



Ariza
Credit Union

Membership Redefined:
Protecting Our Members,
Securing Our Future

ANNUAL REPORT 2025







Membership Redefined:
Protecting Our Members,
Securing Our Future

TABLE OF CONTENTS

PRAYER	4	NOMINATING COMMITTEE REPORT 2025	72
ARIZA SONG	5	TREASURER'S REPORT 2025	78
CORPORATE INFORMATION	6	RATIO ANALYSIS	84
STANDING ORDERS	8	FINANCIAL STATEMENTS	85
OPERATIONAL HIGHLIGHTS 2021-2025	10	BUDGETED STATEMENT OF FINANCIAL POSITION	143
BOARD OF DIRECTORS	12	BUDGETED STATEMENT OF COMPREHENSIVE INCOME	145
EXECUTIVE TEAM	15	CAPITAL BUDGET 2026 AND 2027	146
MANAGEMENT TEAM	17	RESOLUTIONS	147
PRESIDENT'S MESSAGE	22	MINUTES OF 78TH AGM	148
BOARD OF DIRECTORS' REPORT 2025	25	MINUTES OF SGM 2025	168
CREDIT COMMITTEE REPORT 2025	48	NOMINEES	172
SUPERVISORY & COMPLIANCE COMMITTEE REPORT	63		



MISSION

To deliver global innovative financial solutions to improve the quality of life of our members, driving growth through technology, collaboration with stakeholders, and empowered employees.

VISION

To be the leader in the provision of global financial solutions based on cooperative ideals.





CORE VALUES

CARE:

Environment, Staff Centric,
Member Focused, Communities,
Social Responsibilities,
Credit Unionism.

INTEGRITY:

Honesty, Trustworthy,
Ethical (Policies & Regulations), Transparency,
and Accountability (reporting & plans).

INNOVATION:

Creativity,
Digital Transformation / Technology,
Uniqueness, Efficiency & Effectiveness,
Growth.

COMMUNICATION:

Training, Member Education,
Stakeholder Engagement.

COLLABORATION:

Networking, Partnership, Inclusivity.



PRAYER

Lord, make me an instrument of thy peace
Where there is hatred let me show love
Where there is injury, pardon
Where there is doubt, faith
Where there is despair, hope
Where there is darkness, light, and
Where there is sadness, joy
Oh Divine Master, grant that I
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.
Bless, Oh Lord our deliberations and grant that
Whatever we may say and do
Will have thy blessing and guidance
Through Jesus Christ Our Lord
Amen



ARIZA SONG

Verse 1

When I need shelter, warmth, security,
I know you'll be there
Something in these moments,
lets me know you care
Maybe the way you shield me,
Maybe it's your smiles
And the way you tell me, it's okay to try

Now I'm invincible
I can take the long road
Cause it's okay to look back if I am scared
I know you're there

Chorus

Ariza!
Together there's no limit to what we can do
Ariza!
With no wings, Fly!
Ariza!
And we're so high, enjoy the view
Ariza
Look no wings... fly!

Verse 2

Sometimes life might disagree,
but it's okay to dream
You design your future,
we'll sew in the seams
We're here to make you happy,
'cause that's what we do
And cause we're a family,
and we believe in you
Now you're invincible,
You can pack your sack
You can take the long road
Cause if you get off track,
you've got somewhere to run to
you can be the one who makes
all of your dreams come true.

Chorus



CORPORATE INFORMATION

St. George's Branch Office

Bruce Street, St. George's
P.O. Box 886
T: +1 (473) 440 1759/8296/2099
F: +1 (473) 440 8031

Grenville Branch Office

Canal Road
Grenville, St. Andrew
T: +1 (473) 438 4929/4930
F: +1 (473) 438 4928

Carriacou Branch Office

Church Street
Hillsborough, Carriacou
T: +1 (473) 443 7461
F: +1 (473) 443 8520

Grand Anse Branch Office

Morne Rouge, St. George
T: +1 (473) 440 1759
E: grandanse@arizacu.com

Credit Union House

906 Church Street, St. George's

Auditors:

HLB Grenada

GCNA Complex
Kirani James Boulevard
St. George

Bankers:

Republic Bank (Grenada) Ltd


Melville Street, St. George's


ACB (Grenada) Ltd


Grand Anse, St. George


Grenada Co-operative Bank Ltd

Church Street, St. George's

 www.arizacu.com

 [arizacreditunion](#)

 [excelclub](#)

 [arizacu](#)

Solicitors/Attorneys:

Wilkinson, Wilkinson & Wilkinson

Lucas Street, St. George's

George E. D. Clyne

Old Fort Road, St. George's

Franco Chambers & Co.

Ben Jones Street
Grenville, St. Andrew

Lex Fidelis

Upper Church Street, St. George's

A. Andall & Co.

Upper Lucas Street, St. George

Hood & Hood

Upper Church Street, St. George's

SJW Law

Spiceland Mall,
Grand Anse, St. George



NOTICE OF ANNUAL GENERAL MEETING 2026

**Membership Redefined:
Protecting our members, securing our future.**

Notice is hereby given that the Annual General Meeting (AGM) of Ariza Credit Union Ltd will be held on Tuesday 28 April, 2026 starting at 2 pm via hybrid format at the Grenada Trade Centre and Zoom.

Members Pre-Meeting Cocktail will begin at 1 pm

AGENDA

OPENING SESSION

- 1.1 Call to Order and Welcome
- 1.2 Credit Union Prayer
- 1.3 Silent Tribute
- 1.4 Apologies for Absence

2. Greetings from Guest Societies

BUSINESS SESSION

- 2.1 Nominating Committee Report
- 2.2 Elections
- 2.3 Voting
- 2.4 Sitting of New Directors
- 2.5 Treasurer and Auditors Reports
- 2.6 Budget 2026 and 2027

3. Resolutions

- 3.1 Allocation of Surplus
- 3.2. Appointment of Auditors
- 3.2. Approval of Budget

4. Consideration of the Minutes

- 4.1 Annual General Meeting (AGM) held 30 June 2025
- 4.2 Special General Meeting (SGM) held 09 October 2025

5. Committee Reports

- 5.1 Board of Directors
- 5.2 Credit
- 5.3 Supervisory & Compliance

**Sis. Lyndonna Hillaire-Marshall
Secretary**



Visit tinyurl.com/arizaagm2026
to RSVP or scan QR code



STANDING ORDERS

1. Addressing the Chairman

- (a) Only delegates are allowed to address the Chairman.
- (b) A member must stand when addressing the Chairman.
- (c) Speeches must be clear and relevant to the subject under discussion.
- (d) A member attending the AGM via Zoom must ensure that his/her name is correctly displayed.

2. Speaking Through the Moderator

No member shall address the meeting except through the Moderator or Chairman.

3. Speaking Rights

- (a) A member may only address the meeting when called upon by the Chairman or Moderator and must immediately take his/her seat afterward.
- (b) A member wishing to address the Chairman via Zoom must use the “Raise Hand” feature.

- (c) The “Raise Hand” feature will only be acknowledged during the designated “Questions and Comments” sections of the meeting.
- (d) The Zoom Moderator will introduce and unmute the member before they speak.

4. Speaking Limits

A member shall not speak twice on the same subject except:

- (a) The mover of a motion, who has the right to reply.
- (b) A member rising to object or explain, with the Chairman’s or Moderator’s permission.

5. Procedural Motions

The mover of a procedural motion (e.g., Adjournment, Laying on the Table, Postponement) shall have no right to reply.

6. Closing Speeches

No speeches shall be made after a “Question” has been put to a vote and carried or negated.

7. Voting on Questions

A “Question” shall not be put to a vote if a member wishes to speak on it or move an amendment, except in cases of:

- A Procedural Motion,
- The Previous Question,
- Proceeding to the Next Business, or
- The Closure Motion (“That the Question be put now”).

8. Points of Order

A member rising on a “Point of Order” must state the point clearly and concisely. A “Point of Order” must be relevant to the Standing Orders.

9. Order and Conduct

- (a) A member shall not call another member “To Order” but may draw the Chairman’s attention to a “Breach of Order.”
- (b) No member may call the Chairman to order under any circumstances.

10. Amendments

Only one amendment may be considered at a time.

11. Withdrawal of Motions

If a motion is withdrawn, any amendments to it automatically fail.

12. Chairman’s Casting Vote

The Chairman shall have, in addition to his/her ordinary vote, a “Casting Vote” in the case of a tie.

13. Equality of Votes

If there is an equality of votes on an amendment and the Chairman does not exercise the casting vote, the amendment is lost.

14. Protection from Vilification

The Chairman shall be protected from vilification or personal abuse.

15. Prohibition on Improper Motives

No member shall impute improper motives against the Chairman, Board of Directors, Officers, or any other member.



OPERATIONAL HIGHLIGHTS 2021–2025

	2025	2024	2023	2022	2021
Gross Loans	594,101,849	539,654,233	487,549,111	437,271,312	403,999,144
Net Loans	571,680,467	518,001,706	470,252,582	417,279,110	387,976,683
Investments	58,627,363	57,172,370	58,420,469	47,055,702	51,400,842
Fixed Assets	24,909,188	24,721,573	24,979,431	24,222,667	24,954,968
Total Assets	704,380,330	677,421,468	622,235,460	580,211,714	523,772,037
LIABILITIES					
Member's Lifetime Savings	342,688,616	317,205,594	294,535,498	274,027,666	244,366,041
Other Deposits	259,339,371	236,822,181	226,419,188	223,494,301	205,056,240
Total deposits	602,027,987	554,027,775	520,954,684	497,521,967	449,422,281
CAPITAL					
Member Equity	18,085,812	16,426,579	17,464,397	16,911,054	16,058,046
Member Qualifying Shares	12,171,460	11,470,935	6,750,837	6,104,748	5,293,916
Surplus and Reserves	63,067,626	55,107,778	49,601,790	39,176,253	35,771,866
Institutional Capital	75,239,086	66,578,713	56,352,627	45,281,001	41,065,782
Income					
Interest on loans	40,254,495	37,020,903	34,163,218	30,767,809	30,848,897
Other Income	5,710,807	5,394,067	4,813,220	3,686,918	2,604,269
Total income	45,965,302	42,414,970	38,976,438	34,454,727	33,453,166

OPERATIONAL HIGHLIGHTS 2021–2025 (CONTINUED)

	2025	2024	2023	2022	2021
Expenditure					
Interest on Deposits	12,669,413	11,870,137	11,458,860	10,963,503	10,610,537
Other Expenses	19,967,990	18,322,212	14,853,261	13,657,218	11,920,426
Total expenses	32,637,403	30,192,349	26,312,121	24,620,721	22,530,963
Surplus					
Operating Surplus for the Year	13,327,899	12,222,621	12,664,317	9,834,006	10,922,203
Provision for Risk Assets/ Vacation Accruals	2,144,553	3,813,974	(33,306)	4,552,944	6,682,676
Upappropriated Surplus	11,183,346	8,408,647	12,422,976	4,899,438	3,651,794
Dividend	1,240,854	1,179,386	667,178	617,458	577,875
Rebate	1,106,136	1,000,904	322,973	269,746	-
Incentive Bonus					
Membership	28,640	27,333	26,119	24,481	22,443





**SIS. ALANA
TWUM-BARIMAH**

PRESIDENT



**BRO. KIMANII
DANIEL**

VICE PRESIDENT



**SIS. TRICIA
ST. BERNARD**

TREASURER

BOARD OF DIRECTORS



**SIS. NERISA
ANDREWS**

ASSISTANT TREASURER



**SIS. LYNDONNA
HILLAIRE-
MARSHALL**

SECRETARY



**BRO. FRANCIS
ROBERTSON**

ASSISTANT SECRETARY





BRO. CHAD HYSON
MEMBER



**BRO. BRIAN
BONAPARTE**
MEMBER



**BRO. RUFUS
BETHEL**
MEMBER

BOARD OF DIRECTORS



**BRO. MERVYN
LORD**

CHIEF EXECUTIVE
OFFICER



**BRO. KIPPLING
CHARLES**

EXECUTIVE MANAGER,
FINANCE



**SIS. DAYNA
FRANCIS-ROBERTS**

EXECUTIVE MANAGER,
LOANS & CREDIT
ADMINISTRATION

EXECUTIVE TEAM





**BRO. JEREMY
CHETRAM**

EXECUTIVE MANAGER,
MEMBER EXPERIENCE



**SIS. KERI-ANN
ST. LOUIS-TELESFORD**

EXECUTIVE MANAGER,
HR & ADMINISTRATIVE
SERVICES

EXECUTIVE TEAM



**SIS. GERLAN
PETERS-TOUSSAINT**

MANAGER,
RISK AND COMPLIANCE



**BRO. DANE
SYLVESTER**

MANAGER, PROPERTY
DEVELOPMENT & FACILITIES



**BRO. HERSCHEL
WHITEMAN**

MANAGER,
BUSINESS LOANS

MANAGEMENT TEAM





**BRO. DONNY
JAMES**

MANAGER,
INFORMATION TECHNOLOGY



**SIS. CALESHA
NOEL**

BRANCH MANAGER (AG),
CARRIACOU



**BRO. KEMANI
NECKLES**

BRANCH MANAGER,
GRAND ANSE

MANAGEMENT TEAM



**SIS. RAELENE
LAZARUS**

MANAGER,
MARKETING



**BRO. DANNY
WILLIAMS**

MANAGER,
CREDIT ADMINISTRATION



**SIS. IRVA
FRANK-ROBERTS**

BRANCH MANAGER,
GRENVILLE





**SIS. CANDYS
DE COTEAU**

MANAGER,
RETAIL LOANS



**BRO. M. STEPHEN
JOSEPH**

MANAGER,
RECOVERIES



**SIS. NATASHA
MARQUEZ-SYLVESTER**

MANAGER,
INVESTMENT SERVICES
JANUARY TO MARCH 2025

MANAGER,
STRATEGY AND
IMPLEMENTATION
MARCH 2025

MANAGEMENT TEAM



**BRO. JOEL
CALLISTE**

MANAGER,
ACCOUNTING
JUNE 2025



**SIS. KIZZY
PHILLIP-BAPTISTE**

MANAGER,
HR & ADMINISTRATIVE
SERVICES, MAY 2025



**SIS. ROSE-ANN
FLEMING-LEDLOW**

MANAGER,
INTERNAL AUDIT,
OCTOBER 2025



PRESIDENT'S MESSAGE



Sis. Alana Twum-Barimah
President - Ariza Credit Union

PRESIDENT'S MESSAGE

Fellow Credit Union Sisters and Brothers, Directors, Committee Members, Management, Staff, and Valued Stakeholders, I greet you well.

It is with great gratitude and a deep sense of responsibility that I welcome you to our Annual General Meeting, held under the theme **“Membership Redefined: Protecting Our Members, Securing Our Future.”** This theme speaks directly to who we are as a credit union and how we must continue to evolve in a rapidly changing geopolitical, financial, and economic environment.

At its core, membership in a credit union is more than holding an account—it is a relationship built on trust, mutual support, and shared ownership. Over the past year, your Board and Committees have remained steadfast in redefining what membership means in practice: placing greater emphasis on member protection, financial empowerment, transparency, and long-term institutional resilience.

Our staff remains at the heart of protecting Ariza's future. This focus has been demonstrated by the hiring of key personnel in middle and upper Management to bridge the identified gaps and

strengthen Ariza's institutional framework. Overall, staff empowerment, training, and development have remained at the centre of the Board's focus at Ariza.

Protecting our members has guided every major decision taken by the Board. This includes strengthening governance frameworks, enhancing risk management and cybersecurity controls, improving compliance standards, and ensuring prudent financial stewardship of members' savings. In an era of increasing financial fraud, digital threats, and economic uncertainty, safeguarding member assets and personal data is not optional — it is fundamental to our duty as your elected representatives.

In 2025, we exceeded the majority of our key performance targets, achieving an unprecedented operating surplus of thirteen million, three hundred and twenty thousand (\$13.32 m) and an unappropriated surplus of eleven million, one hundred and eighty thousand (\$11.18 m). We recorded our best-ever annual loan portfolio growth of fifty-four million, four hundred and fifty thousand (\$54.45 m), while the non-performing loans ratio improved further by dropping to 5.20%. Our assets were also up by twenty-six million, nine hundred and sixty thousand (\$26.96 m).



PRESIDENT'S MESSAGE (CONTINUED)

Considering this outstanding performance, we approved a 3% interest rebate and are recommending a 5% dividend to our members — the maximum allowable distribution.

Securing our future requires deliberate and forward-looking action. The Board and Committees continue to work closely with Management to ensure that the Credit Union remains financially sound, operationally efficient, and strategically positioned to meet the evolving needs of our membership. Investments in technology, product innovation, staff development, and member education are not short-term expenses; they are essential pillars of sustainability and relevance.

We also recognise that redefining membership means deepening engagement. A strong credit union is one where members are informed, empowered, and actively involved. Over the past year, we have supported initiatives aimed at financial literacy, youth inclusion, and improved communication—ensuring that members not only benefit from our services but understand their rights, responsibilities, and opportunities within the cooperative. Through the Triple R response (Request, Receive, and Respond) initiative, Ariza has responded to Members' requests for improved interest rates on savings and lower interest payments

on loan facilities. It is indeed our promise to continue redefining member care, member experience, and the opportunities given to members.

