



GRACE CO-OPERATIVE CREDIT UNION LIMITED

We are always here for you!



2025 Annual Report
57th Annual General Meeting



**GRACE COOPERATIVE
CREDIT UNION LIMITED**

We are always here for you!

AUTO LOAN!

**Don't Just Dream It!
Drive It!**

- Low Interest rates
- Fast Approval
- Up to 10 years to repay

***conditions apply**



gracecreditunion

**69 ½ Harbour Street
Kingston**



Visit: <https://www.gracecreditunion.com>

Email: gracecreditunion@gkco.com

CONTACT US

**876-932-3508 or 876-932-3496
658-213-1009**



GRACE CO-OPERATIVE CREDIT UNION LIMITED

We are always here for you!

Vision

To become the Credit Union and Financial Partner of first choice for charter employees and their family members, as we grow steadily together.

Our Vision embodies the focus of GraceKennedy's team, grounded in our firm commitment to our stakeholders:

Mission:

We are committed to assisting our members to meet their personal financial goals through the provision of superior Credit Union services delivered by great staff and volunteers, empowered with the right skills, necessary tools and shared vision.

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

Our Purpose:

To bring superior financial products and services to Credit Union charter members, that contribute to greater financial well-being and quality of life.



GRACE COOPERATIVE CREDIT UNION LIMITED

We are always here for you!

Notice of Annual General Meeting

Dear Valued Members,

Notice is hereby given that the 57th Annual General Meeting of Grace Co-operative Credit Union Limited will be held in hybrid format on Wednesday, July 01, 2026, at 2:00 pm at physical location, GraceKennedy's Lunchroom located at 73 Harbour Street, Kingston and virtually on the zoom platform to;

- Transact the ordinary business of society
- Consider (and if thought fit) approve resolutions to amend the rules of Grace Co-operative Credit Union Limited with respect to;
 1. Amendment to the Qualification of Membership
 2. To Repeal Article IX, Rule 48

Members may attend in-person or virtually and are invited to register at <https://us02web.zoom.us/meeting/register/6rxf1WYzTL-tccQg8kyOIw> prior to the meeting. Once you have registered, you will receive your online meeting credentials.

Registration is now open and will close on Wednesday July 01, 2026, at 1:59 p.m.

The 2025 AGM Reports and the proposed Resolutions are available on our website at www.gracecreditunion.com.

For more information on attendance, registration, participation, voting and AGM documents you may email us at gracecreditunion@gkco.com or call our office at 876-932-3506-9 or 876-932-3467 or 876-932-3123.

Mr. Kevin Webster
Secretary, Board of Directors

JUNE 17, 2026



TABLE OF CONTENTS

Five Years Statistics.....	6
Agenda	7
Minutes of the 56th Annual General Meeting	8
Minutes of the Special General Meeting	22
Special Resolution	25
Amendment to the Grace Credit Union's Rules	25
Report of the Board of Directors	28
Report of the Treasurer	37
Appropriation of Surplus	41
Letter from the Registrar	42
Independent Auditors' Report	43
Statement of Surplus or Deficit and Other Comprehensive Income	47
Statement of Financial Position.....	48
Statement of Changes in Equity	50
Statement of Cash Flows.....	53
Notes to the Financial Statements	54
Report of the Credit Committee.....	112
Report of the Supervisory Committee	116
Report of the Nominating Committee	117
Profile of the New Nominees	119
Attendance Register	120
Contact Persons List	121



FIVE YEARS STATISTICS

GRACE COOPERATIVE CREDIT UNION LIMITED FOR PERIOD 2021 TO 2025

	2025	2024	2023	2022	2021
PERMANENT SHARES	6,695,140	6,465,508	6,109,366	5,725,924	2,249,000
VOLUNTARY SHARES	639,465,592	585,836,931	553,451,700	512,171,089	492,477,438
% Increase over prior year	9%	6%	8%	4%	13%
INSTITUTIONAL CAPITAL	99,373,804	91,407,435	84,793,392	79,735,644	75,838,902
% Increase over prior year	9%	8%	6%	5%	4%
LOANS TO MEMBERS (Gross)	1,097,085,590	1,010,840,170	907,292,999	763,547,134	676,058,498
% Increase over prior year	9%	11%	19%	13%	7%
TOTAL ASSETS	1,339,869,418	1,239,251,661	1,134,992,237	1,047,212,288	992,081,506
% Increase over prior year	8%	9%	8%	6%	9%
CURRENT ASSETS ****	235,054,365	194,397,673	184,325,959	205,498,787	264,716,714
CURRENT LIABILITIES ****	1,219,098,519	1,132,631,792	1,037,335,547	953,181,890	904,670,947

INCOME AND SURPLUS

INCOME	118,820,400	116,982,324	99,117,156	89,134,270	80,524,116
% Increase over prior year	2%	18%	11%	11%	2%
EXPENSES	102,215,818	102,763,507	91,526,693	79,982,772	73,379,985
SURPLUS	14,156,173	12,679,084	6,615,817	7,030,020	8,194,461
% (Decrease)/Increase over prior year	12%	92%	-6%	-14%	17%
UNDISTRIBUTED SURPLUS	13,124,162	7,254,133	5,317,639	7,197,887	7,997,214
RESERVES	94,520,203	86,468,834	79,798,291	74,675,193	70,732,951

RATIOS

	2025	2024	2023	2022	2021
CURRENT ASSETS	0.19:1	0.17:1	0.18:1	0.22:1	0.29:1
SURPLUS TO INCOME	12%	11%	7%	8%	10%
EXPENSES TO INCOME	86%	88%	92%	90%	91%
INCOME TO TOTAL ASSETS	9%	9%	9%	9%	8%
SURPLUS TO TOTAL ASSETS	1%	1%	1%	1%	1%
UNDISTRIBUTED SURPLUS TO SHARE CAPITAL	1%	1%	0%	2%	1%
MEMBERSHIP	2736	2628	2464	2306	2259
BORROWERS	1349	1294	1240	1200	1163
BORROWERS TO MEMBERSHIP	49%	49%	50%	52%	51%



AGENDA

1. **Ascertainment of a quorum**
2. **National Anthem**
3. **Prayer**
4. **Notice convening Annual General Meeting**
5. **Welcome and apologies for absence**
6. **Confirmation of Minutes of the 56th Annual General Meeting**
7. **Confirmation of Minutes of the Special General Meeting held October 15, 2025**
8. **Resolutions**
9. **Reports of:**
 - (a) **Board of Directors**
 - (b) **(i) Treasurer and Auditor's Report**
(ii) Appropriation of Surplus
(iii) Fixing of Maximum Liability for Loans and Deposits
 - (c) **Supervisory Committee**
 - (d) **Credit Committee**
10. **Elections: See Report of Nominating Committee**
 - (a) **Board of Directors**
 - (b) **Credit Committee**
 - (c) **Supervisory Committee**
11. **Tribute to Retiring Volunteer**
12. **Any other Business**
13. **Gate Prizes**
14. **Adjournment**



MINUTES OF THE 56TH ANNUAL GENERAL MEETING

of Grace Co-operative Credit Union Limited held on Wednesday, July 09, 2025, in the lunchroom at 73 Harbour Street, Kingston

Solo performance was done by Saxophonist Steph Nicole.

ASCERTAINMENT OF QUORUM, CALL TO ORDER

Having ascertained a quorum was present, Chairman Samuel Shelton called the meeting to order at 2:20 p.m. There were 62 members present in the room and 84 online.

NATIONAL ANTHEM

The General Manager invited everyone to rise for the recitation of the National Anthem, accompanied by the instrumental version of Jamaica's National Anthem.

NOTICE CONVENING ANNUAL GENERAL MEETING

The Notice convening the Annual General Meeting was read by the Secretary, Kevin Webster.

PRAYER

Romario Brown led the meeting in the Prayer of St. Francis of Assisi.

WELCOME & APOLOGIES FOR ABSENCE

Chairman Samuel Shelton welcomed all in attendance and specially invited guests.

Specially invited guests included:

GraceKennedy Group CEO	- Frank James
Gilbert and Thompson Company (Auditors)	- Howard Irons
Department of Co-operative and Friendly Societies	- Edson Brown
	- Nadia Byfield
Credit Union League of Jamaica	- Kimberley Lindo
	- Rashaun Crutchley
CUNA Caribbean Insurance Jamaica Ltd	- Antholon Jones
	- Sarnia Lewis
Cumax Wealth Management	- Miguel Lewis
Quality Network Co-operative Limited	- Vivian Norman

Apologies for absence were tendered on behalf of member, Dr Stanley Beckford, Director, Hortense Gregory-Nelson, Chairperson for Credit Committee and apologies from the floor for Carol Christian.

SPEECH BY GROUP CEO, FRANK JAMES

GraceKennedy Group CEO, Mr. Frank James, was introduced by Chairman Samuel Shelton and invited to address the attendees of the 56th Annual General Meeting. In his remarks, Mr. James expressed sincere appreciation and reaffirmed the Group's ongoing support for the Credit Union. He commended the team for their exceptional achievements at the Jamaica Cooperative Credit Union League Awards Banquet, highlighting the multiple honors received.

Mr. James also praised the Credit Union's vital role in improving the lives of team members, enabling them to reach important milestones such as education, home ownership, and transportation. He emphasized that the institution, being member-owned and values-driven, embodies honesty, integrity, trust, and respect—continuing its tradition of collective support since 1970.

He reminded members that they are part-owners of the Credit Union and encouraged them to actively use, support, and invite others to join, noting that financial strength is built through shared systems and community support. In closing, Mr. James extended heartfelt thanks to the board, management, and staff for their dedicated stewardship, and reaffirmed his commitment to strengthening the partnership within the GraceKennedy family.



CONFIRMATION OF THE MINUTES OF THE 55th ANNUAL GENERAL MEETING AND MATTERS ARISING

Secretary Kevin Webster carried out the meeting through confirmation of the Minutes of the 55th Annual General Meeting held on Tuesday, July 30, 2024. It was taken as read on a motion by E. Christopher Bond and seconded by Akilah Nangwaya.

Question was asked by E. Christopher Bond regarding financial year disparity.

Chairman Samuel Shelton explained that the implementation of IFRS 15 required the Credit Union to recast the prior year's financial statements, as the method of recording fee income had changed. Consequently, the previously reported surplus had to be adjusted. He further noted that these adjustments were reflected in the five-year running total, and while the figures presented in past minutes remained as originally reported, the current minutes now reflect the updated and compliant adjustments.

On a motion proposed by E. Christopher Bond and seconded by Hope Mowat, the Minutes was confirmed.

The Motion was carried.

RESOLUTIONS

Secretary Kevin Webster carried out the reading of the Resolutions as stated below:

RESOLUTION #1 – AMENDMENT TO THE TERM OF THE CREDIT COMMITTEE

WHEREAS Section 11 and Regulations 41 of the Co-operative Societies Act and Regulations respectively provide for the amendment of the Cooperative Society's Rules;

WHEREAS Article XXII, Rule 79 allows for amendments to the Rules of the Grace Co-operative Limited;

WHEREAS Article IX, Rule 42 (iii) is being proposed for amendments in the Rules of the Grace Co-operative Credit Union Limited;

WHEREAS it is being proposed that fit and proper members will be able to serve on another electable committee without having to sit out a period between the Annual General Meetings or one (1) year whichever is earlier.

WHEREAS this Credit Union has agreed to adopt and accept all the interpretations so ascribed under the said regulations and intends that all amendments hereunder proposed are to be operational immediately and binding upon members, consequently upon approval at this general meeting of members and subject to the Registrar of Cooperative Societies immediate certification.

BE IT RESOLVED that Article IX, Rule 42 (iii) which now reads: Thereafter the term of office for members shall be two years. Each member shall hold office until his successor is elected, and shall be eligible for reelection. Notwithstanding this however, no member of the Credit Committee shall be allowed to serve more than five (5) consecutive terms. Such member will however be re-eligible to serve once he/she sits out for a period between the Annual General Meetings or one (1) year whichever is earlier without serving on any electable Committee.

BE AMENDED TO READ: Thereafter the term of office for members shall be three (3) years. Each member shall hold office until his successor is elected, and shall be eligible for re-election. Notwithstanding this however, no member of the Credit Committee shall be allowed to serve more than three (3) consecutive terms. Such member will however be re-eligible to serve once he/she sits out for a period between the Annual General Meetings or one (1) year whichever is earlier.



Chairman Samuel Shelton explained that recruiting volunteers is challenging, and when someone serves on the Credit Committee for two years, the first year is primarily devoted to training. By the second year, members begin to demonstrate their skills and contribute meaningfully. For this reason, the proposal is to extend the term from two years to three, ensuring that the credit union benefits from their full potential.

On a motion by Terrence Slater and seconded by Akilah Nangwaya, the Resolution was accepted.

The Motion was carried.

Edson Brown, representing the Department of Cooperative and Friendly Societies, conducted the poll on Resolution 1. He informed that participants online would have two minutes to cast their votes, after which no additional votes would be counted. He then requested the Chairman to encourage members to participate, noting that at least 75% of those present must vote in favor for the resolution to be successfully passed.

RESOLUTION #2 - AMENDMENT TO THE TERM OF THE SUPERVISORY COMMITTEE

WHEREAS Section 11 and Regulations 41 of the Co-operative Societies Act and Regulations respectively provide for the amendment of the Cooperative Society's Rules;

WHEREAS Article XXII, Rule 79 allows for amendments to the Rules of the Grace Co-operative Limited;

WHEREAS Article IX, Rule 42 (iii) is being proposed for amendments in the Rules of the Grace Co-operative Credit Union Limited;

WHEREAS it is being proposed that fit and proper members will be able to serve on another electable committee without having to sit out a period between the Annual General Meetings or one (1) year whichever is earlier.

WHEREAS this Credit Union has agreed to adopt and accept all the interpretations so ascribed under the said regulations and intends that all amendments hereunder

proposed are to be operational immediately and binding upon members, consequently upon approval at this general meeting of members and subject to the Registrar of Cooperative Societies immediate certification.

BE IT RESOLVED that Article IX, Rule 42 (iii) which now reads: Thereafter the term of office for members shall be two years. Each member shall hold office until his successor is elected, and shall be eligible for reelection. Notwithstanding this however, no member of the Credit Committee shall be allowed to serve more than five (5) consecutive terms. Such member will however be re-eligible to serve once he/she sits out for a period between the Annual General Meetings or one (1) year whichever is earlier without serving on any electable Committee.

BE AMENDED TO READ: Thereafter the term of office for members shall be two years. Each member shall hold office until his successor is elected, and shall be eligible for reelection. Notwithstanding this however, no member of the Credit Committee shall be allowed to serve more than five (5) consecutive terms. Such member will however be re-eligible to serve once he/she sits out for a period between the Annual General Meetings or one (1) year whichever is earlier.

E. Christopher Bond noted an error in Resolution 2 **BE IT RESOLVED that Article IX, Rule 42 (iii)** where Committee details should be changed from Credit Committee to Supervisory Committee.

President Samuel Shelton acknowledged the correction and confirmed that the resolution pertained to the Supervisory Committee. He explained that, similar to the Credit Committee, the Supervisory Committee faced challenges due to its one-year term, which limited productivity and continuity. To address this, the proposal is to extend the tenure from one year to two. The first year would serve as training and orientation, helping the Committee members understand their responsibilities, while the second year would allow them to apply their knowledge effectively. The Supervisory Committee's role is to monitor the activities of the Credit Union and ensure compliance with established rules and regulations which is very important.



On a motion by Damian Lovelace and seconded by Winsome Anderson the Resolution was accepted.

The Motion was carried.

Edson Brown, from the Department of Cooperative and Friendly Societies, conducted the poll on Resolution 2.

RESOLUTION #3 – AMENDMENT THE USE AND STORAGE OF THE SEAL

WHEREAS Section 11 and Regulations 41 of the Co-operative Societies Act and Regulations respectively provide for the amendment of the Cooperative Society's Rules;

WHEREAS Article XXII, Rule 79 allows for amendments to the Rules of the Grace Co-operative Limited;

WHEREAS Article XVIII, Rule 74 (ii) and (iii) is being proposed for amendments in the Rules of the Grace Co-operative Credit Union Limited;

WHEREAS it is being proposed that the custody of the seal be transferred to the General Manager as it aligns with modern cooperative governance models where operational roles are handled by professional staff under the Board's oversight.

WHEREAS this Credit Union has agreed to adopt and accept all the interpretations so ascribed under the said regulations and intends that all amendments hereunder proposed are to be operational immediately and binding upon members, consequently upon approval at this general meeting of members and subject to the Registrar of Cooperative Societies immediate certification.

BE IT RESOLVED that Article XVIII, Rule 74 (ii) which now reads: The Seal of the Credit Union shall at all times remain in the custody of the Treasurer at the Registered Office of the Credit Union.

BE AMENDED TO READ: The Seal of the Credit Union shall at all times remain in the custody of the General Manager at the operating office of the Credit Union.

BE IT RESOLVED that Article XVIII, Rule 74 (iii) which now reads: The Seal of the Credit Union shall not be affixed to any document except by the authority of a resolution of the Board of Directors and in the presence of at least two members of the board of Directors and the Secretary or such other person as the Board of Directors may appoint for the purpose; and the two (2) members of the Board of Directors and the Secretary or other person as aforesaid shall sign every document to which the Seal of the Credit Union is affixed in their presence.

BE AMENDED TO READ: The Seal of the Credit Union shall not be affixed to any document except by the authority of a resolution of the Board of Directors and in the presence of at least two members of the Board of Directors or such other person as the Board of Directors may appoint for the purpose; and the two (2) members of the Board of Directors or other person as aforesaid shall sign every document to which the Seal of the Credit Union is affixed in their presence.

Chairman Samuel Shelton explained that the seal is currently held by the Treasurer, who may not always be available during the Credit Union's daily operations. In contrast, the General Manager is consistently present. He emphasized that the use of the seal must still be authorized by the Board of Directors, ensuring proper oversight. For practical reasons, therefore, it is proposed that custody of the seal be transferred to the General Manager.

On a motion by Natalie Billings and seconded by Marlon Ferguson, the Resolution was accepted.

The Motion was carried.

Edson Brown, from the Department of Cooperative and Friendly Societies, conducted the poll on Resolution 3. Voting instructions were displayed on-screen for participants joining online.



RESOLUTION #4 – AMENDMENT TO THE RULES DETERMINING PERMANENT SHARES

WHEREAS Section 11 and Regulations 41 of the Co-operative Societies Act and Regulations respectively provide for the amendment of the Cooperative Society's Rules;

WHEREAS Article XXII, Rule 79 allows for amendments to the Rules of the Grace Co-operative Limited;

WHEREAS Article II, Rule 5 (g), Article II, Rule 6 (c), Article III, Rule 15 (viii) is being proposed for amendments in the Rules of the Grace Co-operative Credit Union Limited;

WHEREAS it is being proposed that the permanent share requirement increase from Two Thousand Five Hundred Dollars \$2,500 to Five Thousand Dollars \$5,000 to strengthen the capital position of the Credit Union.

WHEREAS this Credit Union has agreed to adopt and accept all the interpretations so ascribed under the said regulations and intends that all amendments hereunder proposed are to be operational immediately and binding upon members, consequently upon approval at this general meeting of members and subject to the Registrar of Cooperative Societies immediate certification.

BE IT RESOLVED that Article II, Rule 5 (g) which now reads: Agreement to subscribe for one permanent share with a nominal value of Two Thousand Five Hundred Dollars (\$2,500.00) and a minimum of Five Hundred (\$500.00) in voluntary shares.

