Stanley Moore Award for Financial Education and Empowerment	**WINNER**: Gateway Co-operative
	RUNNER-UP: Jamaica Police Co-operative
D.T. Brown Award for Risk Management	**WINNER**: C&WJ Co-operative
	RUNNER-UP: Grace Co-operative
McArthur Palmer Award for Technological Innovation	**WINNER**: C&WJ Co-operative
	RUNNER-UP: Jamaica Police Co-operative

Credit Union of the Year 2023	
Award	Credit Union
Renford Douglas (Large-sized) Credit Union of the Year	**WINNER**: Jamaica Police Co-operative
	RUNNER-UP: Gateway Co-operative
Paul Thompson (Medium-sized) Credit Union of the Year	**WINNER**: JPS & Partners Co-operative
	RUNNER-UP: Manchester Co-operative
Fr. John Peter Sullivan (Small-sized) Credit Union of the Year	**WINNER**: Postal & Partners Co-operative
	RUNNER-UP: Grace Co-operative

D. Graham

Dacy-Ann Graham,
Delegate

Tamara Maxwell-Green
Delegate

Nominating Committee Report

In accordance with Rule 64 governing the operations of the Public Sector Employees Co-operation Credit Union Limited, not less than ninety (90) days prior to each Annual General Meeting, the Board of Directors shall appoint a Nomination Committee of three members, of which not more than one may be a member of the existing Board of Directors. It shall be the duty of the Nomination Committee to nominate at the vacancy for which elections are being held.

The Nomination Committee was appointed by the Board of Directors at its meeting held on July 9, 2026, and in keeping with Rule 64, the Committee comprised of the persons named below:

1. Mr. Jason Rodriques – Chairman (Board of Director)
2. Mr. Steven Watson - (Credit Committee)
3. Mrs. Tamara Maxwell Green - Deputy CEO (Finance & Admin.)

In performing its task, the Committee was guided by the Rule 64 (a) to (f):

The Board of Directors' current status is as follows:

Board of Directors Retiring at 2026 Annual General Meeting are:	Board of Directors Retiring at 2027 Annual General Meeting:
Calvin Allen	Errol Adams
Jeanette Davis	Christopher Phillips
Dacy-Ann Graham	Andrew Johnson
Eric Wint	Jason Rodriques
Courtney Faulknor	

The Board of Directors is elected to serve for a period of two years. Based on nominations received and subsequent to assessment, the Committee has put forward the following nominees for election by the membership to fill five (5) vacancies for Board of Directors to serve for the term of two (2) years:

Board of Directors recommended:
Calvin Allen
Dacy-Ann Graham
Eric Wint
Courtney Faulknor
Courtney Coley
Renard Raymond

The Credit Committee current status is as follows:

Credit Committee Retiring at 2026 Annual General Meeting are:	Credit Committee Retiring at 2027 Annual General Meeting
Carlene Allen	Michael Farquharson
Patsie Wallen-Lindsay	Steven Watson
Anthony Lewis	

The Nomination Committee recommends that the Credit Committee members below be elected to serve for the term of two (2) years:

Credit Committees Members recommended
Carlene Allen
Patsie Wallen-Lindsay
Anthony Lewis

The Supervisory Committee is elected to serve for a period of one year. Based on nominations received and subsequent to assessment, the Committee recommends that the Supervisory Committee below be elected to serve for the term of one (1) year:

Nominees for Supervisory Committee to serve for 1 year:
Omar Drysdale
Julian Oscar
Sancha Miller-McPherson
Nicola Thomas
Nigel Davis

PROFILES OF CANDIDATES

Board of Directors

1. **Calvin Allen:**
   Mr. Allen is an Assistant Commissioner of Police, serving the Jamaica Constabulary Force for thirty-nine (39) years. He has been a member of the Credit Union since 1988 and have served on as a Credit Committee member for six years and as a Board of Directors for twenty (20) years and has held the position of President and Vice President. Mr. Allen holds a MSc. Degree in National Security & Strategic Studies from the University of the West Indies.