I wish to express sincere appreciation to my fellow Directors and Committee Members for their commitment, professionalism, and collective leadership. I also extend gratitude to Management and Staff for their dedication to service excellence, often working behind the scenes to ensure the smooth operation of your Credit Union. Most importantly, I thank you, our members, for your continued trust, loyalty, and confidence.

As we look ahead, let us remain united in purpose — committed to protecting what we have built together while boldly shaping a secure, inclusive, and sustainable future. With sound governance, prudent management, and an engaged membership, our Credit Union is well-positioned to thrive for generations to come.



Sis. Alana Twum-Barimah
President

BOARD OF DIRECTORS' REPORT 2025

The following members were elected to constitute the Board of Directors at the conclusion of the Annual General Meeting on 30th June 2025:

- Sis. Alana Twum-Barimah
- Sis. Nerisa Andrews
- Sis. Lyndonna Hillaire-Marshall
- Sis. Tricia St. Bernard (Melville)
- Bro. Chad Hyson
- Bro. Kimanii Daniel
- Bro. Rufus Bethel
- Bro. Francis Robertson
- Bro. Brian Bonaparte

At the first meeting of the Board of Directors following the Annual General Meeting, the following executive officers were selected:

Sis. Alana Twum-Barimah	President
Bro. Kimanii Daniel	Vice President
Sis. Lyndonna Hillaire-Marshall	Secretary
Bro. Francis Robertson	Assistant Secretary
Sis. Tricia St. Bernard (Melville)	Treasurer
Sis. Nerisa Andrews	Assistant Treasurer

OVERVIEW

The 2025 financial year was one of deliberate transformation, strategic resilience, and member-centred progress. Guided by our theme, “Membership Redefined: Protecting Our Members, Securing Our Future,” the Board of Directors remained steadfast in its fiduciary responsibility to safeguard members’ assets while positioning the Credit Union for sustainable growth in an evolving financial landscape.

As a Board, our activities in 2025 were guided by our five strategic pillars:

- Organisation & Digital Transformation
- Human Capacity
- Business Diversification
- External Engagement
- Governance & Compliance

Throughout the year, the Board focused on strengthening governance, enhancing risk management frameworks, and reinforcing regulatory compliance in alignment with the standards of the Grenada Authority for the Regulation of Financial Institutions (GARFIN). Particular attention was given to cybersecurity preparedness, capital adequacy, liquidity



management, and internal controls to ensure that members' savings remain secure and protected.

Redefining membership also meant deepening engagement and expanding value. The Board supported initiatives aimed at broadening financial inclusion, enhancing financial literacy outreach, and introducing innovative products and services tailored to meet the changing needs of our diverse membership base. Investments in digital transformation improved service delivery, strengthened operational efficiency, and increased accessibility—ensuring members can interact with their Credit Union securely and conveniently.

In a year marked by global economic uncertainty, inflationary pressures, and heightened financial risks, the Credit Union demonstrated resilience. Prudent financial stewardship, disciplined lending practices, and a strong risk culture allowed the institution to remain stable, competitive, and growth-oriented.

The Board also prioritised long-term sustainability. Strategic planning sessions during the year focused on technology modernisation, and strengthening human capital—recognising that securing our future requires proactive leadership and continuous innovation.

At its core, this year reaffirmed a fundamental truth: membership is not simply an account relationship—it is a partnership built on

trust, protection, shared prosperity, and collective strength. As we move forward, the Board remains committed to transparency, accountability, and sound governance, ensuring that every decision taken reflects the best interests of our members.

EXTERNAL ENVIRONMENT

In 2025, global economic conditions showed gradual stabilisation, with the International Monetary Fund (IMF) estimating world economic growth at approximately 3.2%, reflecting modest improvement over 2024. This performance occurred against a backdrop of easing inflation, moderating interest rates in several advanced economies, and continued — though reduced — geopolitical uncertainties. Global trade strengthened slightly as supply chains normalised further, and commodity prices remained relatively stable compared with the volatility experienced in prior years.

Across the Caribbean, economic expansion continued at a steady pace, supported by sustained tourism activity, ongoing reconstruction and infrastructure investment, and increased emphasis on climate resilience and digital transformation initiatives. While growth moderated from the rapid post-pandemic rebound years, the region maintained positive momentum, underpinned by improved fiscal management, investment inflows, and continued demand for Caribbean destinations.

Grenada's economy continued to demonstrate resilience in 2025, with real Gross Domestic Product (GDP) estimated to grow by approximately **4.4%**, representing a modest acceleration compared with growth of roughly **3.5% in 2024**. The improved performance was largely supported by sustained reconstruction activity following Hurricane Beryl, increased public sector capital expenditure, and continued private sector investment in infrastructure and tourism-related developments.

The construction sector remained a key driver of economic activity, benefiting from rebuilding efforts in Carriacou and St. Patrick, alongside ongoing hotel expansion projects, residential developments, and climate-resilient infrastructure initiatives. Tourism continued to contribute meaningfully to economic output, although growth in visitor arrivals moderated slightly compared to the strong rebound period of 2023–2024. Nonetheless, Grenada maintained solid stay-over arrivals and cruise passenger numbers, supported by stable airlift and destination marketing efforts.

Inflationary pressures eased further in 2025 as global commodity prices stabilized and supply chain constraints improved. More moderate fuel and food prices helped sustain household purchasing power, while improved labour market conditions supported consumer spending. Unemployment continued its gradual downward trend, reflecting increased activity in construction, tourism services, and small business operations.

The stronger growth in 2025 relative to 2024 reflects a transition from recovery-led expansion to more investment-driven and reconstruction-supported growth. While the economy remains exposed to climate-related vulnerabilities and external economic shocks, fiscal discipline, structural reforms, and strategic capital investment have helped reinforce macroeconomic stability.

For Ariza, this evolving economic landscape presents both opportunities and responsibilities. Increased economic activity supports loan demand, savings mobilisation, and entrepreneurial growth among our members. At the same time, prudent risk management remains essential, particularly in sectors sensitive to global conditions and climate risk. As we move forward, our strategic focus remains aligned with national development trends—ensuring that we continue to protect our members' assets while supporting responsible growth across Grenada, Carriacou, and Petit Martinique.

CREDIT UNION SECTOR PERFORMANCE

Grenada's credit union sector in 2025 continued to show a strong and robust performance, recording growth across all key performance indicators. This performance is particularly commendable given the global uncertainties and regional challenges, including the geopolitical instability arising from the Ukraine-Russia conflict and the changing US trade policies. Loans in the sector grew by 10.85% and total deposits by 7.98%. Total assets rose by 3.98% while the number of members in the ten



(10) credit unions across Grenada also grew by 4.7% to ninety-four thousand two hundred and two (94,202) members compared to ninety thousand (90,000) at the end of the financial year 2024. According to GARFIN data referenced below, delinquency >90 days in the sector also improved, moving from 6.5% in 2024 to

6.1% in 2025, indicating continued improvement in the quality of the loan portfolios held by credit unions.

The following table summarises the performance of all credit unions relative to Ariza:

All CREDIT UNIONS				ARIZA CREDIT UNION		
	As of Dec. 2025	As of Dec. 2024	% Change	As of Dec. 2025	As of Dec. 2024	% Change
Deposits	1,351,977,479	1,252,005,365	7.98%	602,027,987	554,027,775	8.66%
Gross Loans	1,238,496,788	1,117,251,452	10.85%	594,101,849	539,654,233	10.09%
Total Assets	1,615,359,338	1,558,593,899	3.64%	704,380,330	677,421,468	3.98%
Members	94,202	90000	4.67%	28,640	27,333	4.78%
Delinquency >90 days	6.10%	6.50%		5.20%	5.38%	

Data adopted from GARFIN

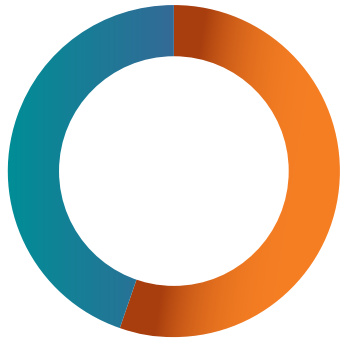
MARKET SHARE

In 2025, Ariza Credit Union strengthened its position in relation to its market share for total deposits, which was up by 0.2 percentage points to 44.5%. Our market share for total assets increased slightly by 0.1 percentage points to 43.6%, while our market share for gross loans and membership ended the year at 48.0% and 29.0 %, respectively.

ARIZA MARKET SHARE (%)		
	2025	2024
Deposits	44.5%	44.3%
Gross Loans	48.0%	48.3%
Total Assets	43.6%	43.5%
Members	29.0%	30.4%

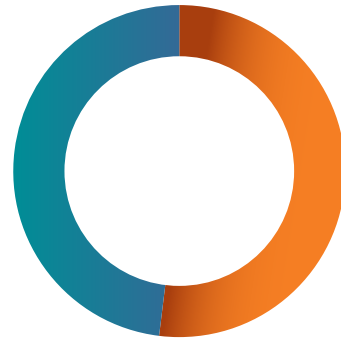
Table: ARIZA ANNUAL MARKET SHARE

DEPOSITS



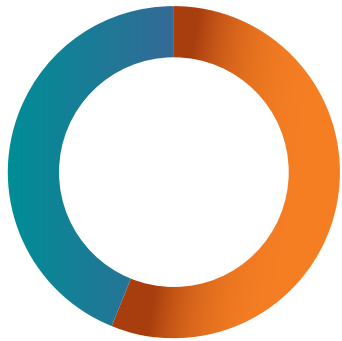
■ Ariza ■ Other

LOANS



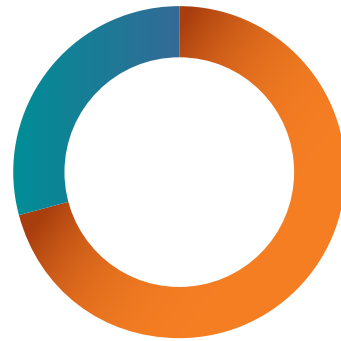
■ Ariza ■ Other

TOTAL ASSETS



■ Ariza ■ Other

MEMBERSHIP



■ Ariza ■ Other

ARIZA'S PERFORMANCE

Financial Performance

In 2025, Ariza Credit Union was able to achieve commendable growth given the changing dynamics within the organisation, local and regional developments, and the global uncertainties mainly created by the changes in the United States economic policies. Total assets grew by twenty-six million, nine hundred and sixty thousand (\$26.96M) or approximately 3.98% to seven hundred and four million three hundred and eighty thousand, three hundred and thirty dollars (\$ 704,380,330). Loans grew by 10.1% and deposits by roughly 8.7% to five hundred and ninety-four million, one hundred and one thousand, eight hundred and forty-nine dollars (\$594,101,849) and six hundred and two million, twenty-seven thousand, nine hundred and eighty-seven dollars (\$602,027,987), respectively. Our membership also increased by 4.8% to twenty-eight thousand, six hundred and forty (28,640) members at the end of December 2025.

Ariza concluded 2025 with an operating surplus of \$13.3 million.

Corporate Governance

The Board of Directors executed its mandate by consistently meeting during the year in accordance with the Act. Twenty-five (25) meetings of the full board were held. The various subcommittees also met and reported to the board on their

CHART: 2025 MARKET SHARE
ARIZA VS. REST OF THE SECTOR



specific areas. Three (3) Extraordinary Committee meetings were held to consider loan applications.

In February 2025, the Board undertook its annual strategic planning retreat, in collaboration with the Executive Management team, to reflect on its accomplishments and strategic direction for 2025.

During the year, representatives from the Board also met with other external bodies, including our regulator and the Co-operative League, on several topics, including areas of possible partnerships and risk mitigation for the credit union.

Additionally, our Credit Union maintained active representation on the Board and various Committees of the Co-operative League. Management also remained closely engaged, collaborating with the League and fellow Credit Union managers on key issues impacting the sector.

Compliance and Risk Management

With heightened regulatory scrutiny and dynamic shifts in the risk and compliance landscape, financial institutions are under immense pressure to balance relevance and forward-thinking while meeting their obligations to regulators. Updated policies and procedures were approved in April 2025. Training and Awareness across all levels were also high on our list of priorities.

DIRECTORS	January	February	March	April	May	June	July	August	September	October	November	December
Alana Twum-Barimah	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Kimanii Daniel	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Peterlyn Cooper	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Lyndonna Hillaire-Marshall	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Tricia Melville	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Michelle Sayers-Griffith	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Nerisa Andrews	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Chad Hyson	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Rufus Bethel	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Brian Bonaparte							✓	✓	✓	✓	✓	✓
Francis Robertson							✓	✓	✓	✓	✓	✓

During the year, 96% of employees completed mandatory training, contributing to heightened awareness and understanding of their compliance responsibilities. Governance Training for senior management and committee members was also facilitated. These trainings highlighted their responsibilities as leaders in combating AML/TF at Ariza. Twenty-two (22) senior management and committee members (Board, Credit Committee, and Supervisory & Compliance Committee) participated in the training and expressed their appreciation for the knowledge imparted and the relevance to their leadership functions.

One new initiative implemented was quarterly visits to the branches, which facilitated important dialogue with front-line team members, allowed for real-time observations in the way they operate, and gave way to improved communication between front-line and Compliance staff.

As economic hardships increase, we encourage you, our valued members, to invest in your Credit Union so that we can fulfill our mandate of improving your quality of life through sound financial solutions as we continue to build resilience and inspire confidence in Ariza.

Enterprise Risk Management Initiatives at Ariza

Ariza continues to strengthen its commitment to safeguarding the Credit Union and members' financial well-being through

enhanced Enterprise Risk Management (ERM) initiatives. Recognising the critical role of risk management within financial institutions, Ariza has adopted an enterprise-wide approach that embeds risk awareness across all levels of the organisation. A new Internal Audit Manager was onboarded in October 2025 to enhance our risk management framework.

Additionally, the Credit Union engaged external consultants to conduct a comprehensive, organisation-wide risk assessment—an effort that is currently ongoing. As part of this engagement, training sessions were delivered to the Board, Management, and all staff, reinforcing the principle that effective risk management is a shared responsibility. Ariza is also developing a detailed risk universe, built from unit-level risk registers, alongside the creation of a formal ERM Policy and a Board-level Risk Management Charter. These initiatives collectively support a stronger, more resilient organisation positioned to identify, manage, and respond proactively to risks.

Cyber Security & Technology Advancements

During the reporting period, our Credit Union made measurable progress in strengthening its cybersecurity posture and governance framework. The overall risk assessment score improved, reflecting enhanced controls and more effective risk mitigation. A formal IT organisational structure was approved, and implementation has commenced, establishing clearer



accountability and supporting long-term security maturity. Two independent penetration tests were completed, validating existing safeguards and guiding targeted remediation efforts.

Security monitoring capabilities were further enhanced, consistently achieving a 97% security robustness rating and demonstrating stronger threat detection and response. Multi-Factor Authentication (MFA) was successfully rolled out organisation-wide, significantly improving access security. In addition, security awareness training was expanded to reinforce a culture of vigilance, while infrastructure resilience and system hardening initiatives strengthened overall operational robustness and business continuity readiness.

Marketing Highlights

Throughout 2025, Ariza Credit Union continued to strengthen its brand presence through meaningful stakeholder engagement and strategic sponsorships aligned with community development, youth empowerment, and national pride in Grenada. These initiatives reflect the organisation's ongoing commitment to social responsibility and member connection. Our Marketing team was enhanced by two additional staff members who focused on improving our social media presence and developing a more structured approach to member outreach and education programme.

Education

Financial Literacy

Ariza's Annual Financial Lecture was hosted for the second year in collaboration with the Government of Grenada / Ministry of Finance and St. George's University Business Students Association. The event registered over 150 attendees, with the feature speaker being the former CEO of Ariza Credit Union, Mrs. Lucia Livingston-Andall.

Moneywise Radio Programme: Since its introduction in 2024, this programme has remained a beloved early-morning fixture for members and non-members, highlighting Ariza's unwavering belief in knowledge as a catalyst for meaningful change.

Scholarship Awards Programme

In 2025, Ariza Credit Union supported students in achieving their academic aspirations by awarding scholarships across four key categories to ten (10) students:

- Blue Ribbon Scholarship – Presented to the top CPEA performer and accompanied by an Ariza Education Savings Plan.
- Secondary School Scholarship – Valued at \$5,000 and distributed over five years to assist students transitioning into secondary education.
- Joseph Bain Scholarship – A one-time contribution of EC\$4,000 supporting university-level studies.

- Brighter Future Scholarship – Valued at EC\$1,500 per student and awarded to members' children beginning studies at T. A. Marryshow Community College.

These awards underscore the Credit Union's commitment to helping students achieve their academic goals and investing in their future.

School Assistance Programme Partnership

Ariza once again partnered with GRENCODA in support of its Secondary School Assistance Programme. A contribution of \$20,000 will benefit at least seventy (70) secondary school students, helping to ensure that financial challenges do not hinder their educational progress.



Ariza National Championships

Ariza proudly sponsored the National Championships in collaboration with the Grenada Athletics Association. The event attracted a noticeably larger crowd than previous years and benefited from extensive radio and television promotion highlighting both the competition and Ariza's role in supporting national sport. Reduced ticket prices for children under twelve (12) ensured families could attend and participate.

Youth/Sport Development

Support was extended to the Junior Murray Cricket Competition and a national bodybuilding initiative, with a combined contribution of \$7,000. These programmes provide young people with opportunities to develop discipline, confidence, and well-rounded character through sport.