BE AMENDED TO READ: Agreement to subscribe for one permanent share with a nominal value of Five Thousand Dollars (\$5,000.00) and a minimum of Five Hundred Dollars (\$500.00) in voluntary shares.

BE IT RESOLVED that Article II, Rule 6 (c) which now reads: He has paid an entrance fee to be determined by the Board of Directors from time to time and subscribed for an amount of Two Thousand Five Hundred Dollars (\$2,500.00) in permanent shares and a minimum of Five Hundred Dollars (\$500.00) in voluntary shares. If the application is rejected, the

entrance fee shall not be refunded.

BE AMENDED TO READ: He has paid an entrance fee to be determined by the Board of Directors from time to time and subscribed for an amount of Five Thousand Dollars (\$5,000.00) in permanent shares and a minimum of Five Hundred Dollars (\$500.00) in voluntary shares. If the application is rejected, the entrance fee shall not be refunded.

BE IT RESOLVED that Article III, Rule 15 (viii) which now reads: The Nominal Value of a permanent share is Two Thousand Five Hundred Dollars (\$2,500.00).

BE AMENDED TO READ: The Nominal Value of a permanent share is Five Thousand Dollars (\$5,000.00).

Other Resolution:

Be it further resolved that members shall satisfy the minimum permanent share requirement after certification of the Rules and by October 31, 2025, via any of the following methods:

- transfer of funds into the permanent share, or
- written authority to the Credit Union, or
- Over the Counter payment.

Where a member fails to meet the requirement by October 31, 2025, the Credit Union may transfer available funds from the member's voluntary share account to meet the permanent share requirement, without jeopardizing the voluntary share requirement, or the Credit Union may terminate the membership.

Chairman Samuel Shelton explained that the Credit Union's institutional capital must be strengthened to meet the 8% requirement, which has been below the threshold for some time. He noted that the 100% increase was implemented to avoid returning to the members within another year with a similar request.

Hope Mowatt inquired about the timeframe for the transition and whether measures are in place to communicate with members who may have dormant accounts or who may face challenges meeting the new permanent shares requirement.



Chairman, Samuel Shelton, confirmed that plans are in place to mitigate any potential increase in dormant accounts. The Credit Union will implement targeted communication strategies to engage affected members and provide guidance for those who may experience difficulty meeting the new permanent shares requirement.

On a motion by Hope Mowatt and seconded by Damian Lovelace the Resolution was accepted.

The Motion was carried.

Edson Brown, from the Department of Cooperative and Friendly Societies, conducted the poll on Resolution 4. Voting instructions were displayed on-screen for participants joining online.

Chairman Samuel Shelton invited Edson Brown to the podium to present the results of the polls.

The results of the voting on Resolution 1 were as follows:

Category	In-Person	Online	Total
Persons Present	65	97	162
Votes For Resolution	55	41	96
Votes Against Resolution	0	0	0
Abstentions	10	56	66
Percentage in Favor			59.26%

The Resolution failed.

The results of the voting on Resolution 2 were as follows:

Category	In-Person	Online	Total
Persons Present	63	94	157
Votes For Resolution	55	44	99
Votes Against Resolution	0	0	0
Abstentions	8	50	58
Percentage in Favor			63.06%

The Resolution failed.

The results of the voting on Resolution 3 were as follows:

Category	In-Person	Online	Total
Persons Present	61	94	155
Votes For Resolution	55	46	101
Votes Against Resolution	0	0	0
Abstentions	6	48	66
Percentage in Favor			65.16%

The Resolution failed.

The results of the voting on Resolution 4 were as follows:

Category	In-Person	Online	Total
Persons Present	61	96	157
Votes For Resolution	56	54	110
Votes Against Resolution	0	5	5
Abstentions	5	37	42
Percentage in Favor			70.06%

The Resolution failed.

President Samuel Shelton recommended reconvening a Special General Meeting to ensure the resolutions are passed.

REPORTS

REPORT OF THE BOARD OF DIRECTORS

The Report of the Board of Directors for the year 2024 was read by the 1st Vice President Damion Lovelace.

He highlighted that the year 2024 was a continuation of a period of rebirth and change for the Grace Cooperative Credit Union. Trying to rebuild from all the difficulties of the pandemic and to place the



cooperative on solid footing, the Board of Directors and the Management of GCCU continued to focus on building on the learning and gains of the previous year, despite the new and old challenges.

In 2024, the Jamaican economy experienced a contraction, with Real Value Added estimated to have declined by 0.9%. This was primarily due to a contraction in both the Goods Producing Industry (down 2.3%) and the services Industry (down 0.3%). While some sectors like Finance & Insurance and Hotels & Restaurants showed growth, others like Agriculture and Construction saw significant declines. The impact of Hurricane Beryl and other hydrological events also contributed to the economic downturn.

Jamaica, the land we operate in, is home to 2.9 million people, has made significant strides in reducing public debt—from over 140% of GDP in 2013 to 73.4% in FY2023/24. While this reflects strong efforts to manage public finances, economic growth remains modest. The country continues to face challenges, including low productivity, a narrow economic base, and heavy reliance on tourism. The outlook for Jamaica's economy is expected to grow by 1.7% in 2025.

Key sectors like agriculture, mining, and construction are helping to drive the recovery. Inflation is expected to stay within the central bank's target range of around 5%. As incomes rise, poverty is projected to fall, with only 11% of Jamaicans living on less than US\$6.85 a day by 2027. Public debt is also expected to decline, reaching 60.7% of GDP by 2027.

However, the outlook faces risks. Global slowdowns, rising uncertainty and natural disasters could affect growth and delay development goals. Domestic concerns, including crime, violence and food insecurity, especially among poorer households, also pose challenges.

During the year though on a positive note, we skillfully navigated the uncertain economic climate with a relatively new Board of Directors, due to the required changes of the previous two years. Despite the challenges emanating from the difficult economic climate, however, our credit union performed much better in 2024 than in the prior year. We ended the year with a surplus of \$12.68M, which was 92% above the

figure of \$6.62M (restated down from \$9.97M due to the implementation of IFRS 15) achieved in 2023.

For the year under review, the Board of Directors and Management continued to focus on the following areas:

- Strengthening our capital structure
- Assessing and strengthening our risk management culture
- Assessing and strengthening our controls, processes, and operational efficiencies.
- Improving our product offerings to our members.
- Continued preparation for the pending full BOJ regulations of credit unions.

The results of these efforts were reflected in our strong financial performance as well as the four (4) awards received at the 2025 JCCUL Annual Awards Ceremony:

- 1) Credit Union of the Year (Small Category)
- 2) D.T. Brown Award for Risk Management
- 3) G. Arthur Brown Award for Corporate Governance
- 4) Laurel Bruce Award for Service Excellence -Runner-up

Financial Performance Highlights

	2024 J\$000	2023 J\$000	GCCU Annual Growth	Average Movement Growth
Permanent Shares	6,466	6,109	6%	
Voluntary Shares	585,837	553,452	6%	
Saving Deposits	505,928	443,918	14%	12%
Gross Loans	1,010,840	907,293*	11%	15.5%
Total Assets	1,239,252	1,134,992*	9%	7.5%
Surplus	12,679	6,615*	92%	

Savings Deposits

By the end of December 2024, members' savings increased by 14%, compared to 10% in 2023, moving



from \$443M to \$505M. This reflects strong member contributions and financial engagement. Historically, our members have demonstrated a strong saving culture, allowing the credit union to exclusively finance loan demand using these funds.

In contrast, the average movement growth stood at 12%, indicating a slightly slower long-term trend in savings expansion

Loans and Total Assets

Although the financial performance of 2024 showed improvement over 2023, growing the loans portfolio continues to be challenging. The Credit Union still managed to improve in its performance over 2023. Gross loans increased by 11% showing expansion in lending activities due to higher credit demand and improved loan accessibility.

With a 15.5% average movement growth, this suggests past periods of stronger expansion.

The Total Assets Portfolio increased by 9%, moving from \$1,135M in 2023 to \$1,239M at the end of December 2024. With a 7.5% average movement growth, showing steady but moderated expansion over time.

Delinquency

The Credit Union continued to maintain its excellent delinquency management record, ending the year with a delinquency ratio of 0.77%. The delinquency ratio remained below the targeted 1% throughout the year.

Liquidity

Grace Credit Union maintained a strong liquidity throughout the year. As at December 31, 2024, the ratio was 15%. This performance was influenced by steady growth in savings, which at times outpaced the loans growth. For many years, GCCU members have maintained a robust savings culture even if they are not borrowers.

Membership

At the end of 2024, membership stood at 2,624, moving from 2,464 at the end of 2023.

Cooperative Social Responsibility

In 2024, the Credit Union proudly upheld its tradition of supporting the educational pursuits of our members' children through the provision of grants. A total of thirteen (13) students were awarded bursaries, distributed as follows: four (4) students who recently completed the PEP examinations, seven (7) at the secondary level, and two (2) at the tertiary level.

Grace Cooperative Credit Union further demonstrated its commitment to social responsibility with a visit to Bethlehem Children's Home. Staff engaged with the children through interactive games and activities, fostering joy and connection. Additionally, the Credit Union provided donations to support the home's needs, reinforcing its dedication to the well-being of vulnerable youths.

Election of Officers

At the statutory meeting held following the elections at last year's Annual General Meeting, the following officers were elected:

Board of Directors

Samuel Shelton - President
Damian Lovelace - 1st Vice President
Marsha Cope-Riley - 2nd Vice President
Natalie Billings - Treasurer
Maria Lewis - Assistant Treasurer
Kevin Webster - Secretary
Felleshia Francis - Assistant Secretary
Stanely Beckford - Director
Melisha Walters Gordon – Director

Supervisory Committee

Colleen Bancroft - Chairperson
Althea Hibbert - Secretary
Latoya Gooden
Stacy-Ann Taylor
Alleya Stephenson

**Credit Committee**

Hortense Gregory-Nelson - Chairman
 Tishan Riley - Secretary
 Amia Brown
 Judy-Ann Wright
 Kadeanne Rennie-Hylton
 Terence Slater
 Kevin Miles

Attendance of Directors at Board Meetings

Seven meetings were held with the Board, joined each quarter by members of the Credit and Supervisory committees. Below is the record of attendance for Board members.

DIRECTORS	Max # possible	# at which present	# at which excused
Samuel Shelton	7	7	0
Damian Lovelace	7	6	1
Marsha Cope-Riley	7	7	0
Natalie Billings	2	1	1
Maria Lewis	7	5	2
Kevin Webster	2	2	2
Felleshia Francis	2	1	1
Stanley Beckford	7	5	2
Melisha Walters Gordon	7	4	3

Human Resources and Training

Training continued to be an integral part of the Credit Union's focus. In 2024, all staff and volunteers participated in two (2) POCA trainings. Staff were also involved in the following training courses: Customer Service, IT Security, Data Protection, KYC, KYE, Counter Finance and Terrorism and Sexual Harassment.

In 2024, the Credit Union experienced several staff changes. The Credit Union bade farewell to Chantal Hall, former Accounting Officer, Makeda Scott, General Manager, and Alicia Williams, Accountant. Damian Lovelace expressed heartfelt appreciation for

their dedicated service and meaningful contributions to the members. He also warmly welcomed the new team members: Kelliciann McLean as Accounting Clerk, Shanna Coley as Accountant, and Kayla Francis as Loan Officer. Excitement was expressed about the strengths they brought, and anticipation was shared for their continued success within the organization.

Obituaries

Tribute was paid to the following members who passed on during the year:

- Hugh Allen
- Annette Johnson-Wisdom
- Philando Henry
- Mavis Brown
- Stephen Johnson
- Phillip Henry
- Ricardo Passley
- Louise Francis
- Patrick Swaby

Condolences were extended to their family members.

Future Plans

Grace Co-op Credit Union remains dedicated to enhancing its operations through technological advancements and expanding service offerings. The Credit Union is committed to helping members achieve their personal financial goals by delivering efficient, high-quality service, strengthened by continuous improvements in processes and controls.

Additionally, the upcoming full supervision of Credit Unions by the Bank of Jamaica will continue to be a key focus for the Board of Directors, Management, staff, and dedicated volunteers.

Acknowledgements

In closing, the 1st Vice President, Damian Lovelace, took the opportunity to acknowledge the commitment and continued support of his fellow Directors and other volunteers for providing oversight of the Credit Union during this challenging year.



Appreciation was also extended to the following persons and institutions who have contributed to the Credit Union's success:

- The Chairman and Directors of GraceKennedy Ltd., its subsidiaries and associated companies.
- Members of the various committees.
- Directors and staff of the Jamaica Co-operative Credit Union League.
- The Department of Co-operatives and Friendly Societies.
- CUNA Caribbean Insurance (Jamaica) Ltd.
- CUMAX Wealth Management Ltd.
- The Auditors, Gilbert Thompson & Co.
- The contact persons and ambassadors at the various offices where our members are employed.
- Our hardworking Credit Union General Manager and staff.
- And to the valued members for their continued support throughout the years.

There were no questions.

The Report of the Board was adopted on a motion by E Christopher Bond and seconded by Colleen Bancroft.

The Motion was carried.

AUDITOR AND TREASURER'S REPORTS

a) Auditor's Report

On a motion by Tishan Riley and seconded by Samuel Shelton, the meeting agreed to take an abridged version of the Auditor's Report.

The Auditor's Report was read by Howard Irons of Gilbert Thompson & Company.

b) Treasurer's Report

The Treasurer's Report was presented by Natalie Billings.

The Treasurer's Report was taken as read on a motion by Terence Slater and seconded by Sharlene Patterson.

Highlights of the Report

Grace Co-op Credit Union received \$95.5M in interest on loans and advance to members, \$8.1M in investment income, and \$13.4M in non-interest income which represented commission and service charge. The total interest income of \$103.6M represents an increase of \$13M or 14% over prior year (\$90.6M).

Total Assets were \$1.24B at the year-end 2024 up from \$1.13B in 2023 an increase of \$104M. Loans less allowance for losses increased by \$104M from \$907M in 2023 to \$1.01B in 2024, an increase of 11%. Liquid assets increased to \$188M in 2024 from \$179M in 2023. An increase of 5%.

The team has demonstrated their commitment to providing financial solutions that have significantly enhanced the quality of life for its members. This dedication has led to a surplus of \$12.6M, a \$103M increase in loans compared to the previous year, and a \$104M growth in total assets. Their dynamic approach ensures that necessary changes are made to meet the evolving needs of members, fostering continued growth and success.

Gratitude was extended to the diligent management and staff of the credit union for their dedication throughout the year. Acknowledgement was also given to the invaluable contributions and support of colleagues on the Board. Finally, sincere thanks were extended to each credit union member for choosing Grace Co-op as their preferred financial institution.

The Reports of the Auditor and Treasurer were adopted on a motion by Samuel Shelton and seconded by Kevin Webster.

The Motion was carried.

c) Appropriation of Surplus

The members were reminded that the surplus of the Credit Union was for the members, and the members had to agree on how that surplus would be distributed.

Surplus as at December 31, 2024, was \$10.1 million. After deducting Additional Statutory Reserve of 40%, Dividend on Permanent Shares, Additional Interest



and Donations, the Undistributed Surplus was \$2.6 million.

Motion for the adoption of the Declaration of Surplus was proposed by Natalie Billings and seconded by Terence Slater.

The Motion was carried.

d) Fixing of Maximum Liability for Loans and Deposits

The meeting was informed that the Maximum Liability for Loans and Deposits is the limit which can be expended and invested on behalf of the Credit Union.

Whereas the Board of Directors is satisfied that the present functions of the credit union can be discharged within the limit of twelve (12) times the Credit Union's capital and reserve.

BE IT RESOLVED THAT as per Article XVI Rule 72, The Board of Directors may incur a liability in Voluntary Shares, deposits and/ or loans from any source on such terms of payment and/ or security as they think fit; provided that the total liability shall not exceed a ratio of twelve (12) times the Credit Union's Capital and provided that the members in the Annual General Meeting by resolution have fixed the maximum liability that the Board of Directors may incur.

Motion for the adoption of the Fixing of Maximum Liability was proposed by Natalie Billings and seconded by Marcia Wilson.

The Motion was carried.

e) Nomination of Auditors

It was recommended by the Board of Directors that the Auditors for the new year remain at Gilbert Thompson & Co.

Motion for the adoption of the Nomination of Auditors was proposed by Natalie Billings and seconded by Hope Mowatt.

The Motion was carried.

CREDIT COMMITTEE REPORT

The Report Credit Committee Report was presented by Tishan Riley.

Highlights of the Credit Committee Report:

The Credit Committee is comprised of the following members:

- Mrs. Hortense Gregory-Nelson - Chairman
- Miss Tishan Riley - Secretary
- Miss Amia Brown - Member
- Miss Judy-Ann Wright - Member
- Mrs. Kadeanne Rennie-Hylton - Member
- Mr. Terence Slater - Member
- Mr. Kevin Miles - Member

The performance of the loan portfolio in 2024 reflected a slight decline year over year in the value of loans disbursed. The total value of loans disbursed in 2024 amounted to \$471,234,429.37, compared to \$477,270,817.00 in 2023.

The Credit Union disbursed 1,323 new loans in 2024 and this represents 86 fewer new loans or a decrease of 1 % disbursed over the same period in the previous year – 2023.

During the first half of 2024, the Credit Union saw higher loan disbursements compared to the same period in 2023. From July through December, disbursements declined noticeably relative to 2023, except for October 2024. December 2024 marked the highest monthly disbursement of the year at approximately \$59.29 million, while August recorded the lowest at \$22.50 million.

The Credit Union's loan performance in 2024 showed mixed results. Despite the lower volume, the average loan amount increased in several months, helping to maintain a relatively stable loan portfolio. The top performers were motor vehicle loan.

The major contributors to the Credit Union loan portfolio in 2024 were:

- Motor Vehicle Purchase loans remained the largest category with \$234.0 million disbursed in 2024, slightly decreasing from \$249.0 million in 2023.



- Personal Needs loans increased significantly by 39.7%, from \$69.2 million in 2023 to \$96.6 million in 2024, reflecting strong demand in this category.
- Home Improvements & Repairs loans decreased by 39.9%, from \$49.9 million in 2023 to \$30.0 million in 2024.
- Consolidation of Debt loans dropped by 46.5%, from \$30.0 million in 2023 to \$16.1 million in 2024.
- Education Expenses loans decreased by 16.9%, from \$17.8 million in 2023 to \$14.8 million in 2024.
- Furniture & Appliances loans increased by 54.8%, from \$5.4 million in 2023 to \$8.4 million in 2024.
- Special Vacation Loan (Summer) disbursements decreased by 20.7%, from \$10.1 million in 2023 to \$8.0 million in 2024.
- Home Acquisition loans declined by 40.3%, from \$8.4 million in 2023 to \$5.0 million in 2024.
- Vacation & Travel loans grew by 48.3%, from \$9.4 million in 2023 to \$13.9 million in 2024.
- Medical Expenses loans decreased by 35.5%, from \$2.6 million in 2023 to \$1.7 million in 2024.

The Credit Union will continue to closely monitor overall loan performance and make necessary adjustments to rates and product offerings to maintain sustainability and to meet the evolving needs of our members. In the face of strong competition from similar institutions, the Credit Union is also committed to exploring innovative strategies to grow its income by attracting additional loans and member investments.