2. **Courtney Coley:**
   Mr. Coley is a Superintendent of Police with eighteen (18) years of service in the Jamaica Constabulary Force and is assigned to the Community Safety & Security branch. He has been a member of the Public Sector Employees Co-operative Credit Union since 2008 and has served on the Credit Committee from 2012 to 2014. He has also served as the Chairman of the Supervisory Committee since 2025. Mr. Coley holds a BSc. in Business Administration, Diploma in Accounts and a Certificate in Business Administration all from the University of Technology (UTECH). He also holds an advanced Diploma in Command & Leadership from the National Police College of Jamaica (NPCJ).

3. **Dacy-Ann Graham:**
   Ms. Dacy-Ann Graham is a Superintendent of Police, serving the Jamaica Constabulary Force with assigned duties as the Commanding Officer for the HQ Stores. She has served on the Board since 2015, holding various positions such as Assistant Secretary and Secretary. She has been a member of the Credit Union since 2008. Ms. Graham holds a MBA in Business Administration, BSc Degree in Economics and Management Studies, MSc Degree in Human Resource Development and ASc. in Supplies Management from the University of the West Indies.

4. **Eric Wint:**
   Mr. Wint is a retired Deputy Superintendent of Police, having served the force for about thirty-nine (39) years. Mr. Wint has served as a Board of Director at the Public Sector Credit Union for over eighteen (18) years and have been a member of the Credit Union since 1986. He has training and Certification in Administration and in Vital Infrastructure Security. Mr. Wint has Certification in Risk Management and Microsoft Word-Customer Service.

5. **Rev. Dr. Courtney Faulknor, JP:**
   Rev. Dr. Courtney Faulknor JP., pc is an Assistant Chaplain and holds the honorary rank of a Superintendent of Police in the Jamaica Constabulary Force since 1999, where he caters to the spiritual and psychological well-being of the sworn and unsworn members.

   He has been serving the Public Sector Employees Co-operative Credit Union since 2012 and served as Director, Secretary and Assistant Secretary.

   He is a Justice of the Peace for the parish of St. Andrew and holds a Doctorate in Transformational Leadership with Emphasis in Organizational Transformation, from the Bakke Graduate University, Dallas, USA, Master of Arts (Hons) degree in Counseling Psychology from the Caribbean Graduate School of Theology and a Bachelor of Arts in Theology from the Jamaica Theological Seminary.

6. **Renard Raymond:**
   Mr. Raymond is a District Constable serving the Jamaica Rural Police Force for the past 15 years and has been a member of the Public Sector Employees Co-operative Credit Union since 2011. Having achieved a number of academical achievements, he has also served in a few service organizations to include mentorship and youth leadership and development and also education. Mr. Raymond holds a Master of Education in Educational Leadership & Management, a Bachelor of Education in Business Studies and an Associate Degree in Business Administration. He also holds a Certificate in Supervisory Management.

Credit Committee

1. **Anthony Lewis:**
   Mr. Anthony Lewis is a retired Deputy Superintendent of Police and has been a volunteer of the Credit Union for the past 33 years and served in various capacity as a Delinquency officer, Risk Manager and Mandeville Branch Manager. Mr. Lewis presently serves as a member of the Credit Committee and He is a member, Board of Director and Committee Chairman of the Kiwanis Club of Portmore. He also volunteers with the Jamaica Red Cross. He holds Diploma in Paralegal Studies, Certificate in Supervisory and Financial & Delinquency Management.

2. **Patsie Wallen-Lindsay:**
   Mrs. Lindsay is a Deputy Superintendent of Police and has been employed to the Jamaica Constabulary Force since May 24, 1990. She has been a member of the Public Sector Employees Co-operative Credit Union since 1990 and has served on the Credit Committee since 2008 as member and currently as Secretary. She holds a Police Certificate in Administration, Certificates in Junior Management, Proceeds of Crime Act, Risk Management, Microsoft Word-Customer Service.

3. **Carlene Allen:**
   Mrs. Allen is a Deputy Superintendent of Police and has been a serving member of the Jamaica Constabulary Force for over 31 years. Mrs. Allen served at the Credit Union for over 17 years in various positions including Loans Manager, and she has served the Credit Committee since 2014. She holds an Associate Degree in Business Administration and Certificates in Supervisory Management, Practical Nursing, Total Customer Care, Effective Credit Risk Management, Management of Non-performing Loans, Credit Administration, Delinquency Control & Collections, Records Management, Legal Framework of Co-operative Societies, proceeds of Crime Act, H.E.A.R.T Enterprise Base Training.