Waggy T Football Competition

Ariza partnered with Megaforce Promotions to support the 15th Annual Waggy T Football Competition, held over seven weeks from October to December 2025 at Progress Park and the Kirani James National Stadium. Hurricane FC emerged victorious and received Ariza membership vouchers, reinforcing the Credit Union's commitment to youth development through sport.

Community

Family Fun Day

Members and their families gathered at the La Sagesse Playing Field for a vibrant Family Fun Day, celebrating community spirit and togetherness. The event fostered camaraderie through refreshments, entertainment, and traditional games such as draughts, football, and skipping. Children especially enjoyed face painting, horseback riding, and a bouncing castle, creating a memorable experience for all.





Taste & See Christmas Series

The Christmas Taste & See initiative was a resounding success. In partnership with local businesses, members and visitors enjoyed festive samples and displays of seasonal products. The event was held weekly on Tuesdays for six weeks at the Bruce Street location and for four weeks in Grenville, providing a lively and engaging holiday experience.

Hamper Distribution

Through its annual hamper distribution initiative, Ariza reached at least sixty (60) individuals and households, focusing on vulnerable members of the community. With support from the Ariza Sports Club, hampers were distributed across Grenada and Carriacou over the weekend of 13 December.

Carriacou

Ariza proudly supported major community events in Carriacou, including the Corn Festival and Christmas in the Gardens. The Credit Union also recognised academic excellence by awarding the most outstanding student at Hillsborough Secondary School with a cash prize and a savings account. In addition, through the Cheery Christmas programme, Ariza partnered with Alexis Supermarkets to host a supermarket shopping spree. Various schools and churches also received assistance for sports days, fairs, and fundraising initiatives.

Ariza was once again proud to support Carriacou Carnival, contributing \$10,000 toward the successful staging of the island's premier cultural event. The sponsorship included cash and prizes for all five Carnival Queen contestants, as well as awards for first- and second-place winners in the Power Soca, Groovy Soca Monarch, and Dimanche Gras competitions. This support, which spans more than a decade, demonstrates Ariza's enduring commitment to the people and culture of Carriacou and its dedication to preserving national traditions and community pride.

Diaspora Outreach Grenada Day: New York and Canada

Ariza continued outreach to members and prospective members abroad by partnering with the Grenada Cultural Festival Group Inc. for Grenada Day celebrations.

The New York Day event, held on 21 August 2025 at the Old Boys & Girls High School Field in Brooklyn, attracted over 5,000 patrons, while Grenada Day Canada drew more than 2,000 attendees across two days. At both events, Ariza successfully engaged Grenadians overseas, welcoming new members, accepting deposits, and facilitating loan sign-ups. Attendees expressed appreciation for the Credit Union's efforts to meet them where they are and serve their financial needs.

Additional Promotions and Sponsorships


During the year, Ariza also executed and supported several other initiatives, including:

- Loan Promotions:
Simplify / Go Green / Live Comfy / Cheery Christmas
- International Credit Union Day
- Easter Cheer Initiative
- Mother's Day Treat
- Father's Day Treat
- PWU Activities
- Christmas at the Point
- FROC
- UWI Awards
- TAMCC Awards
- SGU Awards
- Numerous outreach activities
- Support for various school, church, and community events

Collectively, these initiatives highlight Ariza Credit Union's strategic approach to growth and

transformation through community investment, brand visibility, and member engagement and experience. By supporting education, sport, culture, and social outreach, the organisation continues to strengthen its role as a trusted partner in national development and community wellbeing.





For more information
CONTACT

Ariza
Credit Union

TEL: 1(473) 415 - 0994
info@ridgewayresidences.gd

Ridgeway Residences Project

This year, the Ridgeway Residences project was one of the highlights of our Diaspora outreach program.

In 2025, the Ridgeway development was further enhanced with the introduction of a new model home, the Poinsettia Model.

Our continuous marketing and promotion efforts in 2025 resulted in the sale of a Poinsettia model home at the Ridgeway Residence Project at Morne Jaloux.

General maintenance of the entire development was also undertaken.

Human Resource Highlights for 2025

In alignment with Ariza Credit Union's mission, vision, and strategic objectives, the organisation continued to strengthen its human capital capabilities throughout 2025. The Credit Union recorded a 13% increase in staff, moving from 131 employees on January 1, 2025, to 148 employees as of December 31, 2025. Several key governance and operational roles were filled within the Human Resources, Internal Audit, and Finance departments. As staff numbers continue to grow in support of Ariza's expanding operations, the need for additional and optimised office space remains an important organisational priority.

Learning & Development

Ariza Credit Union remains committed to fostering a culture of continuous learning to enhance governance, operational efficiency, and overall service delivery. To remain competitive in the dynamic financial services environment, the Credit Union invested significantly in staff development across a range of disciplines. Key learning and development interventions completed during the year are outlined below:

1. ECHMB Training

Two cohorts participated in the Eastern Caribbean Home Mortgage Bank (ECHMB) training during 2025:

- Module 2: Three (3) employees completed training in Dominica from April 7–11, 2025.
- Module 3: Ten (10) employees completed training held in Grenada from November 10–21, 2025.

2. Caribbean Anti-Money Laundering Hybrid Conference

Three (3) employees from the Enterprise Risk Department attended the Caribbean Anti-Money Laundering Hybrid Conference, conducted virtually via Zoom on April 3, 2025.



3. University of the West Indies Certification Programmes

One employee successfully completed the following UWI programme during the year:

- Supervisory Management Certificate: Completed by one employee from Business Loans between February and April 2025.

4. Caribbean Governance Training Institute

Two employees completed the following program offered by the Institute:

- Chartered Corporate Secretary Program — Senior Executive Assistant — February 2025.
- Cybersecurity Oversight Certification — Manager: IT — September 2025.

Members of the Board of Directors attended the following training sessions:

- Cybersecurity Oversight Certification — September 2025 — One (1) Director.

- Audit Committee Certification — October 2025 — One (1) Director
- Human Resources & Compensation Committee Certification — November 2025 — One (1) Director
- Chartered Director Certification — November 2025 — One (1) Director
- Chairman's Course — December 2025 — Board President.

5. Real Estate Law & Practice

Six (6) employees from Loans & Credit Administration and Member Experience completed the Real Estate Law & Practice course offered by the T.A. Marryshow Community College from March to June 2025.

6. Caribbean Confederation of Credit Unions (CCCU) Convention 2025

Ariza Credit Union participated in the annual CCCU Convention held at the Paradisus Palma Real, Punta Cana, Dominican Republic, from June 20–25, 2025. The delegation comprised the CEO, two (2) Board Members, and two (2) staff members.

7. OECS Summit

The annual OECS Summit took place in St. Kitts & Nevis

from September 22–29, 2025. Ariza was represented by six (6) participants: Five (5) members of the Board of Directors and Supervisory and Compliance Committee, along with one (1) staff member.

8. ShareTec Training

Two (2) employees attended the annual ShareTec Training Conference held in Boston, Massachusetts, from September 17–20, 2025.

9. Your Financial Future 2.0 Summit

Five (5) employees participated in the “Your Financial Future 2.0” Summit, held on October 9, 2025, at the Radisson Beach Resort. Facilitated by Go Blue Consulting, the event focused on personal financial empowerment. Topics included:

- Investing
- Estate Planning
- Insurance
- Debt Management
- Financial Mindset and Behaviour

Internal Communications

Our Credit Union continued to strengthen its internal communications to facilitate the exchange of information and ideas. As part of its schedule, two (2) general staff meetings were held during the year, supplemented by additional special

meetings as needed. Departmental meetings and team huddles were conducted regularly, in line with established protocols.

Employee Engagement, Benefits, and Rewards

As part of our mission to become the employer of choice, Ariza continued to improve the employee experience, empowering staff to deliver exceptional service to our members.

In June 2024, we launched our Rewards & Recognition Policy, a new initiative developed with full support from the Board of Directors, designed to acknowledge and celebrate employee contributions.

Additionally, following the rollout of our Staff Education Policy in 2023, we introduced a comprehensive Compensation Policy in 2024. This policy establishes a clear framework for salary and benefits, enhancing transparency for both new hires and existing employees.

Provident Fund

In 2025, there were over 51 approved applications for Provident Funds, totalling one hundred and twenty-five thousand, two hundred, ninety-eight dollars and thirty-eight cents (\$125,298.38). Medical expenses accounted for 59.3% of provident fund withdrawals in 2025 compared to 38% in 2024, indicating increasingly significant health-related financial needs among



our members.

The table below shows a breakdown of the withdrawals from the provident fund in 2025.

Purpose of Withdrawal	% Used
Medical	59.3%
Housing	15.8%
Personal & Living Expenses	9.0%
Education	6.5%
Family Support	4.0%
Utilities	2.5%
Glasses	2.2%
Bills	0.7%

Scholarships

In 2025, Ariza Credit Union, known for its investment in education, once again sponsored a list of students to provide financial assistance towards their future education.

Four students were awarded the secondary school scholarships, which included one Blue-Ribbon Award.

The Blue Ribbon awardee is selected as follows: must be a member of the education savings plan who has excelled in performance at the CPEA. This scholarship is awarded to a student with an

ESP account who attained the highest score. This year, Journi George was awarded the Blue Ribbon in 2025.

Ethan Gunpot, Rejohni Phillip, and Dniyah Frank all received the secondary school scholarships.

The Joseph Bain Scholarship is a one-off payment to help offset costs for flights, tuition fees, and schoolbooks that may be incurred during the semester. Applicants must be members pursuing or intending to pursue a bachelor's degree or professional accreditation course.

Ariel Paul, Raymonda Henry, Shemiah James, and Torrie Noel were all awarded the Joseph Bain Scholarships.

Applicants for the Brighter Future Scholarship must be high school graduates seeking tertiary-level education at T.A. Marryshow Community College. Additionally, the applicants must be an Ariza Excel Club member, an education savings plan member, an Ariza member, or a child of an Ariza member.

Amara Coutain and Rashoi Caesar were awarded this scholarship for 2025.

Transitions 2025

In 2025, some of our members transitioned. May their souls rest in peace, and their families be comforted by the memories created throughout their lifetime.

Alvin St. John	Brenda Pierre	Marie B. Stewart	Jeremiah Williams
Garfield J. Alexis	Rosamond Hagley	Wendell Zane Sylvan	Raymond R. Thomas
Nicole L. Frank	Veronica Sam-Andrew	Andrea D. Frederick	Tisha Victor
Kenneth Bernard	Imi K. Chitterman	Francis Caesar	Elroy S. A. Alexander
Cecil Edwards	Cher Brina Fortune	Catherine R Creedland	Stephen Bertrand Gill
Samuel La Touche	Jeffrey A. R. Alexis	Allison Lisa Belfon-St. Bernard	Walter Victor McKenzie
Meredith Hagley	Flora Stephen	Stephen Munroe	Ingrid Bailey
Dave Jason Phillip	Joseph Anslem Marryshow	David W. Fullerton	Ronald Terry Whint
Robert M. Robinson	Thaddus Thomas Lewis	Michael Robertson	Kelvin Adrian E Alexis
John Joseph	Phillip St. Bernard	Arnott Williams	Ernie C. James
Agatha V.D. Lawrence	Glen Archibald Roberts	Sharon Patricia Morrison	Robert Thomas McIntosh
Jael Hyacinth Ashby-Gibbs	Kenton Roberts	Mary Alice Charles-Forteau	James Joseph
Laurie A. St. Paul	Fitzgerald Russell	Othniel Shawnan K St. Clair	Dexter Bhagwan
John Richard	Glenda Nester Bowen	Glennis Andall-Brereton	Anthony Lennox Clarke
Theresa George	Kim Worme	Reginald S. De Coteau	Reynold St. Louis
Jiselle Shereen Sandy	Ovington Sandy	Bonisceo Moses	Cosmos Arnold
Lynthia Ester Samuel	Sydney S. Arnold	Alexander Gabriel	Davis Fletcher
Calvert Romain	Judlyn Sherine Hazzard	Jywanza C Alexander	Meryl Mc Gillavary
Christopher Theodore	Elvira C. Law	Ann Maudriana Noel	Ferdinand Frank Joseph
Ignatius Henry	Michael Stephen Armstrong	Velma Samuel	



ACKNOWLEDGEMENTS

The year 2025 represented another defining milestone in Ariza's ongoing evolution — a year characterised by strategic focus, institutional strengthening, and unwavering commitment to our membership. As your Board of Directors, we approached the year with clarity of purpose, recognising that sustainable growth requires both disciplined stewardship and bold, forward-thinking action. Anchored in our mission of advancing financial empowerment for all, we concentrated our efforts on safeguarding the stability, relevance, and long-term viability of our Credit Union.

During the year, we accelerated key strategic initiatives aimed at strengthening operational resilience, modernising our security and digital infrastructure, and reinforcing our governance and risk management frameworks. We deepened employee engagement, enhanced internal accountability structures, and continued to refine policies that promote transparency and regulatory compliance. At the same time, we advanced prudent portfolio diversification strategies, stimulated responsible loan growth, and elevated the quality and accessibility of our member services — all guided by a unified vision of innovation, protection, and shared prosperity.

The progress realised in 2025 reflects the collective strength of our institution. We extend sincere appreciation to our volunteer committees for their stewardship, our strategic partners for their collaboration, and our management and staff for their


professionalism and dedication. Above all, we thank you — our members — whose trust and participation remain the cornerstone of our success. Together, we are not only protecting what we have built—we are securing a stronger, more resilient future for generations to come.

As we look ahead, we do so with confidence and resolve. We remain committed to building a resilient, technologically advanced, and member-centred Credit Union — one that continues to protect your interests while securing a sustainable future for communities across Grenada, Carriacou, and Petit Martinique.

It is an honour and a privilege to serve you.



Sis. Alana Twum-Barimah
President



Sis. Lyndonna Hillaire-Marshall
Board Secretary



Bro. Josh Edmund
Ariza Employee





CREDIT COMMITTEE



SIS. DESHON HARRIS
CHAIRPERSON



SIS. JUDY PIVOTTE
SECRETARY



BRO. D'JORN CRONEY
MEMBER



SIS. PORTIA FRASER
MEMBER



SIS. DESIREE STEPHEN
MEMBER

CREDIT COMMITTEE REPORT 2025

Credit Committee Report

As the Chair of the Credit Committee, I am honoured to present this report in accordance with the Credit Union By-laws and the mandate given at our last Annual General Meeting. This report covers the activities and performance of the Credit Committee for the financial year ended 31st December 2025.

Committee Mandate and Responsibilities

The Credit Committee is responsible for the fair, efficient, and prudent management of the Credit Union's loan portfolio. Its core functions include the review and approval of loan applications, oversight of compliance with lending policies and By-laws, monitoring of loan performance, and safeguarding members' funds while supporting responsible access to credit.

Throughout the year, the Committee operated in full compliance with all regulatory requirements and internal policies. Loan applications across approved categories, including personal, asset ownership, and other credit facilities, were assessed based on repayment capacity, credit history, savings behaviour, and overall credit risk.

The Committee is satisfied that lending decisions were fair, transparent, and timely, and that approved loans continued to support members' personal, household, and economic needs. The loan portfolio remained stable, with delinquency levels actively monitored and managed through member engagement, repayment restructuring where appropriate, and recovery actions in accordance with policy.

Adequate internal controls were maintained, supported by regular meetings, proper recordkeeping, and continuous oversight. No material breaches of lending policies or By-laws were identified, and recommendations for policy enhancement were submitted to the Board where necessary.

While economic conditions affected some members' repayment capacity, the Credit Union maintained a balanced approach, protecting portfolio quality while supporting members through education, engagement, and responsible credit management.

In conclusion, the Committee is satisfied that its responsibilities were effectively discharged during the year ended 31st December



2025 and remains committed to sound credit governance and the sustainable growth of the Credit Union.

Overview

At the outset of 2025, the Credit Committee, in collaboration with the Loans & Credit Administration Department, prioritised the responsible growth of the loan portfolio while maintaining a strong and deliberate focus on member well-being and service excellence. This approach was guided by the Credit Union's strategic theme for the year: "Membership Redefined: Protecting our Members, Securing our Future."

This theme represents the Credit Union's progression from strategic intent to practical execution, with a clear emphasis on delivering meaningful and measurable value to members. In recent years, Ariza Credit Union has strengthened its commitment to service quality, digital modernisation, and improved member engagement. During 2025, these efforts translated into tangible outcomes through the introduction of enhanced loan and savings products, more competitive interest rates, strengthened service standards, and the implementation of the Triple R Promise (Request · Receive · Respond).

From a credit administration perspective, the Triple R Promise reinforces the principle that membership extends beyond access to financial services; it embodies a commitment to providing members with a genuine financial advantage. This initiative reflects the Credit Union's responsiveness to member feedback and its obligation to ensure that credit products remain fair, affordable, and sustainable. Key measures included reduced loan interest rates and fees, improved deposit returns, and a renewed emphasis on timely communication and service delivery.

The Credit Committee recognizes that these initiatives are not one-time actions but part of an ongoing process of enhancement and accountability. As economic conditions continue to evolve, the Committee remains committed to exercising prudent credit oversight while ensuring that lending practices are aligned with the best interests of the membership. Continuous evaluation of policies, products, and service delivery remains central to supporting members' financial stability and reinforcing trust in the Credit Union.

Composition

During the calendar year 2025, the Credit Committee was constituted as follows:

Name	Position
Sis. Deshon Harris	Chairperson
Sis. Judy Pivotte	Secretary
Bro. D’jorn Croney	Member
Sis. Portia Fraser	Member
Sis. Desiree Stephen	Member

The Committee operated in accordance with the Credit Union’s By-laws and maintained the required quorum and continuity of oversight during the periods under review.