- The Credit Union should continue to employ the following initiatives in an effort secure business:

- Constant monitoring of the competitive environment to ensure that we keep up to date with market conditions.
- Creating and reviewing products to ensure relevance to members' needs and making changes to address those needs.
- Ongoing member education & recruitment program.
- Use of email and Corporate Communications to advertise products.
- Capturing information on system accurately i.e., loan purpose.
- Being proactive in discussing financial options and solutions with members.

In closing, Tishan Riley thanked the Board of Directors, the Management and Staff of the Credit Union and other Committee members for their support during the financial year. A special thank you was also extended to the members for their support during the year and requested for their continued support in 2025.

On a motion by Natalie Billings and seconded by Winsome Anderson, the Report of the Credit Committee was adopted.

The Motion was carried.

SUPERVISORY COMMITTEE REPORT

The Report of the Supervisory Committee was presented by Colleen Bancroft.

Highlights of the Report are:

The Supervisory Committee oversees the internal audit function carried out by Centralized Strategic Services Limited (CSSL), a member of the Jamaica Co-operative Credit Union League (JCCUL). It is responsible for evaluating the effectiveness of internal controls and risk management practices. The committee reports to the Board of Directors, ensuring that risks are properly managed. Additionally, it monitors regulatory controls and operational vulnerabilities within Grace Cooperative Credit Union (GCCU).



Committee members were elected at the last Annual General Meeting (AGM) and, following the necessary regulatory meeting, assumed their respective roles:

- Dr. Colleen Bancroft - Chairperson
- Ms. Althea Hibbert - Secretary
- Ms. Latoya Gooden - Member
- Ms. Stacy-Ann Taylor - Member
- Ms. Alleya Stephenson - Member

The audits planned and scheduled for 2023 - 2024 were conducted by CSSL and the Supervisory Committee, focusing on the following areas:

- 1) AML/CFT Review
- 2) Collateralized Securities Review

Audit findings generated from various reviews are being addressed by management and tracked periodically by the Committee to verify that audit findings are implemented in a timely manner. Management submits a Monthly Management Update (MMU) report using the TeamMate Plus application to the GraceKennedy Limited Audit Committee through its Group Internal Audit Department.

Colleen Bancroft sincerely thanked the Board of Directors, Credit Committee, Management Team for the courtesies extended by the members of staff of the Credit Union during the year in enabling them to perform their tasks.

Finally, she thanked the members of this committee for serving in their respective capacities as outlined.

The Supervisory Committee's Report was adopted on a motion by Kristen Clarke and seconded by Marcia Wilson.

The Motion was carried.

REPORT OF THE NOMINATING COMMITTEE

The Report of the Nominating Committee was presented by Brittany Williams.

In accordance with Article 12 Rule #63 (i) the Board of Directors of Grace Co-operative Credit Union Limited appointed a Nominating Committee, which comprised

the following persons:

- Mr. Damian Lovelace - Chairperson
- Miss Camille Cadogan - Secretary
- Miss Brittany Williams - Risk and Compliance Officer

The Nominating Committee reports as follows:

Board of Directors

Not Retiring	Recommended	Term
Miss Fellechia Francis	Miss Fellechia Francis	1 year
Mrs. Natalie Billings	Mrs. Natalie Billings	1 year
Mr. Damian Lovelace	Mr. Damian Lovelace	1 year
Mr. Kevin Webster	Mr. Kevin Webster	1 year
Miss Maria Lewis	Miss Maria Lewis	1 year
Retiring	Recommended	Term
Mr. Samuel Shelton	Mr. Samuel Shelton	2 years
Dr. Stanley Beckford	Mr. Terence Slater	2 years
Miss Melisha Gordon	Miss Melisha Gordon	2 years
Mrs. Marsha Cope-Riley	Mrs. Marsha Cope-Riley	2 years

On a motion by Colleen Bancroft and seconded by Althea Hibbert, the elected nominees were accepted to serve on the Board of Directors.

The motion was carried.

Credit Committee

Not Retiring	Recommended	Term
Miss Amia Brown	Miss Amia Brown	1 year
Mrs. Kadeanne Rennie-Hylton	Mrs. Kadeanne Rennie-Hylton	1 year
Miss Tishan Riley	Miss Tishan Riley	1 year
Mr. Kevin Miles	Mr. Kevin Miles	1 year
Retiring	Recommended	Term
Mrs. Hortense Gregory-Nelson	Miss Shanique Plummer	2 years
Miss Judy-Ann Wright	Miss Judy-Ann Wright	2 years
Mr. Terence Slater	Miss Winsome Anderson	2 years

On a motion by Fitzroy Blake and seconded by Terence Slater the elected nominees were accepted to serve on the Credit Committee.



The motion was carried.

Supervisory Committee

Not Retiring	Recommended	Term
Miss Latoya Gooden	Miss Latoya Gooden	1 year
Dr. Colleen Bancroft	Dr. Colleen Bancroft	1 year
Miss Stacy-Ann Taylor	Miss Stacy-Ann Taylor	1 year
Miss Alleya Stephenson	Miss Alleya Stephenson	1 year
Miss Althea Hibbert	Miss Althea Hibbert	1 year

On a motion by Makeda Allen and seconded by Samuel Shelton the elected nominees were accepted to serve on the Supervisory Committee.

The motion was carried.

Edson Brown from the Department of Co-operatives and Friendly Societies, reminded the elected Board and Committee members that a meeting should be convened within 10 days of the Annual General Meeting to select Delegates, Officers, Chairmen and Secretary. Names and contact information of those Officers should be communicated to the League, Bank of Jamaica, and the Department of Co-operatives and Friendly Societies.

TRIBUTE TO RETIRING VOLUNTEERS

Gifts were presented to Dr Stanley Beckford and Hortense Gregory-Nelson as a tribute to retiring volunteers who served a total of 10 years.

INTRODUCTION OF THE CREDIT UNION TEAM

At that time the members of the Credit Union team were introduced to the meeting. They were:

- Camille Cadogan - General Manager
- Shadae Cooke - Senior Loan Officer
- Kayla Francis - Loan Officer
- Tahira Graham - Loan Officer
- Shanna Coley - Accountant
- Kelliciann McLean - Accounting Clerk
- Romario Brown - Accounting Officer
- Brittany Williams - Risk and Compliance Officer

ANY OTHER BUSINESS

Prizes were awarded to:

- In-Person: Christen Clark
- Online: Lorne Phillips
- In-Person: Kerline Notice Sparks
- In-Person: Marcia Wilson
- In-Person: Maji Wilson
- Online: Tina Fernandez
- Online: Terry-Ann Fraser
- In-Person: Fitzroy Blake
- Gate Prize Winner In-Person: Matthew Taylor
- Gate Prize Winner Online: Shanay Llewellyn

ADJOURNMENT

The Chairman, Samuel Shelton extended appreciation to all the individuals who assisted with the execution of the Annual General Meeting and asked for a motion to adjourn the 56th Annual General Meeting.

On a motion by Akilah Nangwaya and seconded by Sharlene Patterson the 56th Annual General Meeting was adjourned.

The motion was carried.

The meeting adjourned at 5:00 p.m.



MINUTES OF THE SPECIAL GENERAL MEETING

of Grace Co-operative Credit Union Limited

Held on Wednesday, October 15, 2025, in the multifunction room at 73 Harbour Street, Kingston

ASCERTAINMENT OF QUORUM, CALL TO ORDER

Having ascertained a quorum was present, Chairman Samuel Shelton welcomed all attendees and called the meeting to order at 3:08 p.m. There were 48 members present in the room and 53 online.

Specially invited guest included Edson Brown from the Department of Co-operatives and Friendly Societies.

NATIONAL ANTHEM

The Chairman invited Romario Brown to lead the recitation of the National Anthem.

PRAYER

The meeting was opened with the Prayer of St. Francis of Assisi, led by General Manager Camille Cadogan.

NOTICE CONVENING ANNUAL GENERAL MEETING

The Notice convening the Special General Meeting was read by the Secretary Kevin Webster.

The Chairman explained that five resolutions were to be considered. Each resolution would be read by the Secretary, explained, and then voted on. Voting was conducted via a two-minute poll.

RESOLUTIONS

Motion to accept the resolutions as read:

Moved by: Marsha Cope-Riley

Seconded by: Camille Cadogan

All were in favour

RESOLUTION #1 – AMENDMENT TO THE BOARD OF DIRECTORS TERM LIMIT

Proposal: To change the Board of Directors' term limit from two years to three years, with a maximum of three consecutive terms.

Motion to accept Resolution #1

Moved by: Kevin Webster

Seconded by: Samuel Shelton

The Motion was carried.

Edson Brown from the Department of Co-operatives and Friendly Societies conducted the poll.

The voting results were as follows:

Category	In-Person	Online	Total
Persons Present	50	55	105
Votes For Resolution	49	42	91
Votes Against Resolution	0	0	0
Abstentions	1	13	14
Percentage in Favor			86.67

The Resolution was passed

RESOLUTION #2 - AMENDMENT TO THE TERM LIMIT OF THE CREDIT COMMITTEE

Proposal: To change the Credit Committee term limit from five 2-year terms to three 3-year terms.

Moved by: Dionne Rhoden

Seconded by: Terence Slater

The Motion was carried.

Edson Brown from the Department of Co-operatives and Friendly Societies conducted the poll.



The voting results were as follows:

Category	In-Person	Online	Total
Persons Present	48	55	103
Votes For Resolution	48	41	89
Votes Against Resolution	0	0	0
Abstentions	0	14	14
Percentage in Favor			86.41

The Resolution was passed

RESOLUTION #3 – AMENDMENT TO THE TERM LIMIT OF THE SUPERVISORY COMMITTEE

Proposal: To change the Supervisory Committee term limit from five 1-year terms to two 3-year terms.

Moved by: Kevin Miles

Seconded by: Damian Lovelace

The Motion was carried.

Edson Brown from the Department of Co-operatives and Friendly Societies conducted the poll.

The voting results were as follows:

Category	In-Person	Online	Total
Persons Present	48	55	103
Votes For Resolution	48	42	90
Votes Against Resolution	0	0	0
Abstentions	0	13	13
Percentage in Favor			87.38

The Resolution was passed

RESOLUTION #4 – AMENDMENT TO THE USE AND STORAGE OF THE SEAL

Proposal: To transfer the custody of the seal from the Treasurer to the General Manager

Moved by: Jacqueline Coore-Hall

Seconded by: Marsha Cope-Riley

The Motion was carried.

Edson Brown from the Department of Co-operatives and Friendly Societies conducted the poll.

The voting results were as follows:

Category	In-Person	Online	Total
Persons Present	48	55	103
Votes For Resolution	48	35	83
Votes Against Resolution	0	0	0
Abstentions	0	20	20
Percentage in Favor			80.39

The Resolution was passed

RESOLUTION #5 – AMENDMENT TO THE RULES DETERMINING PERMANENT SHARES

Proposal: To increase the permanent share from \$2,500.00 to \$5,000.00 to strengthen the institutional capital of the Credit Union

Moved by: Dionne Rhoden

Seconded by: Gregory Farquharson

The Motion was carried.

Edson Brown, from the Department of Cooperative and Friendly Societies, conducted the poll on Resolution #5.



The voting results were as follows:

Category	In-Person	Online	Total
Persons Present	48	55	103
Votes For Resolution	48	35	83
Votes Against Resolution	0	3	3
Abstentions	0	17	17
Percentage in Favor			80.58

ANY OTHER BUSINESS

There was no other business.

ADJOURNMENT

The Chairman, Samuel Shelton expressed appreciation to all attendees, both online and in person as well as to Mr. Edson Brown from the Department of Co-operatives and Friendly Societies.

The meeting was adjourned at 3:38 p.m.

PRIZES

The Chairman engaged members with trivia questions:

- In-person question: "What was the 4th resolution passed today?"
 - Winner: Antoinette Lee
- Online question: "What was the purpose of the 1st resolution?"
 - Winner: Edward Findlay





SPECIAL RESOLUTION AMENDMENT TO THE GRACE CREDIT UNION'S RULES

RESOLUTION 1 – Amendment to the Qualification of Membership

WHEREAS Section 11 and Regulations 41 of the Co-operative Societies Act and Regulations respectively provide for the amendment of the Co-operative Society's Rules;

WHEREAS Article XXII, Rule 79 allows for amendments to the Rules of the Grace Co-operative Limited;

WHEREAS it is proposed that Article II, Rule 4 of the Rules of the Grace Co-operative Credit Union Limited be amended to broaden the qualifications for membership and that a clear interpretation regarding families be incorporated.

BE IT RESOLVED that Article II, Rule 4, which now reads:

Membership in the Credit Union shall be limited to individuals who have attained sixteen (16) years of age in the following categories:

- a) All employees of GraceKennedy Limited, its subsidiaries, associated and managed companies; and their immediate families;
- b) All employees of Grace Co-operative Credit Union Limited; and their immediate families
- c) All pensioners of GraceKennedy Limited, its subsidiaries, associates, managed companies; and their immediate families;
- d) All pensioners of Grace Co-operative

Credit Union Limited;

- e) All former employees of GraceKennedy Limited or its subsidiaries ("the GraceKennedy Group") who separate from the GraceKennedy Group as at July 8, 2015 other than by reason of dismissal or other disciplinary action arising from theft, fraud or other dishonest conduct;
- f) Self-employed persons in the following categories:
 - i. Van Salesmen having contracts for services with GraceKennedy Limited and/or its subsidiaries; Truckers having current contracts for services with GraceKennedy Limited and/or its subsidiaries;
 - ii. Such other self-employed service providers to the GraceKennedy Group as the Board of the Credit Union may approve from time to time.
 - iii. Full-time employees who have been confirmed in permanent employment with the following registered companies.
 - a. tTech Limited;
 - b. Logistical Distribution Services Limited;
 - g) Such other registered entities that are contractual service providers to the GraceKennedy Group and the Credit Union.

INTERPRETATION "Employees" in relation to any entity within the GraceKennedy Group and its affiliates comprise permanent as well as temporary/fixed-term employees.



BE AMENDED TO READ:

Membership in the Credit Union shall be limited to individuals who have attained sixteen (16) years of age in the following categories:

- a) All employees of GraceKennedy Limited, its subsidiaries, associated and managed companies; and their immediate families;
- b) All employees of Grace Co-operative Credit Union Limited and their immediate families
- c) All pensioners of GraceKennedy Limited, its subsidiaries, associates, managed companies and their immediate families;
- d) All pensioners of Grace Co-operative Credit Union Limited and their immediate families;
- e) All former employees of GraceKennedy Limited or its subsidiaries (“the GraceKennedy Group”) who separate from the GraceKennedy Group other than by reason of dismissal or other disciplinary action arising from theft, fraud or other dishonest conduct;
- f) Self-employed persons in the following categories:
 - i. Van Salesmen having contracts for services with GraceKennedy Limited and/or its subsidiaries; Truckers having current contracts for services with GraceKennedy Limited and/or its subsidiaries;
 - ii. Such other self-employed service providers to the GraceKennedy Group as the Board of the Credit Union may approve from time to time.
 - iii. Employees who have been confirmed with the following registered companies.

a. Simply Secure Group;

b. PowerGen Limited;

c. Palesado Supply Chain Management and Services Limited

g) Such other registered entities that are contractual service providers to the GraceKennedy Group and the Credit Union.

INTERPRETATION “Employees” in relation to any entity within the GraceKennedy Group and its affiliates comprise permanent as well as temporary/fixed-termed employees.

“Immediate Families” shall mean the spouse, children, parents, and siblings of the eligible member.

RESOLUTION 2 – To Repeal Article IX, Rule 48

WHEREAS Section 11 and Regulations 41 of the Co-operative Societies Act and Regulations respectively provide for the amendment of the Co-operative Society’s Rules;

WHEREAS Article XXII, Rule 79 allows for amendments to the Rules of the Grace Co-operative Limited;

WHEREAS Article IX, Rule 48 is being duly proposed that the rule in question be repealed in its entirety;

WHEREAS the removal of the rule permitting the Treasurer to issue loans, is intended to reinforce the Credit Union’s loan policies and procedures, to simplify operations and ensure that the organization’s policies remain current and effective;

WHEREAS this Credit Union has agreed to adopt and accept all the interpretations so ascribed under the said regulations and intends that all amendments hereunder proposed are to be operational immediately and binding upon members, consequently upon approval at this general meeting of members and subject to the Registrar of Co-operative Societies immediate certification.



BE IT RESOLVED that Article IX, Rule 48 which now reads:

The Credit Committee by resolution concurred in by all members of the said Committee and a majority of the members present at a General Meeting may delegate to the Treasurer the power to make loans to members provided the amount of any such loan shall not exceed Twenty Dollars (\$20) and the period of repayment shall not exceed thirty (30) days provided also that the member is in good standing.

NOW, THEREFORE, BE IT RESOLVED, that the proposed rule be removed in its entirety from the governing framework, effective immediately upon adoption of this resolution;





REPORT OF THE BOARD OF DIRECTORS

For Year Ended 31st December 2025

Samuel Shelton
PRESIDENT

OVERVIEW

The year 2025 in comparison to 2024, was characterised by a more stable but still evolving economic environment for Jamaica. Headline inflation moderated significantly during the year, easing to approximately 3.3 to 3.4 percent by mid to late 2025, reflecting improved agricultural output, lower imported inflation, and disciplined monetary policy by the Bank of Jamaica, which maintained its focus on preserving price stability within the medium-term target range.

Economic growth remained modest, with real GDP expanding by an estimated 1.1 to 1.6 percent in early 2025, before the economy experienced another disruption late in the year due to an unprecedented adverse weather event – Hurricane Melissa, with damages estimated at approximately 60 percent of GDP. This catastrophic event underscored Jamaica's ongoing vulnerability to climate related shocks. Despite these challenges, employment levels remained relatively strong, with unemployment declining to approximately 4.7 percent, providing a measure of income stability for households and supporting continued participation in the financial sector.

Within this national context, your Grace Cooperative Credit Union (GCCU) remained steadfast in its commitment to prudent stewardship, member value, and longterm sustainability. Throughout 2025, the organisation focused on expanding access to affordable credit, strengthening savings mobilisation, and enhancing internal digital and operational capabilities to better serve members in a costconscious environment.

As interest rate conditions began to normalise and inflationary pressures eased, the Credit Union was able to improve turnaround times, broaden member engagement, and support key lifestage needs—including education, housing, and motor vehicle purchases, while maintaining strong governance and risk oversight. These achievements reflect not only the dedication of management and staff, but also the continued confidence and loyalty of our members, whose collective participation remains the foundation of our cooperative's resilience and success.



The economic growth forecast for Jamaica in 2026 is generally weak to negative, with most credible institutions projecting a slight contraction rather than expansion. The outlook for Jamaica's economy is a contraction between -1.0 to -1.2% with the Bank of Jamaica (BOJ) expecting a growth recovery after the contraction period of around +1% to 3% (rebound phase) expected for FY 2026/2027. Key sectors like agriculture, mining, and construction are helping to drive the recovery. Inflation is expected to stay within the central bank's target range of around 6%. Public debt is also expected to continue to decline, reaching approximately 60.7% of GDP by 2027.

However, the outlook for GCCU is that we will continue to face several risks head on. Global confrontations and geopolitical risk, global slowdowns, rising uncertainty and natural disasters could affect growth and delay development goals. Domestic concerns, including crime, violence and food insecurity, especially among poorer households, also pose challenges.