Supervisory Committee

1. **Sancha Miller-McPherson:**
   Mrs. Miller-McPherson is an Inspector of Police employed to the Jamaica Constabulary Force (JCF) for over 21 years and is assigned to the Canine Division. She has been a member of the Public Sector Employees Co-operative Credit Union since 2005 and has served as a member of the Supervisory Committee since 2007 in the capacity of Secretary and Assistant Secretary. She holds Certificates in Supervisory Management, Customer Relation, Credit Risk Assessment and Proceeds of Crime Act.

2. **Omar Drysdale:**
   Mr. Drysdale is a Corporal of Police employed to the Jamaica Constabulary Force for the past seventeen (18) years and is currently stationed at the National Police College of Jamaica (NPCJ). Mr. Drysdale has been a member at the Public Sector Employees Co-operative Credit Union since 2008 and has served on the Supervisory Committee for the past ten (11) years in various capacities such as member, Secretary and Chairman. He has also performed duties as a Loans Clerk for over three (3) years at the Public Sector Employees Co-operative Credit Union. He holds a Certificates in Customer Relation, Proceeds of Crime Act, Office Administration II, Diploma in Supervisory Management II (NPCJ), Industrial Security and Corporal Development Course.

3. **Julian Oscar:**
   Ms. Oscar is a Corporal of Police with twenty-two (22) years of service in the Jamaica Constabulary Force and is attached to the Intelligence Branch (IB). She has been a member of the Public Sector Employees Co-operative Credit Union since 2007 and was a former employee. She has served on the Supervisory Committee for over ten (10) years in capacities such as member and Secretary. She holds Certificates in Customer Relation, Supervisory Management, Credit Administration, Proceeds of Crime Act, Anti-money Laundering Act and Customer Service.

4. **Nichola Thomas:**
   Ms. Thomas is an Inspector of Police with twenty-eight (28) years of service in the Jamaica Constabulary Force and has been a member of the Public Sector Employees Co-operative Credit Union since 1998. Ms. Thomas holds a MSW in Women's Leadership & Social Development from China Women's University where she has a level 3 qualification in speaking Chinese Mandarin. She also holds a MSc. In National Security & Strategic Studies and a BSc. in Public Sector Management from the University of the West Indies, Mona (UWI).

5. **Nigel Davis:**
   Mr. Davis is a Sergeant of Police with twenty-five (25) years of service in the Jamaica Constabulary Force and is assigned duties at the Bridgeport Police Station. He has been a member of the Public Sector Employees Co-operative Credit Union since 2001 and has served as a volunteer on the Supervisory Committee as a member, Secretary and Chairman. Mr. Davis holds an

Associate Degree in Criminal Justice, NVQ-J level 5 in Business Administration, NVQ-J level 4 in Human Resource Management and Training & Assessment, NVQ-J level 3 in Supervisory Management and NVQ-J level 3 in Business Management and Customer Service. He holds Certificates in Credit Risk Assessment, Audit Techniques for Supervisory Committee and Proceeds of Crime Act.

The Nomination Committee is most grateful to have served in this capacity.



Mr. Jason Rodriques
Chairman

Resolution

FIXING OF MAXIMUM LIABILITY

In keeping with Rule 69, your Board of Directors proposed that the maximum liability for the loans that the Board of Directors may borrow is to be set at 16 times the Society's capital and reserve funds.



Andrew Johnson
Treasurer

Meet The Team



Osmond Bromfield, OD, JP
Chief Executive Officer



Tamara Maxwell-Green, JP, MBA, B.Sc, BA
Deputy CEO



Charles Tam, CIRM, MBA, BBA
Deputy CEO



Lisa Harry, Dip. Bus. Ad
Administrative & Support Services Manager



KellyAnn Dixon, CDMP, MBA, BA
Marketing & Communications Manager



Tracey-Ann Francis, MBA, B.Sc., Dip. Ed
Credit Administration Manager



Chezray Rodney
Information Technology Manager



Pete Morse, MBA, BBA
Accounts Manager



Patricia Dawson
Branch Supervisor
- St. Mary



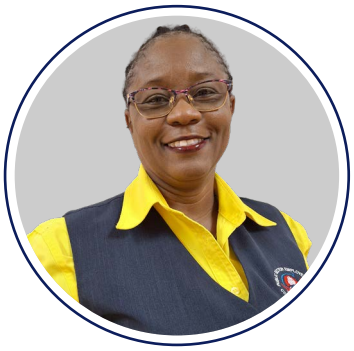
Saneisha Thompson, MBA, LLB
Branch Supervisor
- Montego Bay