Commitment to Members

At Ariza Credit Union, our commitment to members is anchored in the principle that access to credit should be purpose-driven,

inclusive, and empowering. Throughout 2025, the Credit Union remained steadfast in delivering a diverse suite of financial solutions designed to meet the evolving needs of our membership. These efforts were guided by a clear focus on promoting long-term financial security, resilience, and independence, while reinforcing Ariza’s role as a trusted partner in our members’ financial journeys.

Central to this commitment is a strong, well-managed loan portfolio that empowers members to take meaningful steps toward achieving personal and economic goals. During the year under review, Ariza facilitated homeownership for many members through the issuance of mortgage loans, providing not only housing solutions but also the stability, pride, and sense of belonging that accompany home ownership. These investments underscore our continued commitment to supporting members as they build lasting foundations for themselves and their families.

Member	09 Jan	17 Jan	24 Jan	30 Jan	06 Feb	21 Feb	27 Feb	07 Mar	14 Mar	21 Mar	27 Mar	03 Apr	10 Apr	17 Apr	24 Apr	02 May	09 May	15 May	22 May	29 May	03 Jul	10 Jul	17 Jul	25 Jul	31 Jul	07 Aug	22 Aug	28 Aug	04 Sept	18 Sept	25 Sept	30 Sept	03 Oct	24 Oct	30 Oct	06 Nov	14 Nov	21 Nov	27 Nov	05 Dec	11 Dec	18 Dec	
D’Jorn Croney	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✗	✓	✓	✓		
Deshon Harris	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Desiree Stephen	✗	✓	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓	✗	✗	✓	✓	✗	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Judy Pivotte	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓
Portia Fraser	✗	✗	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	

Credit Committee Attendance 2025



In addition, our vehicle financing options continued to enhance members' mobility and quality of life, while land acquisition loans supported members seeking to invest in assets that secure their financial futures. Each lending decision was guided by careful assessment, fairness, and a commitment to sustainable borrowing.

Recognising education as a critical pathway to personal development and economic advancement, Ariza continued to offer tailored financing solutions that allow members to invest confidently in their academic and professional pursuits. Complementing this, our debt consolidation product remained an important tool for members seeking to simplify their financial obligations, improve cash flow, and regain control over their finances.

Innovation and flexibility also played a key role in our member-centered approach. The Credit Union continued to offer its Flexi Credit and Flexi Equity facilities, popularly known as "Request, Repay, Repeat." These products provide members with greater autonomy by allowing access to credit with minimal administrative intervention, thereby fostering confidence, convenience, and financial self-management.

During 2025, Ariza further expanded its product offerings with the introduction of Ready Set Grow, a product designed to offer

prospective and transitioning members an accessible pathway to begin saving and investing with the Credit Union as they move toward permanent employment. Additionally, existing lending products were refined, including the redefinition of switch products, to make property and vehicle ownership more attainable through simplified processes and competitive pricing.

Through prudent credit oversight, product innovation, and continuous engagement with members, the Credit Committee remains committed to ensuring that Ariza Credit Union delivers not only financial access but lasting value. Our focus remains on balancing responsible lending with compassion, responsiveness, and a deep respect for the trust placed in us by our members.

Community Outreach and Collaboration

Ariza Credit Union continues to advance its mission through purposeful outreach and collaboration, ensuring that members remain at the centre of all engagement efforts. Throughout the year under review, the Credit Union focused on strengthening strategic relationships, expanding service accessibility, and maintaining meaningful connections with members based locally, regionally, and internationally. These efforts reflect Ariza's enduring commitment to inclusion, responsiveness, and the delivery of value to its diverse membership.

Institutional Collaboration and Workplace Outreach

As part of its member-first approach, Ariza Credit Union sustained active collaboration with several public -sector and institutional partners to provide on-site outreach and convenient access to financial services. These initiatives were designed to meet members in their workplaces, facilitate timely service, and enhance awareness of available products and services.

During the reporting period, outreach activities were conducted in collaboration with the following organisations:

- Grenada Airports Authority
- Royal Grenada Police Force
- St. George's University
- Government of Grenada
- Public Workers' Union
- Belmont Estate

Through these engagements, members received direct support related to loan products, account maintenance, investment guidance, and digital banking services. These initiatives strengthened member relationships, improved communication, and reinforced trust in the Credit Union's ability to respond efficiently and professionally to member needs.

Rural and Community-Based Outreach

In keeping with its commitment to financial inclusion, Ariza Credit Union placed deliberate emphasis on extending services to rural and underserved communities where access to financial institutions is limited. Outreach initiatives were conducted in areas in St. David, Carriacou, and the St. Mark community, among others.

By bringing services directly into these communities, the Credit Union ensured that members facing geographic and logistical barriers continued to receive equitable access to credit union products, financial guidance, and personalised support. Beyond service delivery, these engagements fostered stronger community relationships and reinforced members' sense of belonging to the Credit Union.

Diaspora Engagement and CARICOM Focus

Diaspora outreach continues to be at the heart of Ariza Credit Union's service to its CARICOM membership, in alignment with the organisation's Mission and Vision. These initiatives recognise the lasting bond between members abroad and their home communities, and affirm the Credit Union's commitment to offering consistent, high-quality service regardless of geographical location.

In this context, the Grenada Day 2025 Outreach Initiative in New York and Canada represented a significant strategic achievement.



The initiative resulted in:

- EC\$1,815,000 in disbursed loans
- EC\$463,872.68 in deposits
- 58 new membership applications
- 51 member cards issued

Member engagement was particularly strong in areas related to loan products, most notably the Ridgeway Initiative, as well as account servicing, investment advice, and digital banking assistance. The outreach and compliance teams demonstrated a high level of professionalism, ensuring regulatory compliance, efficient processing, and respectful interactions with diaspora members.

By delivering credit union services directly to CARICOM members abroad, Ariza reaffirmed its commitment to lifelong membership and financial empowerment beyond national borders.

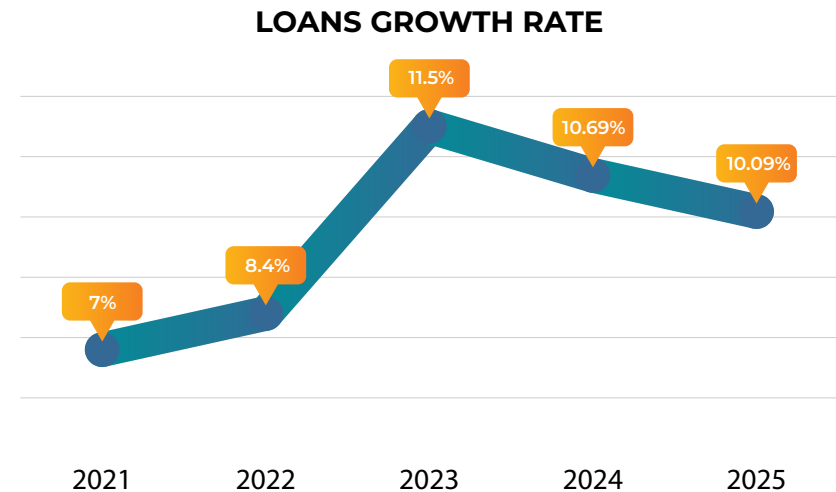
Through structured workplace outreach, sustained community engagement, and a strong diaspora presence, Ariza Credit Union continues to uphold its mission of serving members wherever they reside. These collaborative efforts strengthen financial inclusion, enhance member trust, and support the Credit Union’s long-term sustainability, while remaining firmly grounded in the principle of members helping members.

LENDING ACTIVITIES

Portfolio Growth

Gross Loans and Growth Rate (2021–2025)

Year	Gross Loans (EC\$)	Annual Growth Rate
2025	594,101,848.58	10.09%
2024	539,654,233.00	10.69%
2023	487,549,111.00	11.50%
2022	437,271,312.00	8.40%
2021	403,396,913.00	7.80%



The loan portfolio demonstrated consistent and sustained growth over the five years, increasing from EC\$403.4 million in 2021 to EC\$594.1 million in 2025, representing a cumulative expansion of nearly 47%. This steady upward trajectory underscores the Credit Union's continued relevance, competitiveness, and ability to meet members' borrowing needs across varying economic conditions.

While the growth rate moderated slightly in 2024 and 2025 compared to the post-pandemic rebound years, the 10.09% growth recorded in 2025 reflects a deliberate and disciplined lending

approach, balancing portfolio expansion with prudent credit risk management. The consistent double-digit growth achieved from 2023 to 2025 highlights strong member demand for loan products, supported by improved pricing, product innovation, and targeted outreach initiatives, both locally and within the diaspora.

Overall, the performance of the loan portfolio reflects the Credit Committee's commitment to responsible lending, member accessibility, and long-term sustainability, while reinforcing confidence in the Credit Union's credit governance framework.

Loan Disbursements – 2025

Number and Value of Loans

Category	Loans 2025	Loans 2024	% Change	Value 2025 (EC\$)	Value 2024 (EC\$)	% Change
Debt Consolidation	1,129	1,319	-14.40	25,197,107.43	25,802,253.24	-2.35
Personal Expenses	8,990	8,404	6.97	38,569,426.93	20,838,205.61	85.09
Educational	628	579	8.46	1,674,136.36	2,185,148.79	-23.39
Housing	982	956	2.72	52,973,743.44	56,739,140.02	-6.64
Home Furnishing	500	509	-1.77	882,606.41	1,427,943.81	-38.19
Agriculture	49	37	32.43	1,629,147.34	461,636.58	252.91
Land Purchase	70	73	-4.11	4,542,306.81	5,208,915.37	-12.80
Business	360	354	1.69	13,555,257.35	15,150,435.98	-10.53
Vacation/Travel	846	676	25.15	2,078,016.72	2,308,100.73	-9.97
Motor Vehicles	762	764	-0.26	18,169,185.98	18,672,987.62	-2.70
TOTAL	14,316	13,671	4.72	159,270,934.77	148,794,767.75	7.04

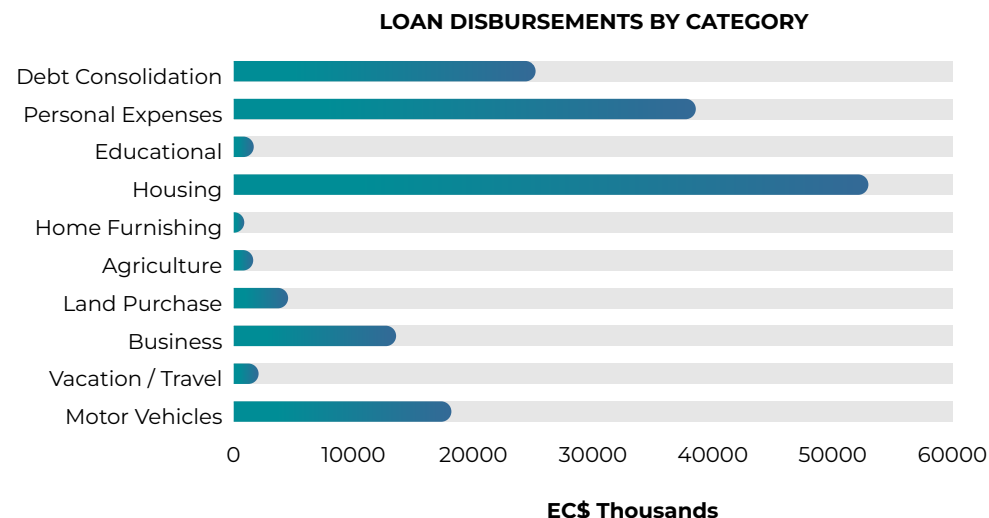


During 2025, the Credit Union recorded overall growth in lending activity, with total loan disbursements increasing to 14,316 loans, up 4.72% from 2024. The total value of loans disbursed also rose by 7.04%, moving from EC\$148.8 million in 2024 to EC\$159.3 million in 2025, reflecting sustained member demand and disciplined portfolio expansion.

Growth was driven primarily by Personal Expenses loans, which recorded a notable 6.97% increase in volume and an 85.09% increase in value, indicating higher average loan sizes and increased member reliance on flexible financing solutions. Agriculture lending also showed significant expansion, with loan values increasing by 252.91%, supporting national food security objectives and investment in rural economic activity.

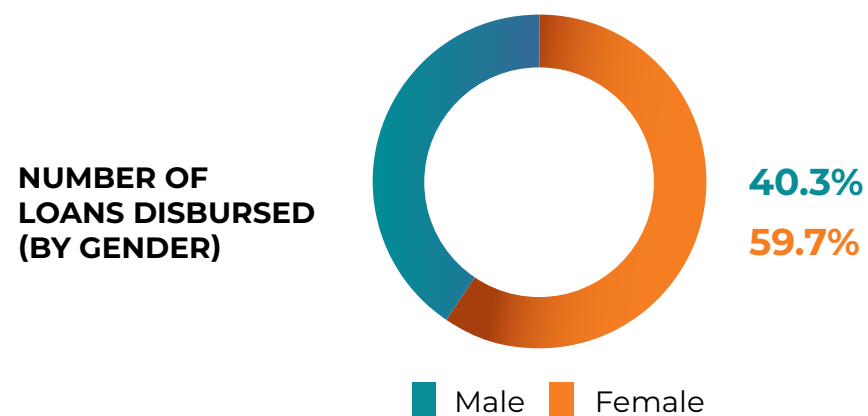
Moderate growth was observed in Housing, Business, and Educational loans by volume, though values declined slightly, reflecting a more cautious lending approach amid changing economic conditions. Debt Consolidation and Motor Vehicle loans experienced marginal contractions, suggesting improved member financial stability and restrained consumer borrowing.

Overall, the 2025 loan disbursement profile reflects a balanced lending strategy, combining growth in member-centric and productive loan categories with prudent risk management, in keeping with the Credit Union’s mandate to support members’ financial well-being while preserving portfolio quality.



No. Loans Disbursed (Gender) – 2025

Gender	Number of Loans	Value of Loans (EC\$)
Male	5,772	84,192,616.12
Female	8,544	75,078,318.65
Total	14,316	159,270,934.77



Loan disbursement activity during 2025 reflects broad participation across both genders, underscoring the Credit Union’s commitment to inclusive and equitable access to credit. Female members accounted for the majority of loans by volume, representing 59.7% of total loans disbursed, highlighting strong engagement among women across multiple loan categories.

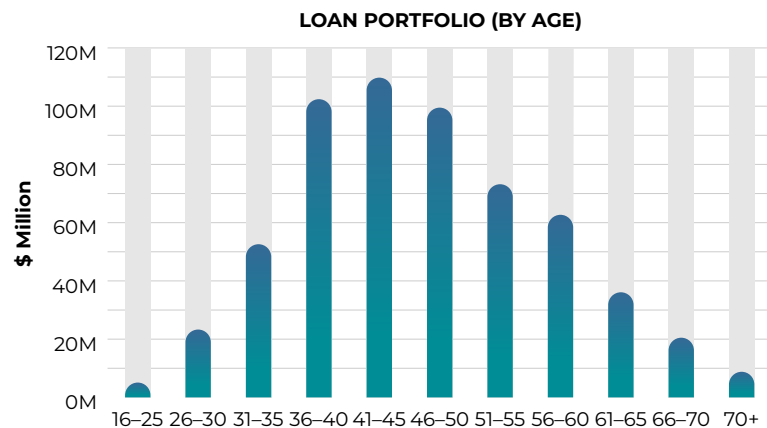
Male members, while accounting for a smaller number of loans, represented a higher share of total loan value, indicating larger average loan sizes. This distribution suggests differing borrowing patterns by gender, while demonstrating that the Credit Union continues to meet the diverse financial needs of its membership.

Overall, the data support the Credit Committee’s objective of fostering balanced access to credit and ensuring that lending practices remain responsive, fair, and aligned with the Credit Union’s mission of empowering all members through responsible financial solutions.

The loan portfolio by age distribution for 2025 demonstrates broad participation across multiple age groups, reflecting the Credit Union’s ability to meet the evolving financial needs of members at different stages of life. The portfolio shows strong engagement among economically active age groups, highlighting sustained demand for credit to support housing, education, personal development, and asset acquisition.

Younger members primarily accessed loans to support education, personal expenses, and entry-level asset ownership, while middle-aged members represented a significant share of the portfolio, reflecting higher borrowing activity associated with homeownership, vehicle financing, and family-related financial commitments. Senior members also remained an important segment of the loan portfolio, utilising credit products tailored to income stability, consolidation, and lifestyle needs.

This age-based distribution underscores the Credit Union’s commitment to lifelong financial partnership, ensuring that members can access appropriate and responsible credit solutions throughout their financial journey. The balanced portfolio further supports sound risk diversification and reinforces the sustainability of the Credit Union’s lending operations.



Delinquency Management

In 2025, the Credit Union strengthened its delinquency management framework and achieved measurable improvement in portfolio quality, despite ongoing economic pressures affecting members' repayment capacity. This performance reflects a coordinated and disciplined effort across Management, the Delinquency Unit, Loans & Credit Administration, Recoveries, the Executive Team, the Board of Directors, and the Supervisory and Compliance and Credit Committees.