During the year though on a positive note, we skilfully navigated the uncertain economic climate with a Board of Directors, who were ready and willing to take on any challenge that the economy or members threw at them. Despite the challenges emanating from the difficult economic climate however, our credit union performed much better in 2025 than in the prior year. We ended the year with a surplus of \$14.16M, which was 11.67% above the figure of \$12.68M achieved in 2024.

For the year under review, the Board of Directors and Management continued to focus on the following areas:

- Strengthening our capital structure
- Assessing and strengthening our risk management culture
- Assessing and strengthening our controls, processes, and operational efficiencies.
- Improving our product offerings to our members.
- Continued preparation for the pending full

BOJ regulations of credit unions.

The results of these efforts were reflected in our strong financial performance as well as applying for four (4) awards received at the 2026 JCCUL Annual Awards Ceremony:

1. G. Arthur Brown – Corporate Governance Award
2. D. T Brown – Risk Management Award
3. Lorrel Bruce Award for Service Excellence
4. John Peter Sullivan – Credit Union of the Year Award - Small category

Financial Performance Highlights

	2025	2024	GCCU Annual Growth	Average Movement Growth
	J\$000	J\$000		
Permanent Shares	6,695	6,466	3.5%	
Voluntary Shares	639,466	585,837	9.2%	
Saving Deposits	539,298	505,928	6.6%	10.30%
Gross Loans	1,118,297	1,010,840	10.6%	11.02%
Total Assets	1,339,869	1,239,252	8.1%	8.66%
Surplus	14,156	12,679	11.6%	

SAVINGS DEPOSITS

By the end of December 2025, members' savings increased by 6.6%, compared to 14% in 2024, moving from \$505M to \$539M. Growth is positive but underperforming relative to expectations. Historically, our members have demonstrated a strong saving culture, allowing the credit union to exclusively finance loan demand using these funds.

In contrast, the average movement growth stood at 10.3%. This suggests member confidence and increased savings activity.



LOANS and TOTAL ASSETS

Although the financial performance of 2025 showed improvement over 2024, growing the loans portfolio continues to be challenging. The Credit Union still managed to improve in its performance over 2024. Gross loans increased by 10.6% showing expansion in lending activities due to higher credit demand and improved loan accessibility.

With a 11.02% average movement growth, this indicates increased lending activity and stronger loan demand

The Total Assets Portfolio increased by 8.1%, moving from \$1,239M in 2024 to \$1,339M at the end of December 2025. With an 8.66% average movement growth, showing steady but moderated expansion over time.

DELINQUENCY

Our Credit Union continued to maintain its excellent delinquency management record, ending the year with a delinquency ratio of 0.62%. The delinquency ratio remained below the targeted 1% throughout the year.

LIQUIDITY

Our Credit Union maintained liquidity throughout the year. As at December 31, 2025, the ratio was 16.98%. This performance was influenced by steady growth in savings, which at times outpaced the loans growth. For many years, GCCU members have maintained a robust savings culture even if they are not borrowers.

MEMBERSHIP

At the end of 2025, our membership stood at 2,736, moving from 2,624 at the end of 2024.

CORPORATE SOCIAL RESPONSIBILITY

In 2025, our Credit Union proudly upheld its tradition of supporting the educational pursuits of our members' children through the provision of grants. A total of seventeen (17) students were

awarded bursaries, distributed as follows: nine (9) students who recently completed the PEP examinations, six (6) at the secondary level, and two (2) at the tertiary level.

Grace Cooperative Credit Union further demonstrated its commitment to social responsibility with a visit to Happy Ventures Early Childhood Development Centre. Staff interacted and played with the children fostering joy and connection. Additionally, the Credit Union donated One Hundred and Fifty Thousand Dollars (\$150,000) to assist with the renovation of the school premises.

Additionally, Grace Credit Union donated One Hundred and Sixty-Six Thousand Dollars (\$166,000.00) to the Jamaica Credit Union League (JCCUL) Foundation in support of Hurricane Melissa Relief Initiative. Staff members and their families volunteered to pack and distribute grocery items to affected communities, playing a meaningful role in disaster relief efforts.

ELECTION OF OFFICERS

At the statutory meeting held following the elections at last year's Annual General Meeting, the following officers were elected:

Board of Directors	
Samuel Shelton	President
Damian Lovelace	1 st Vice President
Marsha Cope-Riley	2 nd Vice President
Natalie Billings	Treasurer
Maria Lewis	Assistant Treasurer
Kevin Webster	Secretary
Felleshia Francis	Assistant Secretary
Melisha Walters Gordon	Director
Terence Slater	Director



Supervisory Committee	
Colleen Bancroft	- Chairperson
Althea Hibbert	- Secretary
Latoya Gooden	
Stacy-Ann Taylor	
Alleya Stephenson	

Credit Committee	
Tishan Riley	- Chairperson
Althea Hibbert	- Secretary
Amia Brown	
Judy-Ann Wright	
Kadeanne Rennie-Hylton	
Kevin Miles	
Stacy-Ann Taylor	

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

Seven meetings were held with the Board, joined each quarter by members of the Credit and Supervisory committees. Below is the record of attendance for Board members.

DIRECTORS	Max possible #	# at which present	# at which excused
Samuel Shelton	7	6	1
Damian Lovelace	7	7	0
Marsha Cope-Riley	7	6	1
Natalie Billings	7	3	4
Maria Lewis	7	7	7
Kevin Webster	7	6	1
Fellechia Francis	7	5	2
Melisha Walters Gordon	7	5	2
Terence Slater	3	3	0

HUMAN RESOURCES AND TRAINING

Training also continued to be an integral part of our credit union's focus. In 2025, all staff and volunteers participated in two (2) POCA trainings. Staff were also involved in the following training

courses: KYC, KYE, Counter Finance and Terrorism, Building Member Service Skills, What is Member Service?, Teller Training Workshop, Communication Skills for Frontline and Service Delivery Workers, Jobs to be done by the DPO, Stress testing + Bassel Risk Based Assessment Masterclass for Financial Institutions, Sexual Harassment Sensitization Session, Earthquake Awareness Month Sensitization Exercise and the 53rd Caribbean Development Educator (CaribDE) Programme.

In 2025, we experienced two (2) staff transitions. We said farewell to Janielle Stewart, former Senior Loan Officer and Shanna Coley, former Accountant. We extend our heartfelt appreciation for their dedicated service and meaningful contributions to our members. Shadae Cooke was promoted to Senior Loan Officer, and we are also pleased to welcome Tahira Graham, who has joined the team as Loan Officer. As at December 31, 2025, the accountant position remained vacant; however, Romario Brown, Accounting Officer, capably served in an acting capacity during this period.



OBITUARIES

We would like to take the opportunity to pay tribute to the following members who passed on during the year:

- Janette Lodge
- Bruce Kildare
- Hyacinth Llewellyn
- Fitzgerald King
- Donald Webhy
- Clifton Lewis
- Almon Mills

We wish to extend our condolences to their family members.

FUTURE PLANS

Grace Co-op Credit Union remains dedicated to enhancing our operations through technological advancements and expanding our service offerings. We are committed to helping our members achieve their personal financial goals by delivering efficient, high-quality service, strengthened by continuous improvements in processes and controls.

Additionally, the upcoming full supervision of Credit Unions by the Bank of Jamaica will continue to be a key focus for our Board of Directors, Management, staff, and dedicated volunteers.

ACKNOWLEDGEMENTS

As I close, let me take this opportunity to acknowledge the commitment and continued support of my fellow Directors and other

volunteers for providing oversight of our Credit Union during this challenging year.

Appreciation must also be extended to the following persons and institutions who have contributed to our success:

- The Chairman and Directors of GraceKennedy Ltd, its subsidiaries and associated companies.
- Members of the various committees.
- Directors and staff of the Jamaica Co-operative Credit Union League.
- The Department of Co-operatives and Friendly Societies.
- CUNA Caribbean Insurance (Jamaica) Ltd.
- CUMAX Wealth Management Ltd.
- Our Auditors, Gilbert Thompson & Co.
- Our contact persons and ambassadors at the various offices where our members are employed.
- Our hardworking Credit Union General Manager and staff.
- And to you, our valued members for your continued support throughout the years.





Year in Review

2025 Annual Report

Annual General Meeting 2025





Annual Educational Grant Award Ceremony 2025



Awardees gathered for a photo. From left to right (back) Terrence Ram, Randre Follet, Kaysa Shaw, Shania Anderson, Nyeisha Ennis, Tamoya Simpson and Mikailia James. From left to right (front) Leanna Follet, Atonte Fraser, Chloe Byfield, Tianna Harrison, Aiden Hewitt. Missing were Nathania Brown, Isabel Adjety, Janae Pickersgill, Jovani Jackson and Adriano Smythe



Guest Speaker Caroline Mahfood – CEO for Grace-Kennedy Foundation delivering her speech to the awardees



The General Manager Camille Cadogan (left) poses with the President of the Board of Directors Samuel Shelton (right)



Grace Co-operative Credit Union won Credit Union of the Year Award at the JCCUL 2025 Awards Banquet



President Samuel Shelton (left) and General Manager Camille JCCUL President, Andrea Messam (middle) And General Manager Camille Cadogan (right) poses with the Credit Union of the Year Award for 2024



General Manager Camille Cadogan poses with all four (4) awards



G. Arthur Brown Award for Corporate Governance Management



Lorrel Bruce Awards for Service Excellence



D.T. Brown Award for Risk



BOARD OF DIRECTORS



Mr. Damian Lovelace
1ST VICE PRESIDENT



Mr. Samuel Shelton
PRESIDENT



Mrs. Marsha Cope-Riley
2ND VICE PRESIDENT



Mrs. Natalie Billings
TREASURER



Miss Maria Lewis
ASSISTANT TREASURER



Mr. Terence Slater
DIRECTOR



Mr. Kevin Webster
SECRETARY



Miss Felieshia Francis
ASSISTANT SECRETARY



Mrs. Melissa Walters Gordon
DIRECTOR



REPORT OF THE TREASURER

REPORT OF THE TREASURER FOR THE YEAR ENDED

31 DECEMBER 2025

Natalie Billings TREASURER

Grace Co-op Credit Union generated \$102.3M in interest on loans and advance to members, \$5.8M in investment income, and \$8.5M in non-interest income which represented commission and service charge. The total interest income of \$110.3M represents an increase of \$6.7M or 7% over prior year (\$103.5M).

Total Assets were \$1.34B at the year-end 2025 up from \$1.24B in 2024, an increase of \$100.6M. Loans less allowance for losses grew by \$86.2M from \$1.01B in 2024 to \$1.097B in 2025, an increase of 9%. Liquid assets increased to \$229M in 2025 from \$188M in 2024, an increase of 22%.

STATEMENTS

The following is a summary of the detailed information contained in the audited financial statements.

We, the members, altogether have:

	2025	2024
	\$	\$
a) Total Permanent Shares	6,695,140	6,465,508

We also own collectively as a society, the following:

i)	Statutory Reserves to provide stability to the Credit Union	92,942,410	84,976,041
i)	Education Reserve	214,792	214,792
ii)	Capital Revaluation Reserve	6,431,394	6,431,394
iii)	Bad Debt Reserve (Impaired Loan Losses)	6,895,962	4,447,553
iv)	Special Reserve	785,737	785,737
i)	Donation Reserve	300,000	240,000
ii)	Unclaimed Share Reserve	169,914	169,914
iii)	Share Transfer Reserve	107,350	82,350
ix)	We have previous earnings that have not been returned to us as dividends. This amount is:	(1,799,224)	(2,889,133)



x) This year our net earnings is	<u>11,324,938</u>	<u>10,143,267</u>
The total we own in reserves, provision and earnings is	<u>124,068,413</u>	<u>111,067,422</u>
The grand total we have is	<u>124,068,413</u>	<u>111,067,422</u>
The money we have has been:		
a) Loaned to members	1,097,085,590	1,010,840,170
b) used to Tangible and Intangible Assets (Net Book Value)	1,911,700	1,647,897
c) Invested in:-		
i. Shares in the Jamaica Cooperative Credit Union League	5,546,592	5,546,592
ii. JCCUL Liquidity Reserve & Demand Deposit	121,750,192	89,538,690
iii. Victoria Mutual Building Society	22,477,191	21,190,538
iv. Mortgage Funds with Jamaica Cooperative Credit Union League	-	21,548,204
v. Cu Premium, CUET & Qnet*	271,170	271,125
vi. Cumax Wealth Management	30,303,463	25,890,165
vii. Cumax BOJ CD	38,163,000	36,197,337
d) Bank account, etc	16,489,440	20,289,416
e) But we owed Depositors and external creditor	(545,035,521)	(505,927,693)
f) Members' voluntary shares	(639,465,592)	(585,836,931)
g) Others (Receivables, Payable and Accruals)	<u>(34,274,131)</u>	<u>(34,575,641)</u>
The grand total of the loans and investment we have made is	<u>114,973,094</u>	<u>106,619,869</u>

Our Income has been earned from:-

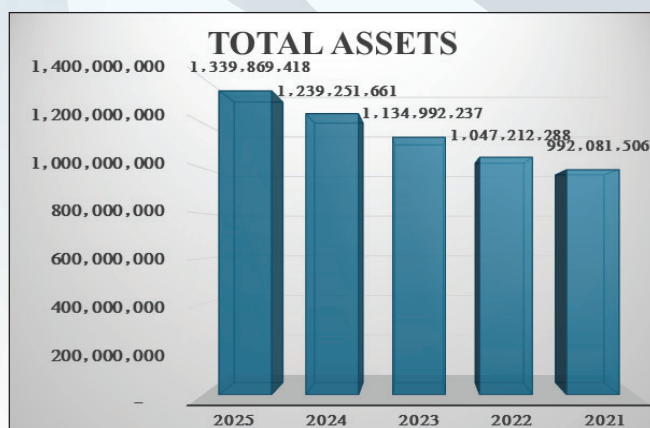
a) Interest on loans to members	102,337,369	93,484,270
b) Interest on liquid assets	2,119,757	2,019,680
d) Interest on Investments	5,529,548	7,820,445
e) Interest – Cumax	305,974	233,844
f) Other sources	<u>8,527,752</u>	<u>13,424,085</u>
	<u>118,820,400</u>	<u>116,982,324</u>

The expenses for the year were:-

Salaries and related expenses	43,302,922	45,560,329
Insurance – Loan Protection and Life Saving (L.P&L.S)	6,663,279	5,887,369
Facilities Fee	6,216,320	7,037,340
Interest Expense	26,185,904	25,824,244
Printing, stationery and supplies	1,030,278	1,099,793
League and other dues	4,765,008	4,729,642



Unrecoverable GCT	2,865,616	2,945,607
AGM, Seminars and other meetings	4,160,030	1,721,300
Professional and consulting fees	-	2,461,685
Audit Fees	1,388,970	1,157,475
Provision for bad debts	2,448,409	1,539,733
Education Grant	687,285	600,000
Depreciation and amortization	444,157	495,148
General expenses	<u>3,506,050</u>	<u>3,243,575</u>
TOTAL EXPENSES	<u>103,664,228</u>	<u>104,303,240</u>
This leaves us a surplus of:-	14,156,173	12,679,084
We are setting aside Statutory Reserves as required by the Act	<u>(2,831,235)</u>	<u>(2,535,817)</u>
	11,324,938	10,143,267
Together with the undistributed earnings from previous year	<u>(1,799,224)</u>	<u>(2,889,133)</u>
Undistributed earnings	<u>13,124,162</u>	<u>7,254,134</u>





Conclusion

The team has demonstrated their commitment to providing financial solutions that have significantly enhanced the quality of life for its members. This dedication has led to a surplus of \$14.1M, an \$86M increase in loans compared to the previous year, and a \$104M growth in total assets. Their dynamic approach ensures that necessary changes are made to meet the evolving needs of members, fostering continued growth and success.

I wish to extend my gratitude to the diligent management and staff of the credit union for their dedication throughout the year. I also acknowledge the invaluable contributions and support of my colleagues on the Board.

Finally, I sincerely thank each credit union member for choosing Grace Co-operative Credit Union as their preferred financial institution.

Respectively Submitted,

Natalie Billings

Treasurer





APPROPRIATION OF SURPLUS

Recommendation

	2025	
	\$	\$
Surplus December 31, 2025		14,156,173
Less: Statutory Reserve booked in 2025	2,831,235	<u>(2,831,235)</u>
Surplus		11,324,938
Add: Undistributed Surplus 1st January 2025	2,648,598.84	
Additional projected for distribution 2024	4,605,535	
Actual distribution 2024	<u>(8,286,144)</u>	
	<u>(3,680,608.53)</u>	<u>(1,032,010)</u>
Available for Distribution		10,292,929
Less:		
Additional 40% Statutory Reserves	5,662,469	
Dividend on Permanent Shares @ 5%	334,757	
# of shares 6,695,140		
Additional Interest to be distributed (1.8%)	891,439	
Donations	<u>60,000</u>	
		<u>6,948,665</u>
Undistributed Surplus Carried Forward		<u>3,344,263</u>

FIXING OF MAXIMUM LIABILITY

Whereas the Board of Directors is satisfied that the present functions of the credit union can be discharged within the limit of twelve (12) times the Credit Union's capital and reserve.

BE IT RESOLVED THAT as per Article XVI Rule 70, The Board of Directors may incur a liability in Voluntary Shares, deposits and/ or loans from any source on such terms of payment and/ or security as they think fit; provided that the total liability shall not exceed a ratio of sixteen (16) times the Credit Union's Capital and provided that the members in the Annual General Meeting by resolution have fixed the maximum liability that the Board of Directors may incur.

For and on behalf of the Board of Directors:

Natalie Billings
Treasurer



Ministry of Industry Investment & Commerce

Jamaica's **Business** Ministry



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

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

S1
R376-541/03/2026

March 31, 2026

The Secretary
Grace Co-operative Credit Union Limited
64 Harbour Street
Kingston

Dear Sir/Madam:

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

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

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

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

Regards,

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



THE REGISTRAR

HEAD OFFICE

10A Chelsea Avenue
Kingston 5, Jamaica, W. I.
(658) 219-1060 | (876) 832-1671 / (876) 832-1908 / (876) 822-5284

MANDEVILLE, MANCHESTER

23 Caledonia Road
(RADA Bldg.)
(876) 615-9083

MONTEGO BAY, ST. JAMES

10 Delisser Drive
(The Office of the Prime Minister)
(876) 952-7913



info@dcfs.gov.jm



www.dcfs.gov.jm



Gilbert Thompson & Company 2017

Chartered Accountants



Lot 2, Shop 14 Regal Plaza, P. O Box 80
Kingston 5, Jamaica.
Ph: (876) 758-8345, (876) 906-1098
E-mail: gilbertthompsonco2017@yahoo.com

Shop 25 Omni Plaza 41 Manchester Ave May Pen,
Clarendon, Jamaica
Ph: (876) 986-6035, (876) 786-2232
E-mail: gilbertthompsonco2017@yahoo.com

INDEPENDENT AUDITORS' REPORT

To the Registrar of Co-operatives and Friendly Societies
Grace 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 financial statements of Grace Co-operative Credit Union Limited set out on pages 5 to 68, which comprise the statement of financial position as at 31 December 2025, the statements of surplus or deficit and other comprehensive income and changes in equity, cash flows for the year then ended and the notes comprising material accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Co-operative in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Gilbert Thompson & Company 2017

Chartered Accountants



INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Registrar of Co-operatives and Friendly Societies

Grace Co-operative Credit Union Limited

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

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

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Co-operative'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 Co-operative or to cease operations, or has no realistic alternative but to do so.