Alicia Graham-Carter, A.Sc.
Branch Supervisor
- Manchester



George Hunter
Branch Supervisor
- Portmore



Sharon Smith-Linton
Loans Officer



Jodi-Ann McBean, B.Sc.
Senior Loans Clerk



Shanakaye Bailey
Loans Clerk



Rajeah Young
Loans Clerk



Nattanya Palmer
Loans Clerk



Davia Thawe, A.Sc.
Delinquency Control Officer



Nicole Sweeney, Bsc.
Snr. Account Clerk



Christopher Murdock
Snr. Debt Collector



Owen Williams
Debt Collector



Alaine Williams
Accounts Officer



Kadene Saunders
Accounts Officer



Mishka Walker
Snr. Accounts Clerk



Kerryann Smith
Snr. Accounts Clerk



Crystal Lewis
Accounts Clerk



Tamara Taylor, A.Sc
Clerk



Jodi-Ann Smith
Snr. Delinquent Clerk



Meloney Leyes
Member Service Representative



Sereika James, B.Sc
Accounts Clerk



David Clarke, A.Sc
Information Technology Officer



Tamara Newman, JP, PGDip,
B.Sc. Executive Assistant



Deandra Williams-Bygrave
Snr. Clerk
- Portmore



Patricia McLawrence
Snr. Loans Clerk
- Portmore



Kimberley McDonald
Loans Clerk
- Portmore



Zena Sheriff
Clerk
- Mandeville



Neloresa Palmer
Clerk
- Montego Bay



Kareen Simpson
Clerk
- Mandeville



Mikalia Lawrence
Clerk
- Mandeville



Shavelle Edwards, A.Sc.
Clerk
- St. Mary



Tanesha Ferguson
Clerk
- St. Mary



Devon McKoy
Driver
- Head Office



Delroy Mitchell
Driver
- Portmore



Donovan Buchanan
Ancillary Staff
- Head Office



Althia Douglas
Ancillary Staff
- Head Office



Michelle James
Ancillary Staff
- St. Mary



Tanya Dawkins
Ancillary Staff
- Montego Bay

2025 AGM















Proposed Delinquent Loans for Charge Off

Below is a list of Eighty Nine (89) members who have been delinquent. The total delinquent loan balance amounts to $ $111,006,889.98.

Member's Name	Loan Type	Principal Balance	Interest	Total loan balance (Loan, Interest & Fee)
MCKENZIE, ILENE	35	$1,412,075.44	$244,807.75	$1,656,883.19
MCKENZIE, ILENE	45	$505,938.65	$49,153.60	$555,092.25
MORRISON-LOUTIN, MARCIA	75	$-	$59,850.10	$59,850.10
WAYNE SIMPSON	2	$-	$210.00	$210.00
POORMAN, RICARDO, S	45	$91,618.41	$12,605.41	$104,223.82
POORMAN, RICARDO, S	2	$2,181,396.09	$76,292.16	$2,257,688.25
BROWN, DELROY, O	64	$937,039.42	$57,966.41	$995,005.83
EVANS, ORLANDO, S	60	$71,936.73	$8,956.04	$80,892.77
WARREN, NORVAL	64	$859,693.47	$51,581.61	$911,275.08
FRANCIS, CLEVELAND	69	$1,293,095.06	$50,017.60	$1,343,112.66
MCINTOSH, GEORGE	60	$30,749.82	$6,457.50	$37,207.32
MCINTOSH, GEORGE	71	$4,274,359.77	$202,144.11	$4,476,503.88
HENRY BROWN, ANDREA, M	63	$2,099,240.67	$103,459.50	$2,202,700.17
ELLIS, FITZROY	63	$1,013,673.53	$48,272.80	$1,061,946.33
GRIEH, DANE	2	$1,893,029.56	$66,206.82	$1,959,236.38
JOHNSON, DAMEAN	60	$124,541.65	$12,198.21	$136,739.86
WILSON, MICHAEL	35	$132,108.84	$200,675.52	$332,784.36
GUSCOTT, STEVE	27	$-	$185,269.74	$185,269.74
CHARLTON, MARLENE, V	63	$1,563,159.19	$41,289.50	$1,604,448.69
MCLAREN, AINSWORTH, U	71	$3,037,230.44	$148,119.87	$3,185,350.31
ANDERSON, FITZGERALD	63	$2,748,759.13	$303,446.56	$3,052,205.69
FOWLER, DAMEION	45	$92,156.34	$18,431.34	$110,587.68
LENNON, ANDREW, L	2	$2,704,786.70	$121,448.59	$2,826,235.29