Through proactive monitoring and targeted intervention, the Credit Union reduced its Portfolio at Risk (PAR 90) from 5.38% to 5.20%, representing a 0.22 percentage point improvement. This progress positions the institution closer to the internationally accepted prudential benchmark of 5%, underscoring the effectiveness of strengthened credit oversight and recovery strategies.

Central to this improvement was a member-focused approach to delinquency resolution. Customised repayment arrangements, loan rescheduling, and consistent engagement enabled members facing financial challenges to stabilise their accounts. Where necessary, structured recovery actions, including property realisation and financial counselling, were implemented to contain risk while maintaining fairness, respect, and transparency in member relations.

Notwithstanding these gains, the Credit Union remains attentive to prevailing risks such as economic volatility, unemployment, and fluctuations in the property market, all of which may influence future delinquency trends. These realities continue to require disciplined monitoring and flexible response mechanisms.

Looking ahead, the Credit Union will deepen its emphasis on early intervention, enhanced communication, and strengthened economic risk assessment. Continued support will be extended to members experiencing financial difficulty through tailored arrangements aimed at restoring account performance and safeguarding long-term financial stability.

Overall, the results achieved in 2025 affirm the Credit Union's commitment to balancing strong financial discipline with member-centric support, ensuring responsible credit management while remaining responsive to member needs.

Conclusion

The Credit Committee is satisfied that throughout the financial year ended 31st December 2025, the lending operations of Ariza Credit Union were conducted in a manner that was prudent, compliant, member-focused, and aligned with the institution's strategic objectives. The Committee exercised its mandate with diligence and independence, ensuring that credit decisions were guided by sound risk assessment, fairness, and the long-term interests of the membership.

The performance of the loan portfolio demonstrates steady, disciplined growth, supported by consistent demand across core lending categories. Importantly, this growth was achieved while maintaining effective oversight of credit risk, evidenced by improved delinquency metrics and strengthened recovery mechanisms. The reduction in Portfolio at Risk (PAR 90), despite continued economic pressures, reflects the effectiveness of coordinated credit administration and a balanced approach to delinquency management that combines firmness, empathy, and early intervention.

The Committee notes with approval the diversification of lending across age groups, genders, and loan categories, reinforcing the Credit Union's mission of inclusive and equitable access to credit. Product innovation, competitive pricing, flexible credit facilities, and targeted outreach, particularly within rural communities and the diaspora, continued to enhance member engagement and confidence in the institution.

Equally significant was the strengthened emphasis on member wellbeing, demonstrated through tailored repayment arrangements, financial counselling, and responsible lending practices designed to prevent over-indebtedness. These efforts underscore the Credit Union's evolution from transactional service delivery toward a deeper, more enduring financial partnership with its members.

From a governance perspective, the Committee confirms that it operated in full compliance with the Credit Union's By-laws, lending policies, and applicable regulatory requirements. Regular meetings were held, records were properly maintained, and no material breaches were identified during the period under review. Recommendations for policy refinement and operational enhancement were submitted to the Board as part of the Committee's ongoing commitment to continuous improvement.

Strategic Outlook

As the Credit Union forges ahead into the new financial year, the Credit Committee affirms a deliberate strategic shift in emphasis. While portfolio growth remains important to institutional sustainability, the primary focus will not be driven by aggressive expansion of loan volumes alone. Instead, the organisation is committed to deepening relationships, strengthening trust, and enhancing the financial well-being of members.

This approach recognises that sustainable success is built not merely on the size of the loan portfolio, but on the quality of member relationships, responsible borrowing outcomes, and the institution's ability to support members through changing economic circumstances. The Committee will therefore continue to promote lending practices that are purpose driven, affordability focused and aligned with members' long-term financial stability.



In conclusion, the Credit Committee is confident that its responsibilities were effectively and responsibly discharged during the year ended 31st December 2025. The Committee remains steadfast in its commitment to strong credit governance, prudent risk management, and a member-centric philosophy that ensures Ariza Credit Union continues to deliver meaningful, lasting value, today and into the future.

Deshon J Harris

Deshon Harris
Chairperson





Ariza
Credit Union
<tellers>
withdrawals / deposits

Get the Ariza Advantage!
Introducing a flexible way to grow your savings

Ariza Advantage Account

3.5%
Interest per annum

EC\$10,000
minimum first deposit

5 year fixed term
with roll over on maturity

Unlimited Deposits

Loan Security

No Monthly Fees

AAA MEMBER PRIVILEGES

- Priority service at branches
- Personalised invitations to Ariza member events
- Early access to new products and promotions
- Quarterly incentives

© 423-2307 | 440-1759 | ARIZACU.COM

Get the Ariza Advantage!

Introducing a flexible way to grow your savings



Ariza Advantage Account



3.5%
Interest per annum

EC\$10,000
minimum first deposit

5 year fixed term
with roll over on maturity

Unlimited Deposits

Loan Security

No Monthly Fees

AAA MEMBER PRIVILEGES

- Priority service at branches
- Personalised invitations to Ariza member events
- Early access to new products and promotions
- Quarterly incentives

© 423-2307 | 440-1759
ARIZACU.COM



Rates Just For You

Account	New Rate
Retirement Account	4.25%
Second Savings	2.00%
Lifetime Savings	3.00%
Educational Savings	4.00%
Fixed Deposit: 1 year	2.50%
Fixed Deposit: 3 years	3.00%
Fixed Deposit: 5 years	3.50%



© 423-2307 | 440-1759 | ARIZACU.COM



Kenny Morain
Ariza Member



SUPERVISORY & COMPLIANCE COMMITTEE



SIS. JODIE ANNE JOHNSON
CHAIRPERSON



SIS. TARRISA ETTIENNE-GRENADE
SECRETARY



BRO. DAVON BAKER
MEMBER



SIS. KISHONNA HYPOLITE
MEMBER



BRO. RENNIE HENRY
MEMBER



SUPERVISORY & COMPLIANCE COMMITTEE

REPORT 2025

1.0 INTRODUCTION

As the Chair of the Supervisory and Compliance Committee (“SCC”), I am honoured to present this report in accordance with the Credit Union’s By-laws and the mandate given at the last Annual General Meeting. This report covers the financial year ending 31st December 2025.

Composition

At the first meeting of the Supervisory and Compliance Committee, subsequent to the June 2025 Annual General Meeting (AGM), the Committee comprised:

- Sis. Jodie-Anne Johnson -into the second year of her first three-year term — Chairperson
- Sis. Tarissa Ettienne-Grenade — into the first year of her first three-year term — Secretary
- Bro. Davon Baker — into the second year of his second three-year term

- Sis. Kishona Hypolite — into the first year of her first three-year term
- Bro. Rennie Henry — into the first year of his first three-year term

Following the AGM held on 30th June 2025, Bro. Adrian Strachan, Bro. Terrence Victor and Bro. Alan Francis demitted office.

2.0 MANDATE OF THE SUPERVISORY AND COMPLIANCE COMMITTEE

The SCC’s principal responsibility, according to the Co-operative Societies Act, is to ensure that all actions and decisions of the Board, Committees, Management, and Staff, relating to the affairs of the Credit Union, are in accordance with the Act, the Regulations, the By-laws, and the approved standards and policies of the Credit Union.

As part of its mandate, the SCC engaged in a combination of in-person and virtual meetings/working sessions,

bi-monthly at times, to conduct various tasks to fulfill its mandate. Our efforts were supported by the dedicated staff of the Risk and Compliance Department and the Recoveries Department.

Based on the SCC's findings, the SCC sought to commend and encourage areas of strength and proposed appropriate recommendations for improvements where possible.

I extend my heartfelt gratitude to the team for their unwavering trust and support.

3.0 REVIEW OF MINUTES AND PAPERS OF MEETINGS OF THE BOARD OF DIRECTORS

The SCC conducted a thorough monthly review of the Board of Directors' meeting minutes to ensure that the decisions and actions taken by the Board, Committees, Management, and Staff related to the affairs of the Credit Union were in compliance with the Act, Regulations, By-laws, and approved standards and policies.

The Board's timely provision of the minutes and supporting documents for meetings held during the year under review is noted with appreciation by the Committee.

4.0 REVIEW OF MANAGEMENT ACCOUNTS, RATIOS, AND DELINQUENCY DATA

During the period January 2025 to November 2025, the SCC consistently reviewed the delinquency data and management ratios. The reviews highlighted persistent challenges in asset quality, liquidity management, member growth, and capital adequacy, alongside intermittent improvements resulting from management interventions.

Delinquency Trends

Overall, the delinquency remained above the 5% benchmark for most of the year, with notable volatility across all loans overdue (30, 60, and over 90 days) reporting categories. Delinquent loans, 30 and 60 days overdue, were of particular concern throughout the year, with combined repeated increases, especially during the first half of the year and immediately after mid-year. Delinquent loans more than 90 days fluctuated, with periods of improvement offset by subsequent increases. While overall delinquency improved between September and November 2025, all categories continued to exceed acceptable benchmarks.

The SCC acknowledged management's efforts in improving collections during the latter part of the year; however, delinquency levels remain elevated and continue to pose a material risk to asset quality.



Asset Quality and Loan Growth

Asset quality deteriorated from December 2024 to November 2025, reflecting rising delinquency and aggressive loan growth. The loan-to-deposit ratio consistently exceeded the 90% target, reaching as high as 99% by November 2025, increasing liquidity risk.

The SCC cautioned that ambitious loan growth targets may contribute to higher non-performing loans if not carefully managed.

Liquidity and Financial Structure

Liquidity is reported to be at minimal levels, requiring continuous and close monitoring. Savings deposits to total assets generally (slightly above at times) remained within the 70–80% target range, though periods of decline in savings growth limited flexibility in achieving optimal financial structure. The SCC emphasized the need for a better balance between loan expansion and deposit growth.

Capital Adequacy and Membership Growth

Member share capital to total assets remained below the 3% benchmark throughout the year.

The growth rate of share capital and membership continued to fall significantly below benchmark levels, presenting

a long-term sustainability concern. The SCC requested updates on initiatives aimed at boosting membership and share capital, as it was noted that results were not yet evident.

Non-Earning Assets

Non-earning assets improved during the first half of the year but remained well above the 5% benchmark, indicating inefficient use of resources. The SCC expressed concern regarding the lack of effective deployment of these assets to generate income.

Recommendations

Based on this year's observations, the SCC recommends the following:

Strengthen Credit Risk Management

- Implement tighter underwriting standards and reinforce post-disbursement monitoring.
- Prioritise early intervention strategies for overdue loans within the 30 and 60-day overdue categories to prevent migration to greater than 90 days past due.

Sustain and Enhance Collections Efforts

- Review and improve collection strategies.
- Establish attainable collection targets and regularly report outcomes.

Balance Loan Growth and Liquidity

- Re-assess loan growth targets to ensure alignment with deposit growth and liquidity capacity.
- Closely monitor the loan-to-deposit and liquidity ratios to mitigate solvency and operational risks.

Improve Capital and Membership Growth

- Develop, implement, and re-evaluate initiatives to increase member share capital and membership growth.
- Revise the membership growth target to a more realistic and achievable level, taking into account potential market saturation.

Optimise Non-Earning Assets

- Identify opportunities to deploy non-earning assets more effectively to enhance income generation.
- Establish a clear strategy to reduce non-earning assets toward the 5% benchmark.

Ongoing Oversight and Reporting

- Continue rigorous monthly monitoring of delinquency and key ratios.
- Ensure timely escalation of emerging risks to allow for proactive action.

5.0 CASH COUNTS

During the period under review, the SCC successfully conducted cash counts at all branches of the Credit Union. The objective of the cash count was to act as a vital internal control, ensuring accuracy, preventing fraud, ensuring financial integrity, and reconciling balances by confirming the cash on hand matches ledger records through surprise independent verification of teller drawers and vaults. The



cash count provided a great learning opportunity for the Committee's newest members.

The Committee acknowledged the accuracy of the cash count findings and commended the staff for their excellent co-operation.

6.0 REVIEW OF SAMPLE OF LOAN FILES

In September and October 2025, the SCC reviewed a sample of loan files for loans disbursed in 2024 to determine whether loan processing was consistent with Credit Policy and Procedures.

- The SCC recommends continuous training for Loan Officers on evaluating loan applications and creditworthiness.

7.0 LOANS ISSUED TO DIRECTORS, COMMITTEE MEMBERS & EMPLOYEES

A sample of loans issued to directors, committee members, and employees during the period January 2024 to September 2025 was reviewed by the SCC. The SCC's findings revealed no material concerns regarding these disbursements.

8.0 CONSIDERATION OF 2024 AUDIT MANAGEMENT LETTER AND MANAGEMENT'S RESPONSE

The SCC conducted a comprehensive review of the 2024 Audit Management Letter and Management's Response, offering its observations and recommendations. The SCC also noted the comments and recommendations made by the Credit Union's Auditor regarding Bank Reconciliations, Member Loan files, and the Expected Credit Loss Model.

9.0 REVIEW OF QUARTERLY COMPLIANCE REPORTS

During the period under review, the SCC examined quarterly compliance reports, which provided an overview of the Credit Union's efforts and effectiveness in preventing and detecting Money Laundering and Terrorist Financing Activities. These reports allowed the SCC to monitor the effectiveness of internal controls, ensure adherence to laws and regulations in order to protect the safety and soundness of the Credit Union. The SCC noted the ongoing challenges related to efficient transaction monitoring.

The Committee recommends the implementation of the RiskCalm technology as a priority to address the challenges related to efficient transaction monitoring.

10.0 CONSIDERATION OF THE ANTI-MONEY LAUNDERING (AML) POLICY

The SCC reviewed the 2025 Board-approved AML Policy. The SCC is pleased with the contents of the AML Policy and looks forward to the successful implementation.

11.0 OTHER MATTERS

11.1 OECS Summit

The 18th Annual OECS Summit was held in St. Kitts in September 2025, focusing on the theme “One Vision, One Future, OECS Credit Union Growing Together”. The Summit also focused on modernising regulation, green lending, investment diversification, member engagement, IT ecosystems, governance, and strategic growth. A representative from the SCC was part of the delegation from Ariza Credit Union that attended the Summit.

11.2 Engagement with the Head of the Delinquency Unit

During the month of October 2025, the SCC met with the Head of the Delinquency Unit to discuss the effectiveness of the strategies currently employed by the Unit to address the high delinquency faced

by the Credit Union. The Committee also noted the concerns raised by the Unit during the meeting.

The Committee commended the Unit on its continued efforts to reduce loan delinquency through strengthened loan underwriting, monitoring, and improved adherence to recovery procedures. The Committee recommends that the Credit Union improve its recovery efficiency while maintaining a compassionate approach towards the best interest of members.

11.3 Engagement with the Credit Committee

The SCC met with the Credit Committee in September 2025 to examine the Credit Committee’s loan approval procedures. The Committee also noted the concerns raised by the Credit Committee during the meeting. The Committee recommended the following:

- Development of a policy document to guide loan processes, including a mandated checklist of documents that must accompany all loan files.
- The Credit Committee should be provided with



the delinquency data monthly, including a list of the categories of loans that often fall into delinquency. This data would assist the Credit Committee in identifying high-risk categories and adjusting approval criteria when approving loan applications.

11.4 Self-Evaluation of the 2024/2025 Supervisory and Compliance Committee and Its Members

The SCC conducted its annual self-evaluation. The review highlighted areas where the Committee and individual members performed satisfactorily and outlined areas for improvement.

12.0 ACKNOWLEDGEMENT

The Supervisory and Compliance Committee extends its heartfelt appreciation to the Board of Directors, Credit Committee, Management, Staff, and Membership of the Credit Union for their support and opportunity to serve in the best interest of the Credit Union and its members.



Sis. Jodie-Anne Johnson
Chairperson
Supervisory and Compliance Committee



Sis. Gerlan Peters-Toussaint
Ariza Employee



NOMINATING COMMITTEE

REPORT 2025

Composition

Bro. Kimanii Daniel	Chair
Bro. Aaron Moses	Member
Sis. Karel Hood	Member
Sis. Gemma Bain-Thomas	Member (absent with excuse)
Sis. Amanda Gittens	Member

The Committee was constituted in accordance with Section VII. VI (53) of the Credit Union's By-laws.

Meeting

The Nominating Committee held two meetings in the lead-up to the Annual General Meeting: on 18th December 2025 and 17th March 2026. The initial meeting dealt with the review of the competencies for prospective nominees, while the second meeting was held to select nominees for the Board and the Credit Committee.

There were four (4) continuing members and one (1) new member appointed to the Nominating Committee. Bro. Daniel welcomed

and thanked them for their willingness to serve the Ariza Credit Union.

The meeting reviewed the competencies listed for the positions that became vacant upon the completion of the term of office for departing Directors and committee members. The meeting noted gaps in the current Board's legal, accounting, and human resources competencies.

Notices

Notices of vacancies and invitations for nominations to positions on the Board of Directors and the Credit Committee were published in the local print media, sent via SMS, and posted on Ariza's website.

Deliberations

The Committee was guided in its deliberations by the following:

- The skill sets advised for the Board of Directors included the areas of Risk, Business Management Leadership (Practical experience leading business within the private sector), Law,

Finance and Accounting, Human Resource Management, and Governance.

- The skill sets advised for the Credit Committee included the areas of Credit Risk Analysis, Finance, Business Management, Operations Management, and Project Management.
- Individual qualities, including commitment, available time to attend to the business of the Credit Union, ability, and willingness to represent the interests of the Credit Union at various levels locally and abroad.
- Opportunities for involving younger members of the Credit Union.
- Relating to the Credit Committee, the ability to analyse the financial viability of projects and appreciate a risk-based approach to lending strategies. Also, the ability to contribute and underpin discussions leading to the development of new products and strategies.