Management is responsible for other information. The other information comprises the President's and Treasurers' and other reports included in the Annual Report, except for our auditors' report.

Those charged with governance are responsible for overseeing the Co-operative's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.



Gilbert Thompson & Company 2017

Chartered Accountants



INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Registrar of Co-operatives and Friendly Societies

Grace Co-operative Credit Union Limited

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

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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 Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative'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 Co-operative to cease to continue as a going concern.



Gilbert Thompson & Company 2017

Chartered Accountants



INDEPENDENT AUDITORS' REPORT (CONT'D)

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

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

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

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

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Co-operative Societies Act, in the manner required.

Gilbert Thompson & Co. 2017
.....
Chartered Accountants

March 11, 2026





GRACE CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2025

	<u>Note</u>	<u>2025</u> \$	<u>2024</u> \$
INTEREST INCOME			
Interest on loans and advance to members		102,337,369	93,484,270
Interest on liquid assets		2,119,757	2,019,680
Interest on investment		5,529,548	7,820,445
Interest JCCUL – Cu Max		<u>305,974</u>	<u>233,844</u>
		110,292,648	103,558,239
INTEREST EXPENSE			
Interest on saving deposits		(26,544,928)	(25,254,854)
Other financial cost		<u>(640,976)</u>	<u>(569,390)</u>
NET INTEREST INCOME		83,106,744	77,733,995
Impairment losses on financial assets		<u>(2,448,409)</u>	<u>(1,539,733)</u>
		80,658,335	76,194,262
Non-Interest income	8	<u>8,527,752</u>	<u>13,424,085</u>
NET INTEREST AND OTHER INCOME		89,186,087	89,618,347
OPERATING EXPENSES	9	<u>(75,029,914)</u>	<u>(76,939,263)</u>
SURPLUS FOR YEAR, BEING TOTAL COMPREHENSIVE INCOME		<u>14,156,173</u>	<u>12,679,084</u>





GRACE CO-OPERATIVE CREDIT UNION LIMITED

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2025

	<u>Note</u>	<u>2025</u> \$	<u>2024</u> \$
ASSETS			
EARNING ASSETS:			
Liquid Assets	10a	212,693,846	167,816,730
Financial investments	11	5,817,763	32,365,921
Loans to members	12	<u>1,097,085,590</u>	<u>1,010,840,170</u>
		<u>1,315,597,199</u>	<u>1,211,022,821</u>
NON-EARNING ASSETS:			
Cash in hand and at Bank	10b	16,489,440	20,289,416
Other assets	13	5,871,079	6,291,527
Property, plant and equipment	14a	1,283,687	832,336
Intangible assets	14b	<u>628,013</u>	<u>815,561</u>
		<u>24,272,219</u>	<u>28,228,840</u>
TOTAL ASSETS		<u>1,339,869,418</u>	<u>1,239,251,661</u>





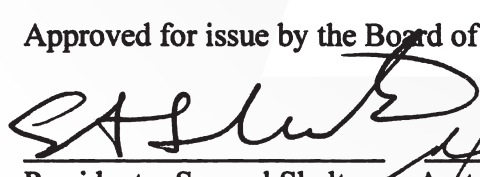
GRACE CO-OPERATIVE CREDIT UNION LIMITED

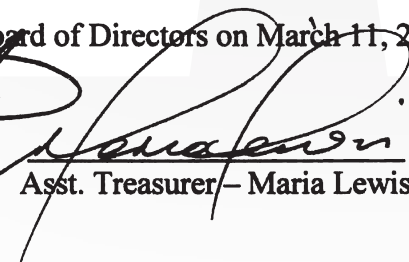
STATEMENT OF FINANCIAL POSITION

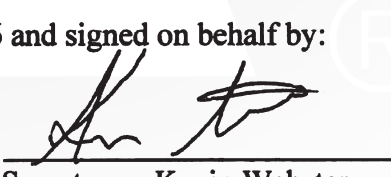
31 DECEMBER 2025

	<u>Note</u>	<u>2025</u> <u>\$</u>	<u>2024</u> <u>\$</u>
LIABILITIES AND EQUITY			
LIABILITIES			
Interest bearing liabilities:			
Members' deposit	15a	545,035,521	505,927,693
Voluntary shares	15b	<u>639,465,592</u>	<u>585,836,931</u>
		1,184,501,113	1,091,764,624
Non-interest-bearing liabilities:			
Payable and accruals	16	<u>34,597,406</u>	<u>40,867,168</u>
		<u>1,219,098,519</u>	<u>1,132,631,792</u>
EQUITY			
Members' share capital	17	6,695,140	6,465,508
Non-institutional capital			
Retained earnings and reserve	18	1,577,793	1,492,793
Undistributed surplus		13,124,162	7,254,133
Institutional capital:			
Statutory and legal reserve	19a	92,942,410	84,976,041
Capital revaluation reserve	19b	<u>6,431,394</u>	<u>6,431,394</u>
		<u>120,770,899</u>	<u>106,619,869</u>
TOTAL LIABILITIES AND EQUITY		<u>1,339,869,418</u>	<u>1,239,251,661</u>

Approved for issue by the Board of Directors on March 11, 2026 and signed on behalf by:


 President – Samuel Shelton


 Asst. Treasurer – Maria Lewis


 Secretary – Kevin Webster



GRACE CO-OPERATIVE CREDIT UNION LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2025

	Members' Permanent Share Capital	Institutional Capital	Non-Institutional Capital (Undistributed Net Surplus)	Total
	\$	\$	\$	\$
Balances at 1 January 2024	6,109,366	84,793,392	6,753,932	97,656,690
Net surplus	-	-	12,679,084	12,679,084
Transfer to statutory reserves 2024	-	2,535,817	(2,535,817)	-
Transfer to statutory reserves 2023	-	3,989,226	(3,989,226)	-
Donations	-	-	(60,000)	(60,000)
Appropriations -				
Dividend on shares and deposits	-	-	(3,873,002)	(3,873,002)
Dividend on Permanent Shares	-	-	(284,545)	(284,545)
Entrance fee	-	89,000	-	89,000
Share transfer account	356,142	-	56,500	412,642
Balances at 31 December 2024	6,465,508	91,407,435	8,746,926	106,619,869
Net surplus	-	-	14,156,173	14,156,173
Transfer to statutory reserves 2025	-	2,831,235	(2,831,235)	-
Transfer to statutory reserves 2024	-	5,071,634	(5,071,634)	-
Donation reserve	-	-	25,000	25,000
Donations	-	-	(60,000)	(60,000)
Appropriations -				
Dividend on Permanent Shares	-	-	(323,275)	(323,275)
Entrance fee	-	63,500	-	63,500
Share transfer account	229,632	-	60,000	289,632
Balances at 31 December 2025	6,695,140	99,373,804	14,701,955	120,770,899

STATEMENT OF CHANGES IN EQUITY

**GRACE CO-OPERATIVE CREDIT UNION LIMITED****STATEMENT OF CHANGES IN EQUITY****YEAR ENDED 31 DECEMBER 2025**

	<u>Non- Institutional Capital</u>		
	<u>Retained Earnings and Reserves</u>	<u>Undistributed Surplus</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Balances at 1 January 2024	5,317,639	1,436,293	6,753,932
Net surplus	12,679,084	-	12,679,084
Transfer from special reserves 2023	(2,535,817)	-	(2,535,817)
Transfer to statutory reserves	(3,989,226)	-	(3,989,226)
Share transfer account	-	56,500	56,500
Donations	(60,000)	-	(60,000)
Appropriations -			
Dividend – shares and deposits	(3,873,002)	-	(3,873,002)
Dividend – Permanent Shares	(284,545)	-	(284,545)
Balances at 31 December 2024	7,254,133	1,492,793	8,746,926
Net surplus	14,156,173	-	14,156,173
Transfer from special reserves 2025	(2,831,235)	-	(2,831,235)
Transfer to statutory reserves 2024	(5,071,634)	-	(5,071,634)
Share transfer account	-	25,000	25,000
Donation reserve	-	60,000	60,000
Donations	(60,000)	-	(60,000)
Appropriations -			
Dividend – Permanent Shares	(323,275)	-	(323,275)
Balances at 31 December 2025	<u>13,124,162</u>	<u>1,577,793</u>	<u>14,701,955</u>

**GRACE CO-OPERATIVE CREDIT UNION LIMITED****STATEMENT OF CHANGES IN EQUITY****YEAR ENDED 31 DECEMBER 2025**

	<u>INSTITUTIONAL CAPITAL</u>		
	<u>Statutory</u>	<u>Capital</u>	<u>Total</u>
	<u>Reserve</u>	<u>Reserve</u>	
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Balances at 1 January 2024	78,361,998	6,431,394	84,793,392
Transfer to statutory reserves 2024	2,535,817	-	2,535,817
Transfer to statutory reserves 2023	3,989,226	-	3,989,226
Entrance fee	89,000	-	89,000
Balances at 31 December 2024	84,976,041	6,431,394	91,407,435
Transfer to statutory reserves 2025	2,831,235	-	2,831,235
Transfer to statutory reserves 2024	5,071,634	-	5,071,634
Entrance fee	63,500	-	63,500
Balances at 31 December 2025	<u>92,942,410</u>	<u>6,431,394</u>	<u>99,373,804</u>



GRACE CO-OPERATIVE CREDIT UNION LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2025

	<u>2025</u> \$	<u>2024</u> \$
CASH FLOW FROM OPERATING ACTIVITIES:		
Surplus for the year	14,156,173	12,679,084
Adjustments to reconcile net profit to		
Cash provided by operating activities –		
Depreciation	<u>444,157</u>	<u>495,149</u>
Net cash provided by operating activities	<u>14,600,330</u>	<u>13,174,232</u>
Changes in operating assets and liabilities -		
Members' loan	(86,245,420)	(103,547,171)
Other receivables	420,448	(993,346)
Members' savings account	39,107,828	62,009,683
Share capital voluntary	53,628,661	32,385,231
Payable and accruals	(6,269,762)	<u>901,331</u>
Net cash provided by operating activities	<u>15,242,085</u>	<u>3,929,960</u>
Cash flow from investing activities –		
Property, plant and equipment purchased	(707,960)	(604,148)
Financial Investment	<u>26,548,158</u>	<u>9,468,461</u>
Net cash provided by investing activities	<u>25,840,198</u>	<u>8,864,313</u>
Cash flow from financing activities –		
Entrance fee	63,500	89,000
Dividend on shares and deposit	-	(3,873,002)
Dividend on permanent shares	(323,275)	(284,545)
Donation	(60,000)	(60,000)
Donation reserve	25,000	-
Share transfer account	<u>289,632</u>	<u>412,642</u>
Cash provided by/(used in) financing activities	<u>(5,143)</u>	<u>(3,715,905)</u>
Increase in liquid assets	41,077,140	9,078,368
Liquid asset at beginning of the year	<u>188,106,146</u>	<u>179,027,778</u>
LIQUID ASSET AT END OF YEAR	<u>229,183,286</u>	<u>188,106,146</u>



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

1. **IDENTIFICATION AND ACTIVITY:**

Grace Co-operative Credit Union Limited (“Co-operative”) is incorporated under the laws of Jamaica and is registered under the Co-operative Societies Act (“Act”) and has its registered office at 69 ½ Harbour Street, Kingston, Jamaica.

The main activities of the Co-operative are to promote thrift among its members by affording them an opportunity to accumulate savings and to create for them a source of credit for provident or productive purposes at a reasonable rate of interest.

Membership in the Co-operative is obtained by the holding of members’ permanent [note 17] and voluntary [note 15(b)] shares, which are deposits available for withdrawals on demand. Individual membership may not exceed 20% of the total of the members’ shares of the co-operative.

2. **REGULATION:**

The Co-operative Societies Act requires that at least 20% of the net surplus of the Co-operative be transferred annually to a reserve fund. The Co-operative is exempt from Income Tax under section 59(i) of the Co-operative Societies Act and Section 12 of the Income Tax Act.

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





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

3. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION:

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, unless otherwise stated.

(a) Statement of Compliance

The financial statements are prepared in accordance and comply with International Financial Reporting Standards (“IFRS”) and the Co-operative Societies Act of Jamaica.

(b) Basis of preparation

IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements. These estimates and assumptions are based on historical experience and management’s best knowledge of current events and actions. Actual results may differ from these estimates and assumptions.

Standards, interpretations and amendments to published standards effective in the current year

There were no new standards, interpretations and amendments to existing standards, which have been published that became effective during the current financial year that is relevant to the Co-operative operations.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

3. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(b) Basis of preparation (cont'd)

Standards, interpretations and amendments to published standards that are not yet effective and have not been early adopted by the Co-operative.

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued which are not effective at the date of the statement of financial position, and which the Co-operative has not early adopted. The Co-operative has assessed the relevance of all such new standards, interpretations and amendments, has determined that the following may be relevant to its operations, and has concluded as follows:

Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments, (effective for annual periods beginning on or after 1 January 2026).

These amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

The Co-operative is currently assessing the impact of the new standard on its financial statements.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

3. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(b) Basis of preparation (cont'd)

Standards, interpretations and amendments to published standards that are not yet effective and have not been early adopted by the Co-operative.

Annual improvements to IFRS – Volume 11, (effective for annual periods beginning on or after 1 January 2026 with early adoption available).

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The amendments are to the following relevant standards:

IFRS 1 First-time Adoption of International Financial Reporting Standards.

IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;

IFRS 9 Financial Instruments.

IFRS 10 Consolidated Financial Statements; and

IAS 7 Statement of Cash Flows.

The Co-operative is currently assessing the impact of the new standard on its financial statements.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

3. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D)

(c) Basis of measurement:

The financial statements are prepared on the historical cost basis.

The methods used to measure fair value are set out in note 7.

(d) Functional and presentation currency

The financial statements of the Co-operative are measured using the currency of the primary economic environment in which the Co-operative operates (Jamaican Dollar). These financial statements are presented in Jamaican dollars, which is considered the Co-operative's functional and presentation currency.

(e) Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated to Jamaican dollars using the closing rate as at the reporting date.

Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognized in profit or loss.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

3. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION (CONT'D):

(f) Critical accounting judgments in applying the Co-operative's accounting policies

(i) Impairment losses on financial assets

The measurement of the expected credit loss (ECL) allowance for financial assets measured at amortised cost requires the use of complex models and significant assumptions about future economic conditions and credit behavior such as the likelihood of members' defaulting and the resulting losses.

A number of significant judgements are also required in applying the accounting requirements for measuring ECL such as:

- Determining criteria for significant increase in credit risk
- Choosing appropriate models and assumptions for the measurement of ECL
- Establishing the number and relative weights of forward-looking scenarios
- Establishing group of similar financial assets for the purpose of measuring ECL.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES:

The Co-operative has consistently applied the accounting policies as set out below to all periods presented in these financial statements.

(a) Financial instruments

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

Financial instrument carried on the statements of financial position include loan to members, liquid assets, financial investments, other assets, members' deposits, members' voluntary shares and payables and accruals. The particular recognition methods adopted are disclosed in significant accounting policy associated with each item. The fair values of the Co-operative's financial instruments are in note 7.

Financial instruments are classified, recognised and measured in accordance with the substance of the terms of the contracts as set out herein.

(i) Recognition and initial measurement

The Co-operative recognises a financial instrument when it becomes a party to the contractual terms of the instrument. The Co-operative initially recognises accounts receivable on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(b) Financial instruments (cont'd)

Financial liabilities

Financial liabilities net of transaction costs, are initially measured at fair value, and are subsequently measured at amortised cost using the effective method. At the reporting date, the items classified as financial liabilities are members' deposits, members' voluntary shares, external credits, and other liabilities.

(c) Loans and provision for impairment losses

Loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Co-operative does not intend to sell immediately or in the near term.

Loans are recognized when cash is advanced to borrowers. They are initially recorded at cost, which is the cash given to originate the loan including any transaction costs and are subsequently measured at amortised cost using the effective interest method.

An allowance for impairment is established if there is objective evidence that it is probable that all amounts due according to the original contractual terms will not be collected. The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected future cash flows, including amounts recoverable from collateral, discounted at the original effective interest rate of the loans.

A loan is classified as impaired when, in management's opinion, there has been deterioration in credit quality to the extent that there is no longer reasonable assurance of timely collection of the full amount of principal and interest. If the payment on a loan is contractually three (3) months in arrears, the loan will be classified as impaired. When a loan is classified as impaired the accrual of interest income based on the original term of the loan is discontinued. IFRS requires the increase in the present value of impaired loans due to the passage of time to be reported as interest income.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(c) Loans and provision for impairment losses (cont'd)

Write-offs are made when all or part of a loan is deemed uncollectible or when a debt is forgiven. Write-offs are charged against previously established provisions for credit losses and reduce the principal amount of a loan. Recoveries in part or in full, of amounts previously written off, are credited to impairment losses in surplus or deficit.

The Co-operative's impairment loss provision requirements, as stipulated by the Jamaica Co-operative Credit Union League Limited ("JCCUL"), that exceed the IFRS impairment provision are dealt with in a non-distributable loan loss reserve as an appropriation of accumulated surplus.

(d) Resale agreements

Resale agreements ("reverse repos") are short-term transactions whereby an entity buys securities and simultaneously agrees to resell them on a specified date and at a specified price. Reverse repos are accounted for as short-term collateral lending.

The Co-operative enters into resale agreements to resell substantially identical investments at a certain date in the future at a fixed price. The amounts paid are recognized as "resale agreements" and are collateralised by the underlying securities.

The difference between the sale and repurchase consideration is recognized on the accrual basis over the period of the transaction and is included in interest income.

(e) Cash and cash equivalents

Cash and cash equivalents are shown at cost. They comprise cash and bank balances and short-term liquid deposits, where original maturities do not exceed three months, are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term commitments, rather than for investment purposes.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(e) Cash and cash equivalent Cont'd

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and in bank and deposits not held to satisfy statutory requirements, net of bank overdraft, if any.

(f) Property, plant and equipment

(i) Measurement

Items of property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of material and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part flow to the Co-operative and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognized in surplus or deficit.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(f) Property, plant and equipment cont'd

(iii) Depreciation

Depreciation is recognized in surplus or deficit on the straight-line basis at rates estimated to write-down the relevant assets, over their expected useful life and residual value are reviewed at each reporting date and adjusted if appropriate with the effect of any changes in the estimate being accounted for on a prospective basis.

Furniture and fixtures	10%
Automated teller machine	10%
Data processing equipment	10% - 20%

(g) Intangible asset

Intangible asset represents software rights and is measured at cost, less accumulated amortization and impairment losses. Amortisation method, useful life and residual value are reviewed at each reporting date and adjusted if appropriate with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation is charged to surplus or deficit on the straight-line basis over the estimated useful life of the intangible asset, from the date it is available for use. The expected useful life of computer software is 10 years.

(h) Other assets

Other assets comprising sundry receivables and prepayments are measured at amortised cost less impairment losses. An impairment loss is established when there is objective evidence that the Co-operative 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.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(i) Members' shares -

(i) Permanent shares

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

(ii) Voluntary shares

Members' voluntary shares represent deposit holdings of the Co-operative's member, to satisfy membership requirements and to facilitate eligibility for loans and other benefits. These shares are classified as financial liabilities. Dividends payable on these shares are determined at the discretion of the Co-operative and reported as interest in surplus or deficit in the period in which they are approved.