Member's Name	Loan Type	Principal Balance	Interest	Total loan balance (Loan, Interest & Fee)
HARRIS, O'NEIL, K	35	$767,588.58	$59,943.26	$827,531.84
DALEY, ONEIL, O	92	$66,677.14	$11,274.99	$77,952.13
SMALLWOOD, ANDREEN, A	63	$1,156,731.23	$82,350.63	$1,239,081.86
HAMILTON, KADEEN, K	2	$2,217,159.02	$83,261.72	$2,300,420.74
QUARRIE, BARBARA, J	35	$119,144.64	$55,112.09	$174,256.73
WISDOM, ALBERT, A	28	$533,036.97	$15,650.79	$548,687.76
DIXON JAMES, TANYA-LEE, S	63	$1,759,917.92	$123,747.58	$1,883,665.50
GORDON, ROBIN, C	63	$468,120.45	$27,101.76	$495,222.21
GORDON, ROBIN, C	2	$1,688,935.40	$66,924.36	$1,755,859.76
SAMUELS, PAUL, O	90	$207,081.09	$28,685.80	$235,766.89
ROBINSON, DAIMIAN, O	63	$1,523,152.05	$61,274.23	$1,584,426.28
STEWART, FITZROY	45	$166,587.44	$13,847.43	$180,434.87
HAROLD GREEN	1	$-	$2,831.00	$2,831.00
Oneil Thompson	35	$-	$427,828.59	$427,828.59
JACKSON, PATRICIA, E	2	$3,727,820.34	$-	$3,727,820.34
ELVIS THOMAS	1	$-	$1,581.00	$1,581.00
BYFIELD, GARFIELD	45	$585,136.90	$42,560.46	$627,697.36
ROBINSON, RAKIM, S	63	$2,400,501.50	$144,225.92	$2,544,727.42
DACRES, DWIGHT, G	63	$3,263,844.00	$159,761.85	$3,423,605.85
CAMPBELL, DERRICK, G	2	$3,335,607.81	$129,219.21	$3,464,827.02
SKEINE, DAVID, R	45	$-	$88,527.18	$88,527.18
WATSON, KENYON, O	63	$846,252.82	$42,042.18	$888,295.00
BERNARD, PAUL, F	63	$1,083,931.14	$56,514.41	$1,140,445.55
HEWITT, JOSEMAR, J	60	$59,791.61	$-	$59,791.61
HEWITT, JOSEMAR, J	63	$2,701,901.09	$131,416.52	$2,833,317.61
MCPHERSON, KERONIE, A	2	$259,686.66	$12,109.72	$271,796.38
BOOTHE, ROMAND, O	63	$881,857.29	$53,993.01	$935,850.30
MCLEOD, STEPHANIE, N	63	$1,349,443.84	$11,890.80	$1,361,334.64
MILLER, GAVIN, A	45	$8,282.43	$9,057.44	$17,339.87
WILLIAMS, RENNIEL, A	2	$1,154,487.79	$8,913.30	$1,163,401.09
BENNETT, ROMARIO, N	2	$685,844.63	$24,049.75	$709,894.38