The requirements of the Act and By-laws are as follows:

- Is eighteen (18) years or over
- Is a citizen or legal resident of Grenada
- Is a descendant of a citizen of Grenada, irrespective of place of birth and residence

- Is a citizen of the OECS or CARICOM
- Holds twenty-five (25) fully paid qualifying shares
- Has been a member for not less than six (6) months
- Saved and/or conducted business transactions regularly, maintaining an active account(s)
- Is in good financial standing

Vacancies

Outlined below are the vacant positions for consideration by the Committee:

Board of Directors

There were three (3) vacancies on the Board of Directors as follows:

1. One three-year term to replace Sis. Lyndonna Hillaire-Marshall, who has completed her tenure with the Board and is not eligible for re-election.
2. One three-year term to fill the vacancy of Sis. Alana Twum-Barimah, who has completed her 1st three-year term and is eligible for re-election.
3. One three-year term to fill the vacancy of Sis. Tricia St. Bernard, who has completed her 1st three-year term and is eligible for re-election.



Credit Committee

There were two (2) vacancies on the Credit Committee as follows:

1. One three-year term to fill the vacancy of Sis. Desiree Stephen, who has completed her 1st three-year term and is eligible for re-election.
2. One three-year term to fill the vacancy of Sis. Judy Pivotte, who has completed her 1st three-year term and is eligible for re-election.

2026 Nominees

1. Carlisha Phillip
2. Clifford Bailey
3. Sharamah La Crette-Frederick
4. Shauna Bertrand
5. Nathan Peters
6. Deslyn Douglas
7. Trevor Rodney
8. Stephanie Sylvester
9. Dahelia Thomas
10. Burke Braveboy
11. Nia Adams

12. Nikesha Pace
13. Merlissa Alexander
14. Alana Twum-Barimah
15. Tricia St. Bernard
16. Desiree Stephen
17. Judy Pivotte

Board of Directors

The Nominating Committee considered eleven (11) nominations and two (2) incumbents who are eligible to serve a second three-year term as follows:

- Carlisha Phillip
- Clifford Bailey
- Sharamah La Crette-Frederick
- Shauna Bertrand
- Nathan Peters
- Deslyn Douglas
- Trevor Rodney
- Stephanie Sylvester
- Dahelia Thomas
- Burke Braveboy
- Nia Adams
- Alana Twum-Barimah
- Tricia St. Bernard

Credit Committee

The Nominating Committee considered five (5) nominations and two (2) incumbents who are eligible to serve a second three-year term as follows:

- Shauna Bertrand
- Deslyn Douglas
- Nia Adams
- Nikesha Pace
- Merlissa Alexander
- Desiree Stephen
- Judy Pivotte

Based on the criteria for serving on the various committees, twelve (12) of the seventeen (17) nominees were eligible to serve.

Guidelines and Governance Training

The Nominating Committee noted and adopted the Guidelines and Scorecard for considering nominees to the Board of Directors and Committees. These guidelines detailed the skill sets recommended for each Committee. The Nominating Committee also considered the performance of the members of the Board of Directors and Committees eligible for re-election.

The Nominating Committee noted that the criteria provided applied equally to the Board and other Committees.

The Governance training was held on the 11th February 2026 and focused on the following key areas:

- The Credit Union Difference
- Effective Governance
- Role of the Regulator and Statutory Obligations of the Credit Union
- Financial Structure of Ariza and Prudential Standards

Recommendations

After considering the guidelines and the nominations received, the Committee noted the increase in the number of applicants received this year. It was also noted that the incumbents, who were eligible for re-election, had performed well during this initial term, and therefore, with the need for continuity and stability, the Nominating Committee recommends as follows:

- **Board of Directors**
 1. Alana Twum-Barimah
 2. Tricia St. Bernard
 3. Dahelia Thomas
- **Credit Committee**
 1. Judy Pivotte
 2. Desiree Stephen



The bios of the nominees are annexed to this report.

Additional Recommendations

During its deliberations, the Nominating Committee noted the ambiguity of the criterion and hereby recommends reviewing the By-laws as they pertain to the selection criteria for nominations.

Acknowledgements

Members of the Nominating Committee express appreciation to the Board of Directors for the opportunity given to serve and to the Management and Staff for providing the necessary support for their work. The Nominating Committee also thanks all who expressed interest in serving on the Credit Union's various committees, as well as all members who have contributed to this aspect of our governance during their tenure.



Kimanii Daniel
Chair



Kerr-Michael Paul
Ariza Member

TREASURER'S REPORT 2025

In accordance with Section 130 (1) of the Cooperative Societies Act No. 20 of 2017, the audited Financial Statements of the Credit Union are presented, along with an overview and analysis of its financial performance for the year ended 2025.

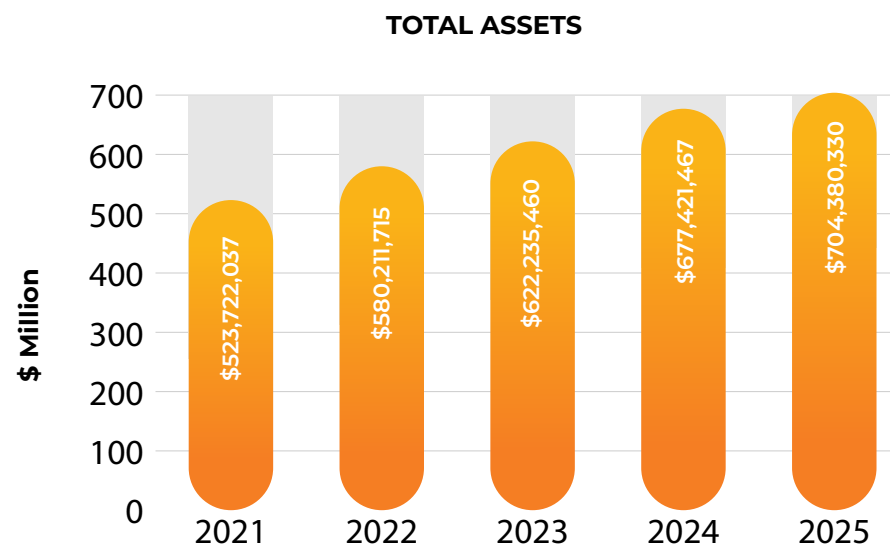
The year 2025 marked a period of reflection and strategic repositioning for Ariza. In the aftermath of the challenges posed by Hurricane Beryl and the cyber incident, the Credit Union demonstrated resilience by delivering another strong financial performance, evidenced by steady growth across key areas and a robust operating surplus.

Loan portfolio growth of 10.09%, Institutional Capital growth of 13.01%, Asset growth of 3.98%, and Deposit growth of 8.67% were the primary drivers of this performance. Notably, the Credit Union recorded its strongest financial outcome to date, with an operating surplus of \$13.3 million. This achievement reflects the continued confidence and commitment of our members to the Credit Union's philosophy, supported by prudent financial stewardship and sound leadership.

ASSETS

Assets represent resources owned by the Credit Union that contribute, either directly or indirectly, to the generation of cash flows.

Graph 1.1 illustrates the trend in asset growth over the past five years.



Graph 1.1

Ariza's assets are further classified into two primary categories:

- I. Earning Assets
- II. Non-Earning Assets

Earning Assets

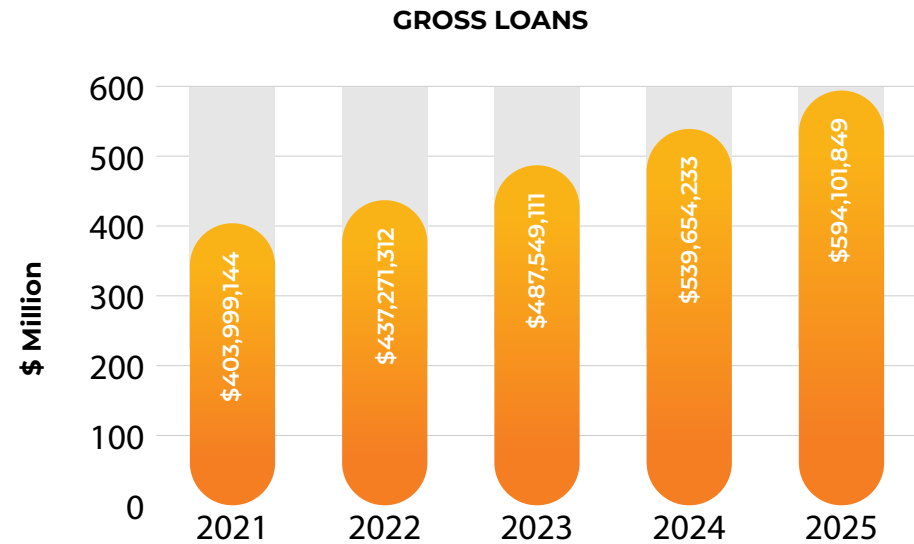
Earning Assets identifies those assets through which a return is directly generated. Ariza's earning assets consists of Investments.

Investments are made predominantly in our members through loans. Additionally, investments via financial assets and real property are also pursued.

Members' Loans

Members' loans continue to represent the largest component of the Credit Union's asset base and remain the primary source of revenue, accounting for 81.07%. At the end of 2025, the gross loan portfolio stood at \$594.1 million, reflecting an increase of \$54.4 million, or 10.09%, over the previous year. Total loans disbursed during 2025 amounted to \$159.2 million.

Graph 1.2 illustrates the growth in gross loans over the past five years.



Graph 1.2

Loans past due by 90 days, as well as those that have experienced a significant increase in credit risk and/or are considered impaired, stood at \$30.86M, representing 5.20% of the gross loan portfolio as of December 31, 2025. This reflects a decrease of \$575K or 2.56%, when compared to 2024.

Continued emphasis will be placed on strengthening credit quality. The Credit Union, therefore, encourages a collaborative effort as we work toward improving this ratio.

Financial Assets

The financial assets held by Ariza are primarily in the form of term deposits, treasury bills, and equity investments.



Ariza Credit Union classifies its financial assets into two main categories:

I. Available-for-Sale Financial Assets

These consist of equity investments in shares held by the Credit Union in other institutions. Returns on these assets are received in the form of dividends. As of the end of 2025, available-for-sale financial assets totaled \$1.56 million.

II. Loans and Receivables

These financial assets comprise term deposits, treasury bills, and repurchase agreements. Income is earned in the form of interest upon the maturity of these instruments.

At the end of 2025, total financial assets stood at \$58.6M. This represented an increase of \$1.4M or 2.46%. In accordance with International Financial Reporting Standard (IFRS) 9, the Credit Union conducts annual reviews of its financial assets to assess impairment, considering relevant forward-looking indicators.

Investment Property

The Credit Union's principal investment properties include the following:

- Ridgeway Development – Morne Jaloux, St. George
- Undeveloped Lands at La Borie, St. George
- Undeveloped Lands at Grand Anse, St. George
- Car Park at Bruce Street, St. George's

•

Revenues from the Car Park for the year 2025 amounted to \$552K, representing an increase of \$66K or 13.5%, over the \$486K recorded in 2024.

During 2025, two residential units progressed to the final stages of completion. Sales contracts for these properties were executed, with revenue recognition scheduled for the first quarter of 2026 in accordance with applicable accounting standards.

Non-Earning Assets

Property, Plant and Equipment (PPE)

Property, plant and equipment represent long-term assets utilized in the operations of the Credit Union. In 2025, this category increased from \$24.72M to \$24.91M, reflecting a \$187K increase.

Cash and Cash Equivalents

The Credit Union maintained an overall liquidity ratio of 16.76%, exceeding the prescribed standard of 15% by 1.76 percentage points, while continuing to ensure sufficient resources to meet its operational requirements. This was achieved through efficient management and utilization of idle cash.

During the year, non-earning cash decreased by \$11.1M, driven in part by a reduction in non-interest-bearing liabilities and the strategic reallocation of funds to support loan growth.

LIABILITIES

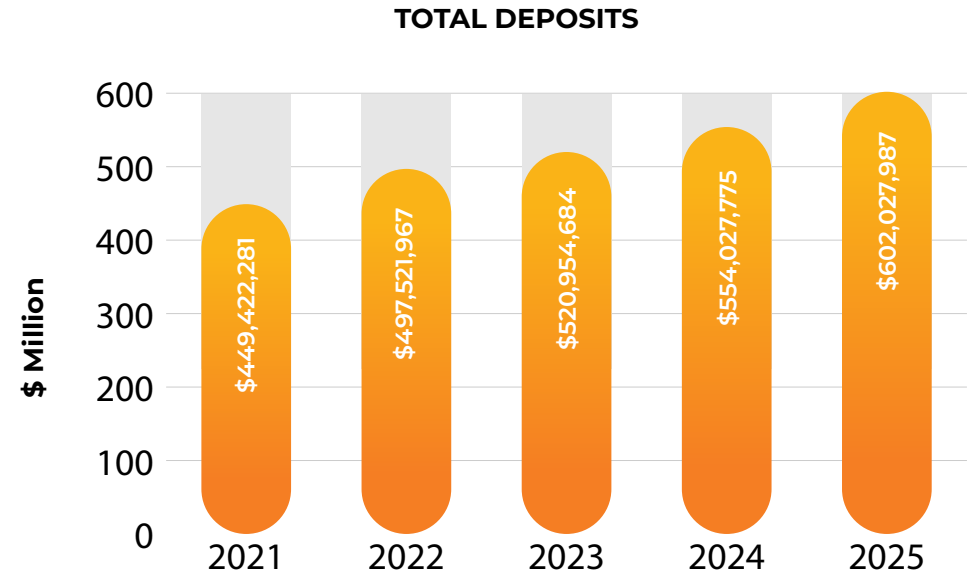
Liabilities represent the financial obligations of the Credit Union, reflecting amounts owed to members and other institutions. The Credit Union's principal liabilities consist of members' deposits and savings.

Lifetime Savings/Other Deposits

In 2025, the Credit Union's deposit portfolio continued to attract interest from both members and non-members. By year-end, the portfolio stood at \$602M, representing growth of \$48M, or 8.66% compared to 2024. This growth was largely driven by the review and subsequent adjustment of interest rates, which played a pivotal role in enhancing deposit uptake.

The introduction of the premium Triple A Product received positive feedback and contributed notably to growth during the final month of the year. Over the course of 2025, the Lifetime Savings portfolio increased by \$25.5 million, or 8.03%, Fixed Deposits grew by \$10.7 million, or 11.98%, and Retirement Savings recorded a 9.7% increase over the 2024 baseline.

Graph 1.3 illustrates the growth in total deposits over the past five years.



Graph 1.3

Non-Interest-bearing liabilities

Non-interest-bearing liabilities are obligations that do not accrue interest. They primarily consist of ATM/debit card settlements with other institutions and interest payable on deposits. For the year ended 2025, these liabilities decreased by \$32.3M, or 91%, largely due to the streamlined settlement processes implemented across the Connex Network.

Capital

Capital serves as the financial foundation of the Credit Union, representing the excess of assets over liabilities. The capital base is structured into the following components:



- I. Equity Shares
- II. Institutional Capital
- III. Other Funds and Reserves

Other Equity Shares

Equity shares represent a member's investment in excess of the mandatory qualifying shares, providing the opportunity to participate in the Credit Union's year-end surplus through the payment of dividends. In 2025, equity shares increased by \$1.7M, or 10.10%, reflecting the growth in membership of 4.78% over the period. By year-end, the total balance of equity shares stood at \$18.09M.

Institutional Capital

At the end of 2025, the Capital to Total Assets ratio stood at 14.08%, with Institutional Capital accounting for 10.68%. This represented an increase of 1.11 percentage points from 12.97% in 2024. Under the Co-operative Societies Act, the benchmark for capital-to-Total-Assets is 10%, with Institutional Capital required to exceed 7%. This 7% threshold serves as the basis for determining eligibility for dividend payments.

Institutional Capital is comprised of the following components:

- I. Qualifying Shares** — These represent the 25 mandatory shares that define membership eligibility. Qualifying Shares stood at

\$12.17M in the year 2025. This represented a growth of \$700K or 6.11%.

- II. Statutory Reserve** — This reserve is set aside from the Credit Union's surplus to strengthen its capacity to withstand external or internal shocks, such as bad debts or asset impairments. While the law mandates a 20% transfer to this reserve, Ariza Credit Union has consistently maintained a 25% transfer. At the end of 2025, the Statutory Reserve grew by \$3.24 million, bringing the year-end balance to \$27.68M.

- III. Accumulated Surplus** — Accumulated surplus stood at \$35.39M at the end of 2025.

Statement of Comprehensive Income

In 2025, the Credit Union earned total income of \$45.97M, compared to \$42.4M in 2024. Income from loans amounted to \$41.9M, while non-interest income totaled \$4.08M. Loan interest income increased by \$3.23M, or 8.4%, over the prior year.

Interest on deposits and other finance costs totaled \$13.8M, representing an increase of \$867K, or 6.7%, compared to 2024.

As of December 2025, total operating expenses stood at \$18.8M, an increase of \$1.58M, or 9.16%, over 2024. The main contributors to this increase were:

- I. Higher finance costs due to deposit growth
- II. Increased personnel expenses reflecting an expanded staff complement and salary increases

Despite the rise in operating expenses, the Credit Union maintained strong cost efficiency, recording an operating expense-to-total-assets ratio of 2.67%, well below the maximum standard of 5%.