(j) Payables and accruals

Payables and accruals are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(k) Other liabilities

Other liabilities comprise other payables and are measured at amortised cost.

(l) Provisions

Provisions are recognised when the Co-operative 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.

(m) Revenue recognition

Revenue is income that arises in the course of the ordinary activities of the Co-operative. Accordingly, revenue comprises interest income, fees and commissions, and income and gains from trading and holding financial instruments.

Where collection of interest income is considered doubtful, or payment is outstanding for more than 90 days, interest is taken into account on the cash basis. IFRS requires that when receivables become doubtful of collection, they are written down to their recoverable amounts and interest income is thereafter recognised based on the rate of interest that was used to discount the future cash flows for the purpose of measuring the recoverable amount.

There has been no doubtful interest payment for the period under review.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(m) Revenue recognition (Cont'd)

(i) Interest income

Effective interest rate

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

When calculating the effective interest rate for financial instruments other than purchased or originated credit impaired assets, the Co-operative estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. For purchased or originated credit-impaired financial assets, a credit adjusted effective interest rate is calculated using estimated future cash flows including ECL.

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

Amortised cost and gross carrying amount

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

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(m) Revenue recognition (Cont'd)

(i) Interest income cont'd

Calculation of interest income

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

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

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

Presentation

Interest income calculated using the effective interest method presented in the statement of profit or loss and OCI, includes interest on financial assets measured at amortised cost, and interest on debt instruments measured at FVOCI.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(m) Revenue recognition (Cont'd)

(ii) Fees and commission

Fee and commission income are recognised on the accrual basis when the service has been provided. Fee and commissions arising from negotiating or participating in the negotiation of a transaction for a third party are recognised on completion of the underlying transaction. Portfolio and other management advisory and service fees are recognised based on the applicable service contracts, usually on a time apportioned basis as the service is provided. Asset management fees related to investment funds are recognised rateably over the period in which the service is provided. Performance-linked fees or fee components are recognised when the performance criteria are fulfilled.

(iii) Dividends

Dividend income from equity financial investments is recognised when the Co-operative's right to receive payment has been established.

(n) Institutional capital

Institutional capital includes retained earnings reserve and other statutory and legal reserves as set out in article XIV rule 66 of the Co-operative Societies Act. These are set aside in order to strengthen the capital base of the Co-operative and thereby protect the interest of the members. These amounts are not available for distribution.

(o) Statutory reserves

The statutory and legal reserves are maintained in accordance with the provisions of the Co-operative Societies Act, which require that a minimum of 20% of surplus before honoraria should be carried to a fund. A registered society may apply to the Registrar to allow the required percentage to be reduced. However, the reduction will not be granted below 10%.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(p) Impairment

The carrying amounts of the Co-operative's assets, other than loans to members [see note 4(a)], are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated at each reporting date. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in surplus or deficit. Any cumulative loss in respect of an available-for-sale investment recognised previously in other comprehensive income is transferred to surplus or deficit.

(i) Calculation of recoverable amount

The recoverable amount of the Co-operative's loans and receivables is calculated at the present value of expected future cash flows, discounted at the original effective interest rate inherent in the asset. The recoverable amount in respect of an available-for-sale investment is its current fair value. Receivables with a short duration are not discounted.

The recoverable amount of other assets is the greater of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICES (CONT'D):

(p) Impairment (cont'd)

(ii) Reversals of impairment

In respect of loans and receivables the impairment loss is reversed, if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognized.

In respect of other assets, an impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Reversals are recognized in surplus or deficit, except for available-for-sale equity financial asset, that are recognized in other comprehensive income.

(q) Leases

Leases, where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. Payments under operating leases are charged as an expense in surplus or deficit on the straight-line basis over the period of the lease.

(r) Foreign currency translation

Transactions in foreign currencies are converted at the exchange rates prevailing at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currency are translated using the exchange rates ruling at that date. Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognized in surplus or deficit.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS:

The preparation of the financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to, assets liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods, if the revision affects both current and future periods.

Judgments made by management in the application of IFRS that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are discussed below:

(i) Impairment losses on loans to members

The determining amounts recorded for impairment losses on loan in the financial statements, management makes judgments regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measureable decrease in the estimated future cash flows from loans, for example, repayment default and adverse economic conditions. Management also makes estimates of the likely estimated future cash flows from impaired loans, as well as the timing of such cash flows. Historical loss experience is applied where indicators of impairment are not observable on individual significant loans and loans portfolio with similar characteristic, such as credit risks.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT

(a) Introduction and overview

The Co-operative activities are principally related to the use of financial instruments. The Co-operative therefore has exposure to the following risks from its use of financial instruments in the ordinary course of business:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk
- Capital risk management

The Board of Directors of the Co-operative has overall responsibility for the establishment and oversight of the Co-operative's risk management framework. Senior management of the Co-operative report to the respective Board of Directors on their activities. The Co-operative's risk management policies are designed to identify and analyse the risks faced by the Co-operative, to set appropriate risk limits and controls, and to monitor risks and adherence to limits risk management.

The Co-operative regularly reviews its risk management policies and systems to reflect changes in market conditions and product and service offerings. The respective Audit, Risk and Conduct Review Committees of the Co-operative and the subsidiary Co-operative are responsible for monitoring compliance with the Co-operative's risk management policies and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Co-operative.

The Audit, Risk and Conduct Review Committees are assisted in these functions by the Co-operative's Internal Audit Unit and the Co-operative Risk Management Unit, which undertakes periodic reviews of risk management controls and procedures, the results of which are reported to the Audit, Risk and Conduct Review Committees.

The key risks to which the Co-operative is exposed and the manners in which it measures and manages them are as follows:



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT

(b) Credit risk

Credit risk is the risk of financial loss to the Co-operative if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises primarily from credit given to customers from stock broking activities, investing activities, collateralised lending and deposits with other institutions. Balances arising from these activities include debt securities, resale agreements, cash and cash equivalents and accounts receivable.

(i) Management of credit risk

Credit risk is the single largest risk for the Co-operative's business; management therefore carefully manages its exposure to credit risk. Credit risk management and control is delegated to the Co-operative's Finance and Risk Management Committee. The Committee is responsible for oversight of credit risk, including formulating credit policies, establishing the authorisation structure for the approval of credit facilities, reviewing and assessing credit risk, and limiting concentration of exposure to counterparties.

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, of the associated loss ratios and of default correlations between counterparties. The Co-operative measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD). This is similar to the approach used for the purposes of measuring Expected Credit Loss (ECL) under IFRS 9.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT

(b) Credit risk (cont'd)

(i) Management of credit risk (continued)

The Co-operative manages the credit risk on items exposed to such risk as follows:

Cash and cash equivalents

These are held with reputable financial institutions and collateral is not required for such accounts as management regards the institutions as strong.

Resale agreements

Collateral is held for all resale agreements.

Investment securities

In relation to its holding of investment securities, the Co-operative manages the level of risk it undertakes by investing substantially in short term Government of Jamaica, Bank of Jamaica and foreign Government debt securities; such securities are generally unsecured.

Loan to members

Exposure to credit risk is managed by regular analysis of the ability of the members and other counter parties to meet repayment obligations.

(ii) Concentration of credit risk

There is significant concentration of credit risk in that the Co-operative holds substantial amounts of debt securities in fixed deposit with Cumax and fixed deposit with Victoria Mutual Building Society. There is no other significant concentration of credit risk.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(iii) Maximum exposure to credit risk and credit quality analysis (continued)

Loan at amortised cost:

	<u>Stage 1</u> 12-months ECL \$	<u>2025</u> <u>Stage 2</u> Lifetime ECL \$	<u>Stage 3</u> Lifetime ECL \$	Total \$	<u>2024</u> <u>3 Stages</u> Total \$
Impaired Loan losses	<u>1,796,242</u>	<u>40,379</u>	<u>5,059,341</u>	<u>6,895,962</u>	<u>4,447,553</u>

Loan at amortised cost:

	<u>Stage 1</u> 12-months ECL \$	<u>2024</u> <u>Stage 2</u> Lifetime ECL \$	<u>Stage 3</u> Lifetime ECL \$	Total \$	<u>2025</u> <u>3 Stages</u> Total \$
Impaired Loan losses	<u>1,813,590</u>	<u>148</u>	<u>2,633,815</u>	<u>4,447,553</u>	<u>4,946,445</u>

Resale agreements, loans receivable and debt securities at amortised cost:

Loans recoverable and debit securities at amortised cost:



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(iv) Impairment

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- 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 Co-operative.
- 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. Please refer to below for a description of how the Co-operative determines when a significant increase in credit risk has occurred.
- 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. Please refer to below for a description of inputs, assumptions and estimation techniques used in measuring the ECL.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

iv) Impairment (continued)

- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward- looking information. Please see below which includes an explanation of how the Co-operative has incorporated this in its ECL models.

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

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).

The key judgments and assumptions adopted by the Co-operative in addressing the requirements of the standard are discussed below:

(a) Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Co-operative 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 Co-operative's historical experience and third-party policies including forward-looking information.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(iv) Impairment (continued)

(a) Significant increase in credit risk (continued)

The Co-operative 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 Co-operative uses internal credit risk grading that reflects its assessment of the probability of default of individual counterparties. The Co-operative 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 judgment 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.

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 the rating agency.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(iv) Impairment (continued)

(a) *Significant increase in credit risk (continued)*

Credit risk grades (continued):

Determining whether credit risk has been increased significantly:

The Co-operative 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 Co-operative 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.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(iv) Impairment (cont'd)

(a) *Significant increase in credit risk* (continued)

Credit risk grades (continued):

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 return 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 Co-operative 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.

Definition of default:

In assessing whether a borrower is in default, the Co-operative 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 Co-operative; 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.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(iv) Impairment (cont'd)

(b) *Incorporation of forward-looking information*

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Co-operative 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 Co-operative’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 compared 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.

In addition to the base economic scenario, the Co-operative considers other possible scenarios and scenario weightings. At January 1, 2025 and December 31, 2025, the Co-operative concluded that three scenarios appropriately captured nonlinearities. The scenario weightings are determined by a combination of statistical analysis and expert credit judgment, taking account of the range of possible outcomes each chosen scenario is representative of.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(iv) Impairment (cont'd)

(b) *Incorporation of forward-looking information (cont'd)*

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 Co-operative considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Co-operative'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.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(iv) Impairment (cont'd)

(c) *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.

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.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(b) Credit risk (cont'd)

(iv) Impairment (cont'd)

(d) *Measurement of the expected credit loss (ECL)*

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.

(c) Liquidity risk

Liquidity risk is the risk that the Co-operative is unable to meet its payment obligations associated with its financial liabilities when they fall due and replace funds when they are withdrawn. The consequences may be the failure to meet obligations to repay depositors and fulfill commitments to lend.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT CONT'D

(c) Liquidity risk (cont'd)

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

Liquidity risk management process

The liquidity risk management process, as carried out within the Co-operative includes:

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

Managing the concentration and profile of debt maturities.

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



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT CONT'D

(c) Liquidity risk (cont'd)

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

The tables below present the undiscounted cash flows payable (both interest and principal cash flows) of the Co-operative's financial liabilities based on contractual repayment obligations.

	Within 1-3 months \$	3 to 12 months \$	1 to 5 years \$	Total Carrying amount \$
December 31, 2025				
Members' deposits	182,353,312	163,516,456	199,165,753	545,035,521
Members' voluntary Shares	-	-	639,465,592	639,465,592
Payables and accruals	14,568,910	16,478,052	3,550,444	34,597,406
Total financial Liabilities	196,922,222	179,994,508	842,181,789	1,219,098,519
December 31, 2024				
Members' deposits	159,944,178	168,344,748	177,638,767	505,927,693
Members' voluntary Shares	-	-	585,836,931	585,836,931
Payables and accruals	14,869,785	4,962,324	21,035,059	40,867,168
Total financial Liabilities	174,813,963	173,307,072	784,510,757	1,132,631,792



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(d) Market risk

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

(i) Currency risk

Currency or foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The main currency giving rise to this risk is the US\$.

The Co-operative's exposure to foreign currency risk at the reporting date was as nil





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(d) Market risk (cont'd)

(ii) Interest rate risk

Interest rate risk is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates, and arises mainly from investments, loans and deposits.

Floating rate instruments expose the Co-operative to cash flow interest risk, whereas fixed interest rate instruments expose the Co-operative to fair value interest risk.

The Co-operative's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments as determined by the Finance Committee. The policy also requires it to manage the maturities of interest-bearing financial assets and interest-bearing financial liabilities. The Board set limits on the level of mismatch of interest rate re-pricing that may be undertaken, which is monitored daily by the Finance Department.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(d) Market risk (cont'd)

(ii) Interest rate risk

	2025				
	Within 3 months \$	3 - 12 months \$	Over 1- 5 years \$	Non- interest bearing \$	Total \$
Assets					
Cash and bank balances	16,489,440	-	-	-	16,489,440
Liquid assets	159,914,038	22,477,191	30,302,617	-	212,693,846
Financial investments	-	-	5,817,763	-	5,817,763
Loans	172,856,919	174,585,185	749,643,486	-	1,097,085,590
Other assets	5,871,079	-	-	-	5,871,079
Total assets	355,131,476	197,062,376	785,763,866	-	1,337,957,718
Liabilities					
Members' deposits	182,353,312	163,516,456	199,165,753	-	545,035,521
Members' voluntary Shares	-	-	639,465,592	-	639,465,592
Payables and accruals	14,568,910	16,478,052	3,550,444	-	34,597,406
Total liabilities	196,922,222	179,994,508	842,181,789	-	1,219,098,519
Total interest rate sensitivity gap	158,209,254	17,067,868	(56,417,923)	-	118,859,199
Cumulative interest rate sensitivity gap	158,209,254	175,277,122	118,859,199	-	-



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(e) Market risk (cont'd)

(ii) Interest rate risk

	2024				
	Within 3 months \$	3 - 12 months \$	Over 1- 5 years \$	Non- interest bearing \$	Total \$
Assets					
Cash and bank balances	20,289,416	-	-	-	20,289,416
Liquid assets	136,626,192	31 190 538	-	-	167,816,730
Financial investments	-	-	32,365,921	-	32,365,921
Loans	58,505,613	173,637,796	778,696,761	-	1,010,840,170
Other assets	1,396,236	1,457,776	3,437,515	-	6,291,527
Total assets	216,817,457	206,286,110	814,500,197	-	1,237,603,764
Liabilities					
Members' deposits	159,944,178	168,344,748	177,638,767	-	505,927,693
Members' voluntary Shares	-	-	585,836,931	-	585,836,931
Payables and accruals	14,869,785	4,962,324	21,035,059	-	40,867,168
Total liabilities	174,813,963	173,307,072	784,510,757	-	1,132,631,792
Total interest rate sensitivity gap	42,003,494	32,979,038	29,989,440	-	104,971,972
Cumulative interest rate sensitivity gap	42,003,494	74,982,532	104,971,972	-	-

**GRACE CO-OPERATIVE CREDIT UNION LIMITED****NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2025****6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)****(e) Market risk (cont'd)****(ii) Interest rate risk (cont'd)****Interest rate sensitivity**

The following table indicates the sensitivity to a reasonable possible change of basis 100 points in interest rates, with all other variables being held constant.

The sensitivity of the surplus is the effect of the assumed changes in interest rate on net income based on the floating rate of financial assets and financial liabilities. The sensitivity of equity is calculated by revaluing fixed rate available-for-sale financial assets for the effect of the assumed changes in interest rates. The correlation of variable will have a significant effect in determining the ultimate impact on market risk, but to demonstrate the impact due to changes in variable, they have to be on an individual basis. It should be noted that movements in these variables are non-linear.

Change in basis points:

	2025		2024	
	Effect on <u>surplus</u> \$	Effect on <u>equity</u> \$	Effect on <u>surplus</u> \$	Effect on <u>equity</u> \$
- 25 (2024: 50)	(35,390)	(302,735)	(63,395)	(533,099)
+ 25 (2024: 25)	<u>35,390</u>	<u>302,735</u>	<u>31,698</u>	<u>266,550</u>



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(f) Operational risk

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

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

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

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

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



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)

(g) Capital management

The Co-operative's objective when managing institutional capital, which is a broader concept than the "equity" on the face of statement of financial position are:

- (i) To comply with the capital requirements set by the JCCUL and the Bank of Jamaica for the financial sector in which the Co-operative operates;
- (ii) To safeguard the Co-operative's ability to continue as a going concern so that it can continue to provide returns and benefits for members;
- (iii) To maintain an 8% ratio of institutional capital to total asset; and
- (iv) To maintain a strong capital base to support the development of its business through the allocation of at least 20% of surplus to institutional capital.

Capital adequacy and the use of regulatory capital are monitored by management, based on the guidelines in its Capital Asset Management Policy. The JCCUL currently requires member co-operatives to maintain a minimum level of institutional capital at 8% of total assets. At reporting date, this ratio was 9% (2024: 9%) which is in compliance with the requirements.

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

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

**GRACE CO-OPERATIVE CREDIT UNION LIMITED****NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2025****6. FINANCIAL INSTRUMENTS-RISK MANAGEMENT (CONT'D)****(g) Capital management (cont'd)**

The table below summaries the composition of regulatory capital and the ratios of the co-operative as at the reporting date. During the year, the Co-operative complied with all externally imposed capital requirements to which it is subject.

	2025		2024	
	Actual	Required	Actual	Required
	\$,000	\$,000	\$,000	\$,000
Total regulatory capital	120,771	107,190	106,620	99,140
Total capital ratio	9%	8%	9%	8%

7. FAIR VALUE FINANCIAL INSTRUMENTS:

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

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

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



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

7. FAIR VALUE FINANCIAL INSTRUMENTS (CONT'D):

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

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

Payables and accruals, members' voluntary shares and members' deposits are carried at amortized cost, which is deemed to approximate their fair values, as these balances attract rates and terms comparable to market rates and terms for similar transactions.

No fair value is available for the Co-operative's investment in unquoted equities. These are held in JCCUL and its related entities and Victoria Mutual Building Society. There is no available market for these instruments. The Co-operative has no intention to dispose of these investments. Financial instruments that are measured at fair value at the reporting date are grouped into Levels 1, 2 and 3, based on the degree to which the fair value is observable as follows:

- (i) Level 1: Fair values are quoted prices (adjustment) in active markets for identical instruments;
- (ii) Level 2: Fair value measurements are those derived from valuation techniques based on inputs other than quoted market prices included within level 1, that are observable for the instrument, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (iii) Level 3: Fair value measurements are those derived from valuation techniques using significant inputs for the instrument that are not based on observable market data (unobservable inputs).

There were no transfers between levels during the year.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

7. FAIR VALUE FINANCIAL INSTRUMENTS (CONT'D):

The following table set out the fair value of financial instruments of the Co-operative using the valuation method and assumptions described. The fair value disclosed do not reflect the value of assets and liabilities that are not considered financial instruments, such as property, plant and equipment.