Member's Name	Loan Type	Principal Balance	Interest	Total loan balance (Loan, Interest & Fee)
GORDON, DON-RAY, O	63	$4,524,916.71	$238,693.29	$4,763,610.00
SMITH, CHANEL, C	35	$181,051.70	$17,367.65	$198,419.35
HENRY, KEMAR, V	35	$245,754.91	$86,014.41	$331,769.32
HENRY, KEMAR, V	2	$1,087,608.26	$38,038.02	$1,125,646.28
HENRY, KEMAR, V	45	$284,692.19	$23,937.34	$308,629.53
MITCHELL, STEVE, E	45	$71,470.75	$23,591.39	$95,062.14
FAGAN, OTIENO	2	$658,042.91	$85,293.87	$743,336.78
KENTISH-SENIOR, TRECIA	2	$1,734,744.40	$60,475.80	$1,795,220.20
KENTISH-SENIOR, TRECIA	35	$296,527.86	$53,369.67	$349,897.53
WILLIAMS, ERROL	2	$1,497,526.41	$58,334.29	$1,555,860.70
REID, RHODIA, K	2	$3,308,948.94	$128,681.76	$3,437,630.70
MCANUFF, LEIGHTON, N	63	$2,052,896.27	$100,487.19	$2,153,383.46
CLARKE, STEVE, O	63	$1,687,485.24	$75,957.31	$1,763,442.55
JOSEPH S DONALDSON	46	$-	$5,769.20	$5,769.20
ROWAN N HINDS	2	$-	$75.34	$75.34
DIXON, DELROY, W	63	$1,378,382.16	$74,140.20	$1,452,522.36
MCPHERSON, WINSTON, A	60	$115,365.99	$10,252.91	$125,618.90
WILLIAMS, STENNETT, G	60	$64,062.37	$16,475.99	$80,538.36
STEWART, TEREK, A	60	$85,416.56	$17,641.90	$103,058.46
FYFFE-TAFFE, SIMONE, O	2	$2,700,171.05	$26,785.10	$2,726,956.15
SANGSTER, JOVANE	73	$1,358,366.19	$69,688.95	$1,428,055.14
SMIKLE, KEVIN, A	2	$1,487,521.49	$505,204.07	$1,992,725.56
WHITE, COURTNEY, D	63	$904,361.40	$28,236.13	$932,597.53
SMITH, ORLANDO, D	2	$3,830,720.90	$117,581.97	$3,948,302.87
WILLIAMS, TYRONE, S	60	$17,080.34	$10,248.24	$27,328.58
WILLIAMS, TYRONE, S	2	$2,492,392.68	$117,747.98	$2,610,140.66
LESLIE, JEREMY	2	$2,325,688.05	$81,338.61	$2,407,026.66
RUSSELL, MICAH, J	63	$1,970,047.76	$94,093.04	$2,064,140.80
TOMLINSON, ONIEL, A	2	$2,242,639.16	$78,434.07	$2,321,073.23
SMITH, RICARDO, D	64	$99,129.16	$3,962.16	$103,091.32
SMITH, RICARDO, D	73	$1,528,235.47	$45,813.70	$1,574,049.17

Member's Name	Loan Type	Principal Balance	Interest	Total loan balance (Loan, Interest & Fee)
PASSLEY-FARQUHARSON, GEY-SHARIE, S	90	$145,400.92	$18,811.79	$164,212.71
WRAY, MARIE	2	$3,804,673.96	$114,978.12	$3,919,652.08
CAMPBELL, PAULINE, A	61	$-	$683.33	$683.33
PEYNADO, TOMIEKA, R	35	$247,770.17	$19,924.45	$267,694.62

Obituary

The Board of Directs, Management and Staff of the Public Sector Employees Co-operative Credit Union Limited would like to offer condolence to the families of the following deceased members:

Date of Death	Name
Jan. 2025	STEVEROY CAMPBELL
Jan. 2025	ORAL SMITH
Feb. 2025	ALRICK MORRIS
Mar. 2025	ALSANIA FLYNCH
Mar. 2025	NICOLA RICHARDS
Mar. 2025	KANDICE SIMONS
Mar. 2025	MARLENE SMITH
Mar. 2025	WILLIAMS WALLACE
Mar. 2025	DAPHNE McCAULSKY-JOHNSON
Apr. 2025	NORDIA FLETCHER
Apr. 2025	FREEMAN SPENCE
Apr. 2025	DEVON TAYLOR
May. 2025	KAMAL MAYNE
May. 2025	GILLIAN THOMPSON-ROBINSON
Jun. 2025	RENVILLE COOKE
Jun. 2025	MERYL QUARRIE
Jul. 2025	ONEIL GRAHAM
Sep. 2025	JONATHAN FRANCIS
Sep. 2025	MARK MELHADO
Oct. 2025	NAVADA ENGLISH
Oct. 2025	EWART JAMES
Nov. 2025	CHRISTOPHER CONDAPPA