Ariza recorded a surplus before provisions of \$13.33M. Surplus before appropriation amounted to \$11.18M, an increase of \$2.75M, or 33%, over 2024. This represents a return on average total assets of 1.62%.

A rebate of 3%, equivalent to \$1.11M, on loan interest has been approved, and a proposal has been made to pay a maximum dividend of 5%, or \$1.24M.

As we step into 2026, reflecting on the theme *“Membership Redefined: Protecting Our Members, Securing Our Future,”* we renewed our commitment to placing our members at the heart of everything we do. This means strengthening the safeguards that protect your financial well-being, embracing innovation to

better serve your evolving needs, and building a more resilient institution for generations to come. Together, we will redefine what it means to belong—not just as members, but as partners in progress—ensuring that our Credit Union continues to thrive as a trusted pillar of security, opportunity, and shared success.



Tricia St. Bernard
TREASURER



RATIO ANALYSIS

Ratio Analysis	Goal	Dec-25	Dec-24
Protection			
Provision for Loan Losses /Del>12 Months	100%	100%	100%
Provision for loan losses /Loans del<12 months	35%	35%	35%
Solvency	>=110%	116%	115%
Effective Financial Structure			
Net Loans/Total Assets	70-80%	81.07%	76.35%
Savings deposits/total assets	70-80%	85.47%	81.79%
Asset Quality			
Balance of Del loans >90 /Gross Loan Portfolio	<=5%	5.20%	5.38%
Non-Earning Assets/Total Assets	<=5%	8.36%	12.91%
Rates of Return and Cost (Annualized)			
Fin Investment Income/Avg. fin investments	Market Rate 2%	3.34%	3.60%
Fin costs:savings deposit/average sav deposits	Market Rate 2%	2.19%	2.21%
Operating Expenses/average Total Assets	<=5%	2.72%	2.67%
Liquidity			
Liquid Assets-ST payables/unemcumbered deposits	Min 15%	16.76%	16.00%
Signs of Growth (Annualized Growth Rate)			
Total Assets	> inflation+10%	3.98%	8.87%
Loans to Members	5%	10.09%	10.69%
Savings deposits	5%	8.57%	6.35%
Share Capital (N)	Min 15%	8.46%	69.92%
Institutional Capital	Min 10%	13.01%	18.15%
Membership	Min 15%	4.78%	4.65%



ARIZA CREDIT UNION LIMITED

Financial Statements

For the year ended
December 31, 2025

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	86
Statement of Financial Position	91
Statement of Comprehensive Income	93
Statement of Changes in Members' Equity	95
Statement of Cash Flows	96
Notes to the Financial Statements	98

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARIZA CREDIT UNION LIMITED

Opinion

We have audited the financial statements of Ariza Credit Union Limited as set out on pages 91 to 142, which comprise the statement of financial position as at December 31st, 2025 and the statements of comprehensive income, changes in members' equity and statement cash flows for the year then ended, and a summary of notes to the financial statements including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as at December 31, 2025 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibility for the audit of the financial statements section of our report. We are independent of the Credit Union in accordance with the International Ethics Standards Board of Accountants International Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Grenada, and we have fulfilled our 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on these matters.



Key Audit Matters	How our audit addresses the key audit matters
<p>1. Expected Credit Loss</p> <p>IFRS 9, Financial Instruments, requires Ariza Credit Union Limited to evaluate credit losses using an expected credit loss (“ECL”) model. This approach requires management to make judgements and assumptions in the determination of the probability of default, loss given default and the application of forward-looking information.</p>	<p>We assessed and tested the design and operating effectiveness of controls over:</p> <ul style="list-style-type: none"> • Management’s process for making lending decisions inclusive of the approval, disbursement and monitoring of loans and advances to customers. • Management’s process for the determination of expected credit losses. • The completeness and accuracy of data used to determine the allowance for ECL, including transactional data captured at loan origination, internal credit quality assessments, storage of data and computations.
<p>Expected Credit Loss continued</p> <p>IFRS 9 requires Ariza Credit Union Limited to record allowance for ECLs for all loans and advances to customers and other financial assets not measured at fair value through profit or loss.</p> <p>Management is continuously assessing the assumptions used in determining the allowance for ECL process, and estimates are updated to account for current market and economic conditions.</p> <p>The allowance for ECL on loans and advances to customers is considered to be a significant matter as it requires the application of judgement and use of subjective assumptions by management. The identification of impairment and the determination of the recoverable amounts are an inherently uncertain process involving various assumptions and factors including the financial condition of the counterparty and the timing and amount of expected future cash flows</p>	<p>We performed the following procedures:</p> <ul style="list-style-type: none"> • Reviewed the provision for loan loss policy and evaluated the modeling methodologies developed by Ariza Credit Union Limited in order to estimate ECLs and assessed their compliance with IFRS 9. • Assessed the adequacy of the provision for loan losses by testing the reasonableness of the methodologies and assumptions applied in determining 12-month and lifetime probability of default, loss given default, exposure at default, loan staging and the key assumptions and methodology for incorporating forward-looking information used in the Ariza Credit Union Limited ECL calculations. • Tested the completeness and accuracy of the data used in the models to the underlying accounting records. • Finally, we assessed the adequacy of the disclosures in the financial statements





<p>2. Fair Value of investments</p> <p>Ariza Credit Union Limited invests in various investment securities (Bonds and shares) measured at fair value. Valuation techniques for these investments can be subjective in nature and involve various assumptions regarding pricing factors. The techniques used in valuing these investments include the use of recent arm's length transactions, reference to other instruments that are substantially the same and discounted cash flow analyses making maximum use of market inputs, such as the market risk free yield curve.</p>	<p><i>Our procedures included the following:</i></p> <ul style="list-style-type: none"> • We review the reasonableness of the methods and assumptions used in determining the fair value of investment securities. • We review the fair value and recalculate the unrealized gain or (loss) recognized. • We also reviewed management's assessments of whether there are any indicators of impairment including those securities that are not actively traded. • Finally, we assessed the adequacy of the disclosures in the financial statements
--	--

Other Information included in the Annual Report

Management is responsible for any other information that does not form part of these financial statements including their annual report. Our opinion on these statements does not cover other information and therefore we do not express any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in so doing, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work that we have performed, we concluded that there is a material misstatement of the other information, then, we are required to communicate the matter to those charged with governance.

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

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

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



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

Auditors' responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a higher level of assurance but is not a guarantee that 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk 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 omission, misrepresentation or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosure 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 doubts on the Credit Union's ability to continue as a going concern.

If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosure 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 auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.





Auditors' responsibilities for the Audit of the Financial Statements Continued

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Hyacinth Jeremiah.

St. George's
Grenada
April 13, 2026

A handwritten signature in dark ink, appearing to be 'HLB', written over a horizontal line.

HLB Grenada
Certified Chartered Accountants



ASSETS	Notes	2025	2024
Earning Assets			
Members' loans	7	571,680,467	518,001,706
Investment property	8	15,170,939	14,808,292
Investment securities	11	<u>58,627,363</u>	<u>57,172,370</u>
Total earnings assets		<u>645,478,769</u>	<u>589,982,368</u>
Non-Earning Assets			
Property and equipment	12	24,909,188	24,721,573
Other Assets			
Cash and cash equivalents	9	29,734,384	40,860,314
Accounts receivables and prepayments	10	<u>4,257,989</u>	<u>21,857,213</u>
Total non-earnings assets		<u>58,901,561</u>	<u>87,439,100</u>
Total Assets		<u>\$704,380,330</u>	<u>\$677,421,468</u>
EQUITY AND LIABILITIES			
Institutional Capital			
Members qualifying equity	16	12,171,460	11,470,935
Statutory reserve	17	27,681,737	24,439,596
Accumulated surplus		<u>35,385,889</u>	<u>30,668,182</u>
Total institutional capital		<u>75,239,086</u>	<u>66,578,713</u>



ARIZA CREDIT UNION LIMITED
 (Expressed in Eastern Caribbean Dollars)
 Statement of Financial Position as at December 31, 2025 Continued



Members' equity shares	18	18,085,812	16,426,579
Other Funds and Reserves			
Development fund	19 (a)	335,500	325,598
Education fund	19 (b)	2,066,486	1,730,986
Education savings plan fund	19 (c)	1,870,407	2,051,691
Provident fund	19 (d)	916,061	720,929
Disaster relief fund	19 (e)	<u>629,871</u>	<u>-</u>
Total other funds and reserves		5,818,325	4,829,204
Total Equity		<u>99,143,223</u>	<u>87,834,496</u>
Current Liabilities			
Members lifetime savings	13	342,688,616	317,205,594
Other deposits	14	259,339,371	236,822,181
Non-interest-bearing liabilities	15	3,204,215	35,265,066
Special pension liability		-	291,656
Other liabilities	15	<u>4,905</u>	<u>2,475</u>
Total Liabilities		<u>605,237,107</u>	<u>589,586,972</u>
Total Equity and Liabilities		<u>\$704,380,330</u>	<u>\$677,421,468</u>

Chairman 

Director 

The accompanying notes on pages 10 to 54 form an integral part of these financial statements



	Notes	2025	2024
Income from loans			
Interest from member loans		40,254,495	37,020,903
Fees and charges		2,889,515	2,812,426
Loan protection		(1,283,160)	(1,201,160)
Doubtful debts recovered		<u>22,220</u>	<u>19,660</u>
Net loan income		41,883,070	38,651,829
Income from liquid investments			
Interest on investments-dated securities		1,665,180	1,803,061
Interest investments -other		44,574	12,604
Other income		<u>2,372,478</u>	<u>1,947,476</u>
Total Income		<u>45,965,302</u>	<u>42,414,970</u>
Financial Costs			
Investment transaction cost		12,322	19,683
Interest on deposits		12,669,413	11,870,137
Life savings insurance		606,390	577,696
OD interest & bank Charges		<u>539,365</u>	<u>492,965</u>
		<u>13,827,490</u>	<u>12,960,481</u>
Gross Margin		32,137,812	29,454,489



ARIZA CREDIT UNION LIMITED

(Expressed in Eastern Caribbean Dollars)

Statement of Comprehensive Income for the year ended December 31, 2025

Continued



Operating Expenses			
Personnel		11,022,198	9,759,389
Governance		670,387	984,063
Marketing		1,325,568	1,147,224
Administration		4,660,713	4,272,812
Depreciation	12	<u>1,131,047</u>	<u>1,068,380</u>
Total Operating Expenses		<u>18,809,913</u>	<u>17,231,868</u>
Total Operating Surplus		13,327,899	12,222,621
Less: Provision for risk assets		(2,000,000)	(3,672,864)
Provision for vacation accrual		<u>(144,553)</u>	<u>(141,110)</u>
Surplus for the year before appropriation		11,183,346	8,408,647
Appropriations			
Transfer to: Statutory reserve	17	2,795,836	2,102,162
Development fund	19 (a)	335,500	252,259
Education of members fund	19 (b)	335,500	252,259
Education savings plan fund	19 (c)	335,500	252,259
Provident fund	19 (d)	335,500	168,173
Disaster relief fund	19 (e)	<u>223,667</u>	<u>-</u>
Total comprehensive income for the year		<u>\$6,821,843</u>	<u>\$5,381,535</u>

The accompanying notes on pages 10 to 54 form an integral part of these financial statements

ARIZA CREDIT UNION

(Expressed in Eastern Caribbean Dollars)

Statement of Changes in Members' Equity for the year ended December 31, 2025



	Qualifying and Equity Shares	Statutory Reserve	Other Funds and Reserves	Accumulated Surplus	Total
Balance at January 1, 2024	24,215,234	22,134,852	4,464,350	27,466,938	78,281,374
Net movement in shares	3,682,280	-	-	-	3,682,280
Entrance fees	-	24,340	-	-	24,340
Net movement on other funds and reserves	-	2,280,404	364,854	(3,027,113)	(381,855)
Dividends paid	-	-	-	(2,180,290)	(2,180,290)
Net surplus for the year	-	-	-	8,408,647	8,408,647
Balance at December 31, 2024	27,897,514	24,439,596	4,829,204	30,668,182	87,834,496
Net movement in shares	2,359,758	-	-	-	2,359,758
Entrance fees	-	24,476	-	-	24,476
Net movement on other funds and reserves	-	3,217,665	989,121	(4,118,647)	88,139
Dividends paid	-	-	-	(2,346,992)	(2,346,992)
Net surplus for the year	-	-	-	11,183,346	11,183,346
Balance at December 31, 2025	<u>\$30,257,272</u>	<u>\$27,681,737</u>	<u>\$5,818,325</u>	<u>\$35,385,889</u>	<u>\$99,143,223</u>

The accompanying notes on pages 10 to 54 form an integral part of these financial statements





	2025	2024
Cash flows from operating activities		
Surplus for the year before appropriation	11,183,346	8,408,647
Adjustments for non-cash transactions:		
Provision for risk assets	2,000,000	3,422,864
Provision for vacation accrual	144,553	141,110
Depreciation	1,131,047	1,068,380
Interest income	(41,919,674)	(38,823,964)
Interest expense	12,669,413	11,870,137
Net movement in reserves	<u>88,140</u>	<u>(381,857)</u>
Operating loss before working capital changes	(14,703,175)	(14,294,683)
Decrease/(Increase) in accounts receivable and prepay- ments	16,051,046	(5,769,802)
Increase in members' loans	(57,103,813)	(51,421,987)
Increase in members' deposits	25,483,022	22,670,097
Increase in other deposits	22,517,190	10,402,993
(Decrease)/Increase in non-interest-bearing liabilities	(32,807,036)	13,864,005
Decrease in pension liability	(291,656)	(1,223,830)
Increase in other liabilities	<u>2,430</u>	<u>(456)</u>
Cash used in operations	(40,851,992)	(25,773,663)
Interest received	43,467,852	38,588,023
Interest paid	<u>(12,067,785)</u>	<u>(12,091,172)</u>
Net cash (used in)/provided by operating activities	<u>(9,451,925)</u>	<u>723,188</u>
Cash flows from investing activities		
Purchase of property and equipment	(2,303,790)	(824,536)
Disposal of property and equipment	198	14,014
Change in investment property	(362,647)	(480,524)
Change in investment securities	<u>954,992</u>	<u>1,498,100</u>
Cash used in investing activities	<u>(1,711,247)</u>	<u>207,054</u>
Cash flows from financing activities		
Entrance fees	24,476	24,340
Dividends paid	(2,346,992)	(2,180,290)
Increase in members' shares	<u>2,359,758</u>	<u>3,682,282</u>
Net cash provided by financing activities	<u>37,242</u>	<u>1,526,332</u>

ARIZA CREDIT UNION LIMITED

(Expressed in Eastern Caribbean Dollars)

Statement of Cash Flows for the year ended December 31, 2025 Continued



Net change in cash and cash equivalents during the year

(11,125,930)

2,456,574

Cash and cash equivalents, beginning of year

40,860,314

38,403,740

Cash and cash equivalents at the end of the year

\$29,734,384

\$40,860,314

Represented by:

Cash on hand

8,158,065

6,179,816

Cash at bank

21,576,319

34,680,498

Net cash and bank balance

\$29,734,384

\$40,860,314

The accompanying notes on pages 10 to 54 form an integral part of these financial statements





1. PRINCIPAL ACTIVITY

The principal activities of Ariza Credit Union Limited (“The Credit Union”) centers around its mission of improving the quality of life of its members through sound financial solutions tailored to their needs. Over the past seventy-eight (78) years, the Credit Union has provided all-inclusive financial solutions to members including savings, investment and credit facilities

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as issued by the International Accounting Standards Board (IASB).

These financial statements were approved by the Board of Directors and authorized for issue on March 31st, 2026.

3. BASIS OF PREPARATION

These financial statements are expressed in Eastern Caribbean Currency and have been prepared in accordance with the historical cost convention in compliance with International Financial Reporting Standards, except for the following:

- Financial instruments - fair value through other comprehensive income
- Revalued property - fair value
- Contingent consideration - fair value
- Intangible assets - fair value

4. ESTIMATES CRITICAL TO REPORTED AMOUNTS, AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Credit Union’s accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Notes 6.

5. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

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) Revenue recognition

Revenue arises from the rendering of services. The Credit Union recognises revenue when: the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for the Credit Union’s activities. It is measured at the fair value of consideration received or receivable. Revenue is recognised as follows:



5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

(i) Interest income

Interest income is recognised in the statement of comprehensive income, using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability.

The Credit Union's calculation of the effective interest rate includes all material fees received, transaction costs, discounts or premiums that are an integral part of the effective interest rate. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

(ii) Other income

Other income is recognised on the accrual basis except for dividend income which is accounted for on the cash basis.

(b) Foreign currency translation

(a) Functional and presentation currency

These financial statements are presented in Eastern Caribbean Dollars, which is the Credit Union's functional and presentation currency. All financial information presented in Eastern Caribbean Dollars has been rounded to the nearest dollar.

(b) Foreign currency transactions and balances

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Eastern Caribbean Dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to Eastern Caribbean Dollars at foreign exchange rates ruling at the dates the values were determined.

(c) Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases are recognised in the statement of comprehensive income on the straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.





5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

(i) Credit Union as a lessee

The Credit Union applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Credit Union recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Credit Union recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

(ii) Credit Union as a lessor

Leases in which the Credit Union does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(d) Financial instruments

The Credit Union recognises a financial asset or a liability in the statement of financial position when it becomes party to the contractual provision of the instruments.