	<u>2025</u> <u>Carrying</u> <u>Value</u> <u>\$</u>	<u>Fair</u> <u>Value</u> <u>\$</u>	<u>2024</u> <u>Carrying</u> <u>Value</u> <u>\$</u>	<u>Fair</u> <u>Value</u> <u>\$</u>
ASSETS –				
Earning assets				
Liquid assets	212,693,846	212,693,846	167,816,730	167,816,730
Financial investments	5,817,763	5,817,763	32,365,921	32,365,921
Loans	1,097,085,590	1,097,085,590	1,010,840,170	1,010,840,170
Non-earning assets				
Cash in hand and at Bank	16,489,440	16,489,440	20,289,416	20,289,416
Other assets	5,871,079	5,871,079	6,291,527	6,291,527
LIABILITIES –				
Interest bearing liabilities				
Members savings' deposit	545,035,521	545,035,521	505,927,693	505,927,693
Voluntary Shares	639,465,592	639,465,592	585,836,931	585,836,931
Non-interest-bearing liability				
Accounts payable	<u>34,597,406</u>	<u>34,597,406</u>	<u>40,867,168</u>	<u>40,867,168</u>



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

8. NON-INTEREST INCOME:

	<u>2025</u>	<u>2024</u>
	\$	\$
Commission	2,031,064	1,878,849
Service charge	6,219,358	6,775,052
Other income	-	4,413,811
Dividend	<u>277,330</u>	<u>356,373</u>
	<u>8,527,752</u>	<u>13,424,085</u>





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

	<u>2025</u>	<u>2024</u>
	<u>\$</u>	<u>\$</u>
9. EXPENSES BY NATURE:		
PERSONNEL-		
Employee's salaries and statutory contribution	33,082,084	35,941,240
Employee's cost	8,090,897	8,552,769
Education and training	<u>2,129,941</u>	<u>1,066,320</u>
	<u>43,302,922</u>	<u>45,560,329</u>
ADMINISTRATIVE -		
Facilities fees	6,216,320	7,037,340
Depreciation and amortisation	444,157	495,148
Auditing and accounting	1,388,970	1,157,475
Repairs and maintenance	49,600	-
Telecommunication	8,768	29,591
Printing, stationery and supplies	1,030,278	1,099,793
Insurance premium	6,663,279	5,887,369
Professional and consulting fees	-	2,461,685
Other administrative expenses	3,447,682	3,213,984
Unrecoverable GCT	<u>2,865,616</u>	<u>2,945,607</u>
	<u>22,114,670</u>	<u>24,327,992</u>
MARKETING -		
Advertising	6,910	180,000
Education grant	<u>680,375</u>	<u>420,000</u>
	<u>687,285</u>	<u>600,000</u>
REPRESENTATION & AFFILIATION		
League and other dues	4,765,008	4,729,642
Seminars and meeting	105,765	37,500
Annual general meetings	2,051,250	1,680,500
Miscellaneous	<u>2,003,015</u>	<u>3,300</u>
	<u>8,925,037</u>	<u>6,450,942</u>
	<u>75,029,914</u>	<u>76,939,263</u>

**GRACE CO-OPERATIVE CREDIT UNION LIMITED****NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2025****10a. LIQUID ASSETS:**

	<u>2025</u>	<u>2024</u>
	\$	\$
Earning:		
Jamaica Co-operative Credit Union League Limited		
JCCUL Liquidity Reserve & Demand Deposit	121,750,192	89,538,690
Cumax Wealth Management	-	10,889,876
Victoria Mutual Building Society - Investment	38,163,000	36,197,337
CUMAX Bond	30,000,000	10,000,000
CUMAX MMF	303,463	289
Victoria Mutual Building Society – Liquid Asset	<u>22,477,191</u>	<u>21,190,538</u>
	<u>212,693,846</u>	<u>167,816,730</u>

10b. CASH AND CASH EQUIVALENT:

Imprest account	250,000	408,975
Current account	<u>16,239,440</u>	<u>19,880,441</u>
	<u>16,489,440</u>	<u>20,289,416</u>
	<u>229,183,286</u>	<u>188,106,146</u>

11. FINANCIAL INVESTMENTS:

	<u>2025</u>	<u>2024</u>
	\$	\$
CUETS settlement fund	847	802
Jamaica Co-operative Credit Union Limited shares:	5,546,593	5,546,592
Mortgage funds	-	21,548,204
CUMAX Bond	-	5,000,000
Qnet	<u>270,323</u>	<u>270,323</u>
	<u>5,817,763</u>	<u>32,365,921</u>

The amounts are due to be recovered as follows:

Over 12 months	<u>5,817,763</u>	<u>32,365,921</u>
	<u>5,817,763</u>	<u>32,365,921</u>

These are carried at amortised cost.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

12. LOANS:

	<u>2025</u> \$	<u>2024</u> \$
Balance at beginning of year	1,023,399,148	917,679,385
Add: disbursements and transfer	<u>477,487,498</u>	<u>469,509,079</u>
	1,500,886,646	1,387,188,464
Less: repayment and transfers	(<u>382,589,934</u>)	(<u>363,789,316</u>)
	1,118,296,712	1,023,399,148
Less: allowance for impairment losses	(<u>6,895,962</u>)	(<u>4,447,553</u>)
	1,111,400,750	1,018,951,595
Less loan fees:		
At the beginning of year	8,111,425	5,439,941
Addition during the year	8,459,413	4,067,060
Amortised during the year	(<u>3,868,047</u>)	(<u>4,067,060</u>)
Unamortised at the end of the year	<u>1,612,369</u>	<u>2,671,484</u>
	<u>14,315,160</u>	<u>8,111,425</u>
	<u>1,097,085,590</u>	<u>1,010,840,170</u>

Included in the loan balances are loans to nine (2024 - 5) members of the board of directors totaling \$31,845,360 (2024 - \$31,845,360, six (2024- 6) staff members totaling \$19,487,754 (2024 - \$19,487,754), eight (2024 – 8) committee and supervisory members totaling \$27,836,555 (2024 – \$27,836,555) and two (2024 - 1) related party totaling \$2,259,635 (2024 – \$2,259,635) The amounts are expected to be recovered as follows:

	<u>2025</u> \$	<u>2024</u> \$
Within 12 months	347,442,104	232,143,409
Over 12 months	<u>770,854,608</u>	<u>791,255,739</u>
	<u>1,118,296,712</u>	<u>1,023,399,148</u>



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

12. LOANS Cont'd:

(a) The aging of the loan at the reporting date was as follows:

	<u>2025</u> \$	<u>2024</u> \$
Neither past due nor impaired	<u>1,111,410,824</u>	<u>1,015,496,299</u>
Past due but not impaired:		
Loans 31 – 60 days	919,098	2,043,873
Loans 61 - 90 days	288,092	2,243,729
Loans 91 - 180 days	3,864,735	2,258,548
Loans 181 – 360 days	650,572	1,356,699
Loan over 361 days	<u>1,163,391</u>	<u>-</u>
	<u>6,885,888</u>	<u>7,902,849</u>
	1,118,296,712	1,023,399,148
Less provision for loan losses	(6,895,962)	(4,447,553)
Less loan fees	(14,315,160)	(8,111,425)
	<u>1,097,085,590</u>	<u>1,010,840,170</u>



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

12. LOANS (CONT'D):

(a) Delinquent loans

The total loan loss provision derived below as at the reporting date is consistent with the loan loss provisioning rules of the JCCUL:

Months in arrears	2025			
	Number of accounts <u>in arrears</u>	Delinquent <u>loans</u>	Provision <u>Rate</u>	Statutory loan loss <u>provision</u>
Loans 31-60 days	2	919,098	-	-
Loans 61-90 days	3	288,092	10	28,809
Loans 91-180 days	7	3,864,735	30	1,159,421
Loans 181-360 days	4	650,572	60	390,343
Loans over 361 days	<u>3</u>	<u>1,163,391</u>	100	<u>1,163,391</u>
	<u>19</u>	<u>6,885,888</u>		<u>2,741,964</u>

Months in arrears	2024			
	Number of accounts <u>in arrears</u>	Delinquent <u>loans</u>	Provision <u>Rate</u>	Statutory loan loss <u>provision</u>
Loans 31-60 days	1	2,043,873	-	-
Loans 61-90 days	3	2,243,729	10	224,373
Loans 91-180 days	7	2,258,548	30	677,565
Loans 181-360 days	4	1,356,699	60	814,019
Loans over 361 days	<u>0</u>	<u>-</u>	100	<u>-</u>
	<u>15</u>	<u>7,902,849</u>		<u>1,715,957</u>



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

12. LOANS (CONT'D):

(a) Delinquent loans (cont'd)

The impaired loan losses are \$4,153,998 (2024 - \$2,731,596) greater than the loan loss provisioning rules of the JCCUL and does not require an additional provision for loan losses to Reserve:

	<u>2025</u> \$	<u>2024</u> \$
Impaired loan losses IFRS 9	6,895,962	4,447,553
Loan loss provision rule of the JCCUL	<u>(2,741,964)</u>	<u>(1,715,957)</u>
	<u>4,153,998</u>	<u>2,731,596</u>

13. OTHER ASSETS:

	<u>2025</u> \$	<u>2024</u> \$
Prepayments	1,695,839	1,070,622
Interest receivable	3,986,333	5,031,998
Withholding tax	<u>188,907</u>	<u>188,907</u>
	<u>5,871,079</u>	<u>6,291,527</u>





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

14a. Property, plant and equipment:

	<u>Furniture & Equipment</u>	<u>Computer</u>	<u>Total</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Cost -			
1 January 2024	449,724	2,699,545	3,149,269
Write-off	-	(48,390)	(48,390)
Addition	-	604,148	604,148
Balance at December 2024	449,724	3,255,303	3,705,027
Addition	-	707,960	707,960
Balance at December 2025	<u>449,724</u>	<u>3,963,263</u>	<u>4,412,987</u>
Depreciation and impairment losses-			
1 January 2024	449,674	2,050,981	2,500,655
Write-off	-	(48,390)	(48,390)
Charge for the year	-	420,426	420,426
Balance at December 2024	449,674	2,423,017	2,872,691
Charge for the year	-	256,609	256,609
Balance at December 2025	<u>449,674</u>	<u>2,679,626</u>	<u>3,129,300</u>
Carrying amount -			
31 December 2025	<u>50</u>	<u>1,283,637</u>	<u>1,283,687</u>
31 December 2024	<u>50</u>	<u>832,286</u>	<u>832,336</u>





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

14b. Intangible Assets:

	<u>Software</u>
	<u>\$</u>
Cost -	
Balance at 1 January 2024	4,884,907
Addition	-
Balance at December 2024	4,884,907
Addition	-
Balance at December 2025	<u>4,884,907</u>
Depreciation and impairment losses-	
1 January 2024	3,994,624
Charge for the year	<u>74,722</u>
Balance at December 2024	4,069,346
Charge for the year	<u>187,548</u>
Balance at December 2025	<u>4,256,894</u>
Carrying amount -	
31 December 2025	<u><u>628,013</u></u>
31 December 2024	<u><u>815,561</u></u>





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

15. INTEREST BEARING LIABILITIES:

	<u>2025</u> \$	<u>2024</u> \$
(a) Members' savings deposit-		
Balance at beginning of year	505,927,693	443,918,010
Add: Deposit and transfer	<u>1,480,323,435</u>	<u>1,457,656,862</u>
	1,986,251,128	1,901,574,872
Less: Withdrawal and transfers	<u>(1,441,215,607)</u>	<u>(1,395,647,179)</u>
	<u>545,035,521</u>	<u>505,927,693</u>
(b) Voluntary shares-		
Balance at beginning of year	585,836,931	553,451,700
Add: Deposit and transfer	<u>227,767,744</u>	<u>232,439,412</u>
	813,604,675	785,891,112
Less: Withdrawal and transfers	<u>(174,139,083)</u>	<u>(200,054,181)</u>
	<u>639,465,592</u>	<u>585,836,931</u>
	<u>1,184,501,113</u>	<u>1,091,764,624</u>

16. ACCOUNTS PAYABLE:

	<u>2025</u> \$	<u>2024</u> \$
Accruals (i)	18,578,968	19,832,109
Payables (ii)	14,166,476	18,612,342
Other (iii)	<u>1,851,962</u>	<u>2,422,717</u>
	<u>34,597,406</u>	<u>40,867,168</u>

(i) Included in accruals is a provisional staff incentive of \$2,245,180 (2024 - \$4,667,314) and interest on voluntary shares of \$9,262,535 (2024 - \$8,593,971).

(ii) Included in payable is an amount for unclaimed shares of \$3,550,444, GFS loan fund of \$1,276,278, GK loan fund of \$566,946, TTECH fund of \$3,022,500, fixed deposit accruals of \$1,799,014, World Brand Loan fund of \$954,674, members clearing of \$1,196,147 and a balance of funds received from JCCUL for software development of \$1,781,701.



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

17. MEMBERS' SHARE CAPITAL:

	<u>2025</u>	<u>2024</u>
	<u>\$</u>	<u>\$</u>
Members' share capital	<u>6,695,140</u>	<u>6,465,508</u>

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

18. NON-INSTITUTIONAL CAPITAL:

	<u>2025</u>	<u>2024</u>
	<u>\$</u>	<u>\$</u>
Special reserve	785,737	785,737
Education reserve	214,792	214,792
Donation reserve	300,000	240,000
Share transfer reserve	107,350	82,350
Unclaimed share reserve	<u>169,914</u>	<u>169,914</u>
	<u>1,577,793</u>	<u>1,492,793</u>

19. INSTITUTIONAL CAPITAL:

	<u>2025</u>	<u>2024</u>
	<u>\$</u>	<u>\$</u>
(a) Statutory Reserve balance at beginning of year	84,715,053	78,190,010
Transferred reserve 2024	5,071,634	3,989,226
Current year transfers	<u>2,831,235</u>	<u>2,535,817</u>
	<u>92,617,922</u>	<u>84,715,053</u>
Entrance fees balance at beginning of year	260,988	171,988
Additions	<u>63,500</u>	<u>89,000</u>
Entrance fees	<u>324,488</u>	<u>260,988</u>
	<u>92,942,410</u>	<u>84,976,041</u>
(b) Capital revaluation reserve	<u>6,431,394</u>	<u>6,431,394</u>

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



GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

20. RELATED PARTY TRANSACTIONS AND BALANCES:

At December 2025 nine (9) members of the Co-operative Board of Directors, twelve (12) Committee and Supervisory Members and fifteen (15) connected Party had shares and savings of \$42,801,474 (2024 - \$41,168,657) and loans excluding interest totaling \$74,991,251 (2024 - \$82,324,216).

Loans excluding interest due from members of staff totaling \$18,077,912 (2024 - \$13,302,150).

During the year one Board Director received a loan, which necessitated waiver of the loan policy. At December 2025, all loans owing by Directors, Committee Members and staff were being repaid in accordance with their loan agreement

Directors are appointed on a voluntary basis and are not remunerated.

21. LIFE SAVINGS AND LOAN PROTECTION INSURANCE:

During the year the Co-operative had life savings and loan protection with Cuna Mutual Insurance Credit Union Limited. The total premium for the year was \$3,113,376 (2024 - \$3,085,900)

22. BONDING INSURANCE:

Bonding insurance was in force for the year under review.





GRACE CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2025

23. TRANSFER AND APPROPRIATION:

	<u>2025</u>	<u>2024</u>
	\$	\$
Statutory appropriation	2,831,235	2,535,817
Transfer to reserves 2024	5,071,634	3,989,226
Share transfer	-	56,500
Dividend on shares and deposits	-	3,873,002
Dividend on permanent share	323,275	284,545
Donation	<u>60,000</u>	<u>60,000</u>
	<u>8,286,144</u>	<u>10,799,090</u>

24. COMPARISON OF LEDGER BALANCES:

	<u>Voluntary</u>	<u>Permanent</u>	<u>Deposits</u>	<u>Loans</u>
	<u>Shares</u>	<u>Shares</u>		
	\$	\$	\$	\$
Balance as per general ledger	639,465,592	6,695,140	539,297,987	1,118,296,712
Balance as per members' ledger	<u>639,465,592</u>	<u>6,695,140</u>	<u>539,297,987</u>	<u>1,118,296,712</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>





Team Members



Miss. Brittany Williams
RISK & COMPLIANCE OFFICER



Miss. Camille Cadogan
GENERAL MANAGER



Miss. Lacoy Neufville
ACCOUNTANT



Miss. Shadae Cooke
SENIOR LOAN OFFICER



Miss. Kelliciann McLean
ACCOUNTING CLERK



Mr. Romario Brown
ACCOUNTING OFFICER



Miss. Tahira Graha
LOAN OFFICER



Miss. Kayla Francis
LOAN OFFICER

**REPORT OF THE CREDIT COMMITTEE**For Year Ending 31st December 2025**Tishan Riley**
CHAIRPERSON**LOAN**
DISBURSEMENT – 2025

The 2025 performance reflected a notable improvement in the value of loans disbursed when compared to 2024, demonstrating the Credit Union's continued commitment to meeting the financial needs of its members. Total loans disbursed in 2025 amounted to \$479,741,636.07, representing an increase of \$8,507,206.70 over the \$471,234,429.37 disbursed in 2024. See graph below.

The Credit Union recorded an increase in the number of loans disbursed in 2025 when compared to 2024, reflecting continued growth in lending activity and member utilization of the institution's financial products and services. A total of 1,381 new loans were disbursed in 2025, compared to 1,323 loans disbursed in 2024. This represents an increase of 58 loans or 4.38%.

TOTAL NUMBER & VALUE OF LOANS
DISBURSED MONTH BY MONTH – 2025
vs 2024:

VALUE AND NUMBER OF NEW LOANS DISBURSED 2025 VS 2024				
Month	Number of New Loans		Value of New Loans (\$m)	
	2025	2024	2025	2024
<i>January</i>	117	93	\$39.30	\$27.15
<i>February</i>	120	90	\$41.07	\$28.82
<i>March</i>	101	106	\$24.92	\$36.71
<i>April</i>	99	114	\$22.78	\$47.00
<i>May</i>	113	118	\$26.89	\$46.12
<i>June</i>	113	99	\$43.18	\$43.65
<i>July</i>	139	122	\$43.33	\$31.22
<i>August</i>	110	132	\$73.32	\$22.50
<i>September</i>	117	93	\$43.40	\$29.23
<i>October</i>	107	140	\$32.04	\$55.04
<i>November</i>	111	96	\$31.28	\$44.50
<i>December</i>	134	120	\$58.18	\$59.30
Total YTD	1381	1323	\$479.74	\$471.23

The chart Above shows the trend in loans disbursed month-by-month for 2025 vs 2024.

The Credit Union recorded improved loan disbursement performance in 2025 compared to 2024. A total of 1,381 new loans valued at approximately \$479.74 million were disbursed in 2025, compared to 1,323 loans valued at \$471.23 million in 2024. This represents an increase of 58 loans or 4.38% and growth of approximately \$8.51 million or 1.81% in the total value of loans disbursed. August 2025 recorded the highest monthly disbursement value at \$73.32 million.



PORTFOLIO CATEGORIES

The overall performance of the loans portfolio for 2025 showed improvement year over year in the value of the loans disbursed. The top performers were Motor Vehicle loans and Personal Needs loans, Home Improvement & Repairs loans and Debt Consolidation.

The table below shows the loans disbursement for the financial year 2025 vs 2024 by category.

LOANS DISBURSED BY CATEGORY JANUARY - DECEMBER 2025 VS 2024		
M/Vehicle-Purchase	\$230,507,645.00	\$233,971,294.09
Personal Needs	\$166,923,568.89	\$96,635,848.45
Home Imp & Repairs	\$17,384,402.71	\$29,952,750.00
Consolidation of debts	\$11,369,546.65	\$16,063,000.00
Education Expenses	\$10,074,000.00	\$14,757,610.61
Vacation & Travel	\$1,010,000.00	\$13,924,931.65
M/Vehicle Repairs/Mtn. Ins	\$5,925,000.00	\$14,095,324.75
Special Vacation Loan (Summer)	\$13,607,225.00	\$8,023,000.00
Pay Day Loan	\$8,211,950.00	\$6,974,300.00
Home Acquisition	\$3,786,115.40	\$5,000,000.00
Investment	-	\$200,000.00
Christmas Loan	\$3,526,500.00	\$3,150,000.00
Utilities	-	\$67,000.00
Furniture & Appliance	\$1,125,000.00	\$8,429,230.00
Funeral	-	\$442,000.00
Agriculture	-	\$450,000.00
Marriage	-	\$500,000.00
Medical Expenses	\$582,000.00	\$1,708,244.16
Easter Loans	\$1,960,000.00	\$3,694,152.85
Special Back to School	\$220,000.00	\$850,000.00
Technology Loan	-	\$200,000.00
Professional Fees	-	-
Line of Credit Facility-Draw Downs	\$48,000.00	\$2,034,000.00
Transportation & Haulage	\$ 26,000.00	\$14,000.00
Refinancing of Loans	\$3,454,682.42	\$10,097,742.81
TOTAL	\$479,741,636.07	\$471,234,429.37



The major contributors to the Credit Union loan portfolio in 2025 were as follows:

- Motor Vehicle Purchase loans remained the largest loan category, with \$230.5 million disbursed in 2025 compared to \$234.0 million in 2024, reflecting a slight decline of 1.5%.
- Personal Needs loans increased significantly by 72.7%, moving from \$96.6 million in 2024 to \$166.9 million in 2025, indicating strong member demand within this category.
- Home Improvements & Repairs loans declined by 42.0%, decreasing from \$30.0 million in 2024 to \$17.4 million in 2025.
- Consolidation of Debt loans fell by 29.2%, from \$16.1 million in 2024 to \$11.4 million in 2025.
- Education Expenses loans decreased by 31.7%, moving from \$14.8 million in 2024 to \$10.1 million in 2025.
- Special Vacation Loan (Summer) disbursements increased by 69.6%, rising from \$8.0 million in 2024 to \$13.6 million in 2025.
- Motor Vehicle Repairs/Maintenance & Insurance loans declined by 58.0%, decreasing from \$14.1 million in 2024 to \$5.9 million in 2025.
- Pay Day Loans increased by 17.7%, from \$7.0 million in 2024 to \$8.2 million in 2025.
- Home Acquisition loans decreased by 24.3%, from \$5.0 million in 2024 to \$3.8 million in 2025.
- Furniture & Appliances loans declined significantly by 86.7%, from \$8.4 million in 2024 to \$1.1 million in 2025.

- Medical Expenses loans decreased by 65.9%, from \$1.7 million in 2024 to \$0.6 million in 2025.

Overall loan disbursements increased modestly by 1.8%, from \$471.2 million in 2024 to \$479.7 million in 2025.

The Credit Union will continue to carefully monitor overall loan performance and make any necessary adjustments to interest rates and product offerings to ensure long-term sustainability while meeting the changing needs of our members. In response to increasing competition from similar institutions, the Credit Union remains committed to exploring innovative approaches to grow its income base by attracting additional loans and member investments.

To strengthen business growth, the Credit Union will continue to implement the following initiatives:

- Regularly monitor the competitive landscape to remain aligned with current market trends
- Develop and periodically review products to ensure they remain relevant, making adjustments as needed to meet members' needs
- Maintain ongoing member education and recruitment programmes
- Utilize email, social media and Corporate Communications channels to promote available products
- Ensure accurate data is captured within the system, including loan purpose details
- Take a proactive approach in engaging members and discussing suitable financial options and solutions



The Credit Committee extends its sincere appreciation to the Board of Directors, Management, staff, and fellow Committee members for their support throughout the 2025 financial year, as we collectively fulfilled our oversight responsibilities for the loans approved by the Credit Union. We also thank our members for their continued support during the year and look forward to serving them in 2026.

The members of the Credit Committee are as follows:

Tishan Riley	-	Chairperson
Amia Brown	-	Secretary
Judy – Ann Wright	-	Member
Kadeanne Rennie - Hylton	-	Member
Winsome Anderson	-	Member
Kevin Miles	-	Member
Shanique Plummer	-	Member





REPORT OF THE SUPERVISORY COMMITTEE

For Year Ended December 2025

Althea Hibbert SECRETARY

The Supervisory Committee oversees the internal audit function carried out by Centralized Strategic Services Limited (CSSL), a member of the Jamaica Cooperative Credit Union League (JCCUL). Its mandate includes evaluating the effectiveness of internal controls and risk management practices. The Committee reports directly to the Board of Directors, ensuring that risks are properly managed. In addition, it monitors regulatory compliance and operational vulnerabilities within Grace Cooperative Credit Union (GCCU).

Committee members were elected at the last Annual General Meeting (AGM) and, following the required regulatory meeting, assumed their respective roles:

- Dr. Colleen Bancroft – Chairperson
- Ms. Althea Hibbert – Secretary
- Ms. Latoya Gooden – Member
- Ms. StacyAnn Taylor – Member
- Ms. Alleya Stephenson – Member

The audits planned and scheduled for 2024–2025 were conducted by the Supervisory Committee, with focus on the following areas:

1. BOJ Licensing Readiness Report – Assessment of the Credit Union’s preparedness for transition under Bank of Jamaica regulation.
2. FiveYear Business Plan Assessment – Analysis of the Credit Union’s Current Position against the Strategic Plan (2023–2027).
3. Reconciliation of Securities for Loans Disbursed in 2025.

Additionally, CSSL conducted an AML/CFT Audit in 2025. Findings generated from these reviews are being addressed by management and tracked periodically by the Committee

to ensure timely implementation. Management provides a Monthly Management Update (MMU) report via the TeamMate application to the GraceKennedy Limited Audit Committee through its Group Internal Audit Department.

The committee members will continue to execute responsibilities and we are satisfied that the Credit Union has established practices and procedures sufficient to safeguard the members’ assets and abide by the laws and regulations that govern the Credit Union’s operations.

We extend sincere thanks to the Board of Directors, Credit Committee, Management Team, and staff of the Credit Union for their cooperation and support throughout the year, which enabled us to effectively carry out our responsibilities.

Final, appreciation is expressed to the members of this Committee for their dedicated service in their respective capacities.



Colleen Bancroft
Chairperson



Stacy-Ann Taylor



Alleya Stephenson



Latoya Gooden



REPORT OF THE NOMINATING COMMITTEE

to the 57th Annual General Meeting

In accordance with Article 12 Rule #63 (i) the Board of Directors of Grace Co-operative Credit Union Limited appointed a Nominating Committee, which comprised the following persons:

Mr. Samuel Shelton: *Chairperson*
Ms. Camille Cadogan: *Secretary*
Ms. Brittany Williams: *Risk and Compliance Officer*

The Nominating Committee reports as follows:

Board of Directors

Retiring	Recommended	Term
Ms. Fellechia Francis	Ms. Fellechia Francis	2 years
Mrs. Natalie Billings	Mrs. Natalie Billings	3 years
Mr. Damian Lovelace	Mr. Damian Lovelace	3 years
Mr. Kevin Webster	Mr. Kevin Webster	3 years
Miss Maria Lewis	Miss Maria Lewis	2 years

Not Retiring	Recommended	Term
Mr. Samuel Shelton	Mr. Samuel Shelton	1 year
Mr. Terence Slater	Mr. Terence Slater	1 year
Ms. Melisha Gordon	Mr. Wayne Smith	1 year
Mrs. Marsha Cope-Riley	Mrs. Marsha Cope-Riley	1 year

Credit Committee

Retiring	Recommended	Term
Ms. Amia Brown	Ms. Amia Brown	2 years
Mrs. Kadeanne Rennie-Hylton	Mrs. Kadeanne Rennie-Hylton	2 years
Ms. Tishan Riley	Ms. Tishan Riley	3 years
Mr. Kevin Miles	Mr. Kevin Miles	3 years



Not Retiring

Ms. Shanique Plummer
Ms. Judy-Ann Wright
Ms. Winsome Anderson

Recommended

Ms. Shanique Plummer
Ms. Judy-Ann Wright
Ms. Winsome Anderson

Term

1 year
1 year
1 year

Supervisory Committee

Retiring

Ms. Latoya Gooden
Ms. Colleen Bancroft
Ms. Stacy-Ann Taylor
Ms. Alleya Stephenson
Ms. Althea Hibbert
-

Recommended

Ms. Latoya Gooden
Ms. Colleen Bancroft
Ms. Stacy-Ann Taylor
Ms. Alleya Stephenson
Ms. Althea Hibbert
Mrs. Maria Love

Term

2 years
2 years
2 years
2 years
2 years
2 years

Delegates to the League and other Societies

To be determined by the Board and Manager

Camille Cadogan (Ms.)

Secretary





PROFILE OF THE NEW NOMINEES

Mrs. Maria Love



The Group Chief Security Manager at GraceKennedy Ltd. is a seasoned security professional with extensive experience spanning the manufacturing, distribution, and retail sectors. With a proven track record in crisis management, business continuity, fraud investigation, and enterprise security risk management, she brings a strong analytical and compliance-focused perspective to her role. She completed her Master of Business Administration (MBA) from the University of Manchester's Business School which further strengthens her solid foundation in law enforcement and protective services. We are pleased to announce the appointment of Mrs. Love to the Supervisory Committee as her commitment to governance, accountability, and organizational excellence will be an asset to the Committee and by extension the Grace Cooperative Credit Union.

Mr. Wayne Smith



The Strategic Sourcing and Supplier Relationship Manager at GraceKennedy Foods Services Limited (GKFSL), is an advanced Spanish speaker who is a dynamic and accomplished professional who has contributed to numerous initiatives and projects across the GraceKennedy Group. Having held several leadership roles, he brings a wealth of experience and versatility to his work. Mr. Smith previously served on the Board of Directors as Treasurer in 2022, where he demonstrated exceptional dedication and commitment to the financial stewardship of the Grace Cooperative Credit Union. His tenure reflected the same professionalism, diligence, and strategic mindset that define his contributions within GraceKennedy. Following a brief hiatus, we are pleased to welcome Mr. Smith back and are confident that his

extensive experience and proven leadership will once again add significant value. His reinstatement on the Board of Directors underscores the confidence placed in his capabilities, and we look forward to his continued contributions toward the Credit Union's financial growth and long-term success.



ATTENDANCE REGISTER

56th Annual General Meeting – July 09, 2025

1. Aceem Reid	51. Ian Carlyle	101. Makeda Scott	151. Sharna-Kaye Markland
2. Aggrey Palma	52. Jacqueline Maragh	102. Maria Lewis	152. Sharon A Wellington
3. Alex O'gilvie	53. Jana Rose	103. Marie Simmonds	153. Sha-Tara Carter
4. Alexis Cornwall	54. Jane Williams-Richards	104. Marsha Barr	154. Shauna Douglas
5. Alexis Gordon-Martin	55. Janice Anderson	105. Marsha Cope Riley	155. Shaval Smith
6. Alicia Williams	56. Janice Wright	106. Marsha Lindsay	156. Shawn Cummings
7. Aliya Reid	57. Janielle Stewart	107. Matthew Taylor	157. Sherene Mckoy
8. Althea Hibbert	58. Janise Forbes	108. Melisha Gordon	158. Stacy-Ann Hamilton
9. Amia Brown	59. Jason Bailey	109. Michelle Lyew Sang	159. Stacy-Ann Taylor
10. Andrene Clarke-Flemmings	60. Jellisa Martin Wynter	110. Michelle Mason	160. Stephen Lewis
11. Andrew Coulton	61. Jenell Wilson	111. Michelle Murray	161. Stephnie Allen-Smith
12. Angela Lawrence	62. Jennifer Henderson	112. Mikhaila Lewars	162. Storm Daley
13. Ayen Crooks	63. Jennifer Hutchinson	113. Monique Henry	163. Tanisha Wallace
14. Ayesha Cooke	64. Jerry Hamilton	114. Monique Mclean	164. Tena Fernandez
15. Befekadu Russell	65. Jody-Ann Barnett	115. Monique Morgan	165. Terrian Fraser
16. Bobby Simpson	66. Jody-Ann Hutchinson	116. Morette Wright	166. Terry-Ann Grant Thompson
17. Brittany Williams	67. Joseph Taffe	117. Nadine Butler	167. Tiamoi Rowe
18. Bryan Henry	68. Josh Pratt	118. Nagiyya Campbell	168. Tiffany Johnson
19. Camille Cadogan	69. Judy-Ann Wright	119. Natalee Tullonge	169. Tishan Riley
20. Chantal Hall	70. Julian Marriott Green	120. Natalie Anglin	170. Toni-Ann Wright
21. Charmaine Pringle	71. Julian Marriott-Green	121. Nesta Jackson	171. Trishell Barrett
22. Christine Davidson	72. Junior Fearon	122. Nicholas Weir	172. Veronica Wade
23. Christopher Bond	73. Kadeanne Hylton	123. Nickeisha Davis-Kelly	173. Vinette Rowe
24. Clare Wilson	74. Kamaal Johnson	124. Nicole Thomas	174. Waynette Antesha Brown
25. Claudette Facey-Redwood	75. Kamille Williams	125. Nyoka Smiley	175. Waynette Brown-Campbell
26. Cleveland Wright	76. Karen Ffrench-Robinson	126. Orphia Johnson	176. Winsome Anderson
27. Colesha Phelps	77. Karen Reid	127. Orville Levene	177. Yoshika Leith-Carty
28. Colleen Bancroft	78. Karen Walker	128. Pachrelle Banton	178. Yulanda Ramsay
29. Cordell Daley	79. Karlene Walker-Fearon	129. Paulette McCallum	179. Yvonne Nethersole
30. Corine Notice Parkes	80. Kaydonna Stephenson	130. Pauline Woodburn Williams	
31. Dale Beckford	81. Kedisha Thompson	131. Petagaye Morrison-Pringle	
32. Damian Lovelace	82. Kelliciann Mclean	132. Peta-Gaye Richards	
33. David Dean	83. Kenny-Dee Bryon	133. Racquel Francis	
34. Dawn Hamilton	84. Kevaun Birthfield	134. Renardo Peddie	
35. Demone Francis	85. Kevin Miles	135. Renea Taylor	
36. Denise Darlington	86. Kevin Webster	136. Richard Riley	
37. Desrene A. McKay	87. Konica Fullerton Brown	137. Romario Brown	
38. Dionne Rhoden	88. Kwame Sutherland	138. Roy Lee	
39. Donovan Stephenson	89. Laila Watt	139. Rudolph Tulloch	
40. Dorrette Gordon	90. Latoya Gooden	140. Samuel Shelton	
41. Dushaine Carty	91. Lavern Llewellyn	141. Sandrina Davis	
42. Emlyn Henry-Davis	92. Lehonie Francis	142. Sashall Williams	
43. Eric Mardner	93. Lenworth Beckford	143. Sashana Bernard	
44. Felleshia Francis	94. Leonie Wiggan	144. Serena Badhall	
45. Fitzroy Blake	95. Loreen Grace	145. Shadae Cooke	
46. Geta Birthfield	96. Lorna Reynolds Minott	146. Shanay Llewellyn	
47. Gracian Grant	97. Lorne Phillips	147. Shanique Plummer	
48. Gregory Farquharson	98. Lorraine Robinson	148. Shanna Coley	
49. Herbert Falconer	99. Lurline B. Cummings	149. Shanna Wiggan-Gordon	
50. Hortense Gregory Nelson	100. Makeda Allen	150. Sharneal Tulloch	



CONTACT PERSONS LIST

COMPANY/DEPARTMENT

Group Securities Department
Corporate Communication
Corporate HR Dept
Grace & Staff Community Dev
GK Foundation
GK Financial Group
Customer Service/Credit Dept (GFS)
Facilities Management
Grace Food & Services
Group Internal Audit
Group Secretariat & Legal
Consumer Brands Limited
World Brands Services
Hi-Lo Food Stores
GFP Meat
Grace Foods International
Grace Foods Central
GraceKennedy Remittance Services
GK General Insurance Company Ltd
Key Insurance Company Ltd
Allied Insurance Brokers Limited
Dairy Industries (Ja) Limited
First Global Bank
Grace Agro Processors
NALCAN
UNIBEV
Gateway Shipping International
Kingston Wharves Limited
Hardware & Lumber Limited
Kingston Freeport Terminal Limited
Perez Y Cia (Ja) Limited
tTech Limited/ Simply Secure Group
PowerGen Limited
Carib Star Shipping
CMA CGM (Jamaica) Limited
UMS
Canopy Insurance

NAME

Mrs. Maria Love
Ms. Veronica Wade
Miss Mikhaila Lewars
Miss Sandrina Davis
Mrs. Caroline Mahfood
Miss Tiffany Stevens
Mr. Damian Lovelace
Mr. David Dean
Mrs. Waynette Brown-Campbell
Miss Tiffany Hudson
Ms. Sydoney Johnson
Mr. Kenny-Dee Bryan
Miss Amelia Beckford
Ms. Lorraine Robinson
Ms. Lois Hudson
Miss Orlean Mears
Ms. Sheryl Hamilton
Ms. Stacy-Ann Nelson
Miss Kaydene DeSilva
Ms. Kaydene DeSilva
Miss Mizan Mitchell
Miss Colleen Bancroft
Ms. Judene Josephs
Mrs. Hyacinth Alexander
Mrs. Hyacinth Alexander
Mrs. Hyacinth Alexander
Mr. Loxley Tulloch
Ms. Karen Morgan
Mrs. Dorrette Gordon
Ms. Caron Anderson
Ms. Keisha Bisnott
Miss Moneshe Hutchinson
Ms. Claudette Symister
Ms. Lecia Bennett
Ms. Carolyn Bell
Ms. Tasha Nembhard
Ms. Debra Crossley



Notes 

Lined area for notes, featuring horizontal lines and a large, faint background watermark of a stylized tree or plant.



Prayer of St. Francis of Assisi

Lord, make me an instrument of your peace:

Where there is hatred, let me sow love;

Where there is injury, pardon;

Where there is doubt, faith;

Where there is despair, hope;

Where there is darkness, light;

Where there is sadness, joy.

O Divine Master,

Grant that I may not so much seek

To be consoled, as to console,

To be understood, as to understand,

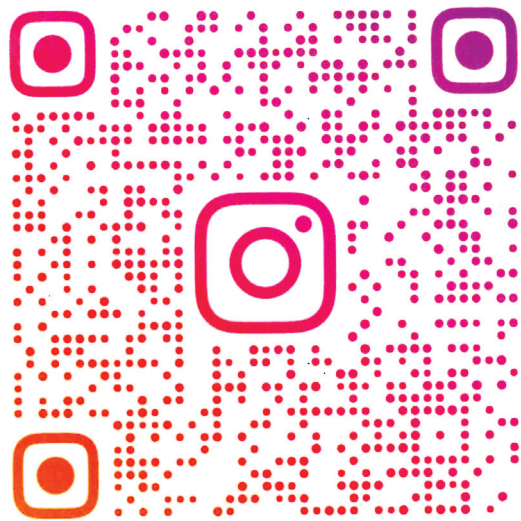
To be loved, as to love.

For it is in giving that we receive,

It is in pardoning that we are pardoned,

And it is in dying that we are born to eternal life.





@GRACECREDITUNION