(i) Initial recognition and measurement of financial instruments

At initial recognition, the Credit Union measures its financial assets and financial liabilities at their fair values plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability such as fees and commissions.

If the Credit Union determines that the fair value of its financial assets and liabilities at initial recognition differs from the transaction price, the difference is recognised as follows:

- If that fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference between the fair value at initial recognition and the transaction price is recognised as a gain or loss.



5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

- In all other cases, the difference between the fair value at initial recognition and the transaction price is deferred. After initial recognition, the recognises that deferred difference as a gain or loss only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

(ii) Classification and subsequent measurement of financial assets

The Credit Union classifies the financial assets as subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- i. the Credit Union's business model for managing the financial assets; and
- ii. the contractual cash flow characteristics of the financial asset.

Based on these factors, the Credit Union classifies its asset into one of the following measurements:

(iii) Financial assets at amortized cost

A financial asset is measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are classified as non-current assets.

(iv) Classification and subsequent measurement of financial assets (continued)

Amortized cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any loss allowance.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset. When calculating the effective interest rate, the estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.





5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

The Credit Union's financial assets measured at amortized cost include loans to members, investments in fixed deposits and treasury bills and cash and cash equivalents.

(v) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(vi) Financial assets at fair value through other profit or loss (FVTPL)

A financial asset is measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

However, an entity may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income. The Credit union does not have any assets measured at FVTPL.

(vii) Undrawn loan commitments

Undrawn loan commitments and letters of credit are commitments under which, over the duration of the commitment, the Credit Union is required to provide a loan with pre-specified terms to the member. These contracts are in the scope of the ECL requirements. The nominal contractual value of letters of credit and undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the statement of financial position.

(viii) Reclassifications

If the business model under which hold the financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Credit Union's financial assets. During the current financial year and previous accounting period there were no changes in the business models under which the Credit Union holds financial assets and therefore no reclassifications were made except for the new classifications under IFRS 9. Changes in contractual cash flows are considered under the accounting policy on *Modification of loans to members* in Note 4.5 (d) and *Derecognition of financial assets* in Note 4.5 (f).



5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

(ix) Impairment of Financial Assets

The Credit Union recognizes a loss allowance for expected credit losses (ECL) on financial assets measured at amortized cost and the exposure arising from loan commitments and financial guarantee contracts. The expected credit losses are assessed on a forward-looking basis. The Credit Union's measurement of ECL reflects:

- i. an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes.
- ii. the time value of money; and
- iii. reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The mechanics of the ECL calculations are outlined below and the key elements are as follows:

- PD — The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.
- EAD — The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- LGD — The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral or credit enhancements that are integral to the loan and not required to be recognized separately. It is usually expressed as a percentage of the EAD.

The financial assets are grouped based on shared credit risk characteristics to determine the average credit losses for each group of assets. The Credit Union considers this approach to be a reasonable estimate of the probability-weighted amount. The lifetime expected credit losses for the nonperforming financial assets are assessed on an individual basis. The Credit Union considers if there have been significant increases in credit risk since initial recognition — whether assessed on an individual or collective basis — considering all reasonable





5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

and supportable information, including that which is forward-looking. At each reporting date, the Credit Union measures the loss allowance at an amount equal to the lifetime expected credit losses, if the credit risk on that financial instrument has increased significantly since initial recognition.

The Credit Union considers the following factors in assessing changes in credit risk since initial recognition:

- significant changes in internal price indicators of credit risk;
- changes in the rates or terms of an existing instrument that would be significantly different if the instrument was newly issued (eg. more stringent covenants);
- significant increases in credit risk on other financial instruments from the same borrower;
- an actual or forecast significant adverse changes in the business, financial or economic conditions that are expected to significantly affect the borrower's ability to meet its debt obligations (e.g. increase in interest rates and unemployment rates);
- an actual or expected significant change in the financial instrument's external credit rating;
- an actual or expected internal credit rating downgrade for the borrower or decrease in behavioral scoring used to assess credit risk internally;
- an actual or expected significant change in the operating results of the borrower;
- significant changes in the value of the collateral supporting the obligation or in the quality of guarantees or credit enhancements reductions in financial support from a parent entity that are expected to reduce the borrower's incentive to make scheduled contractual payments;
- expected breaches of contract that may, for example, lead to covenant waivers or amendments,
- that significantly affect, or are expected to affect, the borrower's ability to meet its debt obligations;
- changes in the Credit Union's credit management approach in relation to the financial instrument (e.g. specific intervention with the borrower, more active or close monitoring of the instrument by the Credit Union);



5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

- significant changes in the expected performance and behaviour of the borrower including changes in the payment status of borrowers in the (e.g. expected increase in delayed contractual payments); and
- past due information, including the rebuttable presumption of more than 30 days past due.

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

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Credit Union under the contract and the cash flows that the Credit Union expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- for undrawn loan commitments, the ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Credit Union if the holder of the commitment draws down the loan and the cash flows that the Credit Union expects to receive if the loan is drawn down; and
- for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Credit Union expects to receive from the holder, the debtor or any other party.

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





5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Credit Union assesses whether debt instruments that are financial assets measured at amortized cost or FVTOCI are credit-impaired at each reporting date. To assess if sovereign and corporate debt instruments are credit impaired, the Credit Union considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession, the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a backstop if amounts are overdue for 90 days or more.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.



5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

- the borrower is past due more than 90 days on any material credit obligation to the Credit Union; or
- the borrower is unlikely to pay its credit obligations to the Credit Union in full.

This definition of default is used by the Credit Union for accounting purposes as well as for internal credit risk management purposes and is broadly aligned to the regulatory definition of default. The definition of default is appropriately tailored to reflect different characteristics of different types of assets. Overdrafts are considered as being past due once the customer has breached an advised limit or has been advised of a limit smaller than the current amount outstanding.

When assessing if the borrower is unlikely to pay its credit obligation, the Credit Union considers both qualitative and quantitative indicators. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Credit Union uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. As noted in the definition of credit impaired financial assets above, default is evidence that an asset is credit impaired.

Therefore, credit impaired assets will include defaulted assets, but will also include other non-defaulted given the definition of credit impaired is broader than the definition of default.

(x) Modification of loans to members

When the Credit Union renegotiates or otherwise modifies, the contractual cash flows of its customer loans, the Credit Union assesses whether or not the new terms are substantially different from the original terms of the agreement. The Credit Union derecognizes the original loan if the terms are substantially different and recognizes the new loan at its fair value. The Credit Union also recalculates the new effective interest rate for the loan. The date of the modification is considered to be the date of initial recognition of the new loan when applying the impairment requirements and also assessing whether a significant increase in credit risk has occurred. The Credit Union also considers whether there may be evidence that the modified loan is credit-impaired at initial recognition. In this situation, the loan is recognized as an originated credit-impaired financial asset. This might occur, for example, in a situation in which there was a substantial modification of a distressed asset as a result of the borrower being unable to make the originally agreed payments. Differences in the carrying amount are recognized as a gain or loss on derecognition in the statement of comprehensive income.

If the new terms are not substantially different the original loan is not derecognized. The Credit Union recalculates the gross carrying amount of the loan and recognizes a modification gain or loss in the statement of comprehensive income. The gross amount of the loan is recalculated as the present value of





5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

the renegotiated contractual cash flows discounted at the loan's original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

Any costs or fees incurred adjust the carrying amount of the modified loan and are amortized over the remaining term of the modified financial asset.

(xi) Write offs

The Credit Union directly reduces the gross carrying amount of a financial asset when the Credit Union has no reasonable expectations of recovering the financial asset in its entirety or a portion thereof. A write-off constitutes a derecognition event. This is the case when the Credit Union determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

The Credit Union may apply enforcement activities to financial assets written off. Recoveries resulting from the Credit Union's enforcement activities will result in impairment gains, which will be presented with the statement of comprehensive income.

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(xii) Derecognition of financial assets

The Credit Union derecognizes financial assets when the contractual rights to the cash flows from the financial assets expire or when the contractual rights to receive the cash flows of the financial asset are retained but the contractual obligation to pay the cash flows to one or more recipients is assumed in an arrangement where:

- i. The Credit Union has no obligation to pay amounts to the eventual recipients unless it collects equivalent amounts from the original asset. Short-term advances by the entity with the right of full recovery of the amount lent plus accrued interest at market rates do not violate this condition;
- ii. The Credit Union is prohibited by the terms of the transfer contract from selling or pledging the original asset other than as security to the eventual recipients for the obligation to pay them cash flows; and



5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

- iii. The Credit Union has an obligation to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the entity is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents during the short settlement period from the collection date to the date of required remittance to the eventual recipients, and interest earned on such investments is passed to the eventual recipients.

(xiii) Forward looking information

In its ECL models, the Credit Union relies on a range of forward-looking information as economic inputs, such as:

- GDP growth
- Central Bank base rates

(xiv) Financial Liabilities

Classification and subsequent measurement of financial liabilities. In both the current and prior period, financial liabilities are classified as, and subsequently measured at amortized cost. Other liabilities are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other liabilities are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities.

Other liabilities are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognized when they are extinguished (i.e. when the obligation specific in the contract is discharged, cancelled or expires).

(e) Cash and cash equivalents

Cash and cash equivalents include cash on hand, unrestricted balances held with banks and highly liquid financial assets with original maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Credit Union in the management of its short-term commitments.

Cash and cash equivalents are measured at amortized cost.





5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

(f) Property and equipment

(i) Initial measurement

Property and equipment are initially stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributed to the acquisition of items.

(ii) Subsequent measurement

Land and building

After recognition, land and building whose fair value can be measured reliably are carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluation is made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income and accumulated in members' equity under the heading of revaluation reserves. However, the increase is recognised in the statement of comprehensive income to the extent that it reverses a revaluation decrease of the same asset previously recognised in the statement of comprehensive income.

If an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in the statement of comprehensive income. However, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserves in respect of that asset.

The decrease recognised in other comprehensive income reduces the amount accumulated in members' equity under the heading of revaluation reserve.

When a building is revalued, any accumulated depreciation at the date of the revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount.

After recognition, an item of furniture, equipment and motor vehicle is carried at its cost less any accumulated depreciation and any accumulated impairment losses.



5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

(iii) Depreciation

Depreciation is calculated on the straight-line method to write down the cost less estimated residual values of the assets. The following depreciation rates are applied:

Freehold Building	40 years
Car Park	40 years
Furniture, Fixtures and Equipment	10 years
Motor Vehicles	5 years
Automatic Teller Machine	4 years
Computer Equipment and Software	3 years

Land and work in progress are not depreciated.

The assets' residual values and estimated useful lives are reviewed and adjusted, if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the statement of comprehensive income.

(g) Impairment of non-financial assets

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risk factors.

All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.





5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

An impairment loss is reversed only to the extent that the asset's or cash-generating unit's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(h) Provisions

Provision for legal disputes or other claims are recognized when the Credit Union has a present or legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Credit Union to settle the obligation, and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are not recognised for future operating losses. Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Credit Union can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset. However, this asset may not exceed the amount of the related provision. In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognized.

(i) Employee benefits

Obligations for contributions to defined contribution pension plans are recognized as an expense in the statement of comprehensive income when incurred.

(j) Equity, reserves and dividend payments

(i) Permanent shares

Permanent shares issued by the Credit Union are classified as equity only to the extent that they do not meet the definition of a financial liability.

(ii) Reserves

Statutory reserves comprise amounts required to be set aside as stipulated by the Co-operative Societies Act (see note 15).

(iii) Accumulated surplus

Accumulated surplus include all current and prior period retained surpluses.



5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

(iv) Dividends

Shares that contain redemption features subject to the Credit Union maintaining adequate regulatory capital are accounted for using the partial treatment requirements of IFRIC 2, *Members' Shares in Cooperative Entities and Similar Instruments*.

Dividends paid are recognized in equity in the period in which they are approved by the Credit Union's board of directors at the Annual General Meeting.

(k) Operating expenses

Operating expenses are recognized in the statement of comprehensive income upon utilisation of the service or as incurred.

(l) New Accounting Standards and Amendments now effective

Amendments to IAS 21 (Foreign Exchange Rates):

- ***Exchangeability:*** Clarifies when a currency is exchangeable into another currency and how to estimate a spot rate when exchangeability is lacking.
- ***Disclosure:*** Additional disclosures are required to assess the impact of using an estimated exchange rate.
- ***Effective Date:*** For annual periods beginning on or after 1 January 2025

Amendments to IFRS 9 (Financial Instruments) and IFRS 7 (Financial Instruments: Disclosures) Amendments to the Classification and Measurement of Financial Instruments

- ***Derecognition Timing:*** Clarifies when a financial asset or liability is recognized and derecognized, particularly for electronic payments. It generally happens on the settlement date, but there's an exception when the payment is initiated and irreversible.
- ***SPPI Test for Contingent Features:*** Introduces an additional test for financial assets with contingent features (like ESG-linked terms) to meet the SPPI (solely payments of principal and interest) criterion for measurement at amortized cost.
- ***Non-recourse Features:*** Clarifies the characteristics of financial assets with contingent liabilities (CLIs) and non-recourse features, including a "look-through" test.
- ***Additional Disclosures:*** Requirements for equity instruments measured at fair value through other comprehensive income (FVOCI) and financial assets with certain contingent features.





5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

These amendments aim to improve clarity and consistency in financial reporting and are effective for periods starting 1 January 2025

IFRS 18 Presentation and Disclosure in Financial Statements: IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are: A more structured statement of profit or loss.

IFRS 18 introduces newly defined 'operating profit' and 'profit or loss before financing and income tax' subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the 'most useful structured summary' of its expenses by either:

- nature
- function; or
- using a mixed presentation.

If any operating expenses are presented by function, then new disclosures apply. IFRS 18 also requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for Management-defined Performance Measures ("MPMs"), requiring them to be:

- a sub-total of income and expenses.
- used in public communications outside the financial statements; and
- reflective of management's view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards

(m) New Accounting Standards and Amendments not yet effective

Greater disaggregation of information

To provide investors with better insight into financial performance, the new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as 'other' and are required to disclose more information if they continue to do so.



5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a separate line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period, a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18;
- the amounts previously presented applying IAS 1.

Effective for annual reporting periods beginning on or after 1 January 2027

IFRS 19 Subsidiaries without Public Accountability Disclosures: IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;
- its parent produces consolidated financial statements under IFRS Accounting Standards available for public use.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

Effective for annual reporting periods beginning on or after 1 January 2027.

Annual Improvements to IFRS Standards – Volume 11: In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards.

The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and
- how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.





5. MATERIAL ACCOUNTING POLICY INFORMATION Continued

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

Effective for annual reporting periods on or after 1 January 2026.

6. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY

In the application of the Credit Union's accounting policies, which are described in note 4, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions that have the most significant effect on the amounts recognized on the financial statements are described below:

(a) Business model assessment

Classification and measurement of financial assets depend on the results of the SPPI and the business model test. The Credit Union determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance is measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Credit Union monitors financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

Monitoring is part of the Credit Union's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.



6. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY Continued

(b) Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for the financial assets measured at amortized cost, FVTPL and FVTOCI is an area that requires the use of modelling and assumptions about future economic conditions and credit behaviors (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgements are also required in applying the account requirements for measuring ECL, such as:

- Determining credit for significant increase in credit risk
- Choosing appropriate model and assumptions for the measurement of proportional loss
- Establishing groups of similar financial assets for the purposes of measuring ECL
- Recovery rates on unsecured exposures
- Drawdown of approved facilities
- Determination of macroeconomic drivers (management overlay)
- Determination of life of revolving credit facilities
- Models and assumptions used

(c) Valuation of Stage 3 facilities

The proposed cash flow was discounted using the yield of the facilities. The Credit Union makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a portfolio of loans before the decrease can be identified with an individual loan in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the payment status of borrowers in a group, or national or local economic conditions that correlate with defaults on assets in the group. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.





6. SIGNIFICANT MANAGEMENT JUDGEMENT IN APPLYING ACCOUNTING POLICIES AND ESTIMATION UNCERTAINTY Continued

(d) Expected Credit Loss Financial Asset held FVOCI - Equity Investments

The Credit Union determines Fair Value equity investments are impaired when there has been a significant or prolonged decline in the fair value below its cost. This determination of what is significant or prolonged requires judgement. In making this judgement, the Credit Union evaluates among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows. These factors may give rise to uncertainty regarding the recoverability of the carrying value in the subsequent period and/or the eventual recoverability of the amounts invested in full.

7. MEMBERS' LOANS

	2025	2024
General loans	594,101,848	539,654,234
Members overdraft accounts	<u>625,199</u>	<u>819,102</u>
	594,727,047	540,473,336
Allowance for doubtful Loans	<u>(23,046,580)</u>	<u>(22,471,630)</u>
Total members' loans	<u>\$571,680,467</u>	<u>\$518,001,706</u>
Current	54,447,615	50,052,056
Non-current	<u>517,232,852</u>	<u>467,949,650</u>
	<u>\$571,680,467</u>	<u>\$518,001,706</u>
Allowance for doubtful loans		
Balance at beginning of the year	22,471,630	18,798,767
Amount written-off during the year	(1,425,050)	(-)
Provision for loan losses for the year	<u>2,000,0000</u>	<u>3,672,863</u>
Balance at end of the year	<u>\$23,046,580</u>	<u>\$22,471,630</u>

The average interest rate earned on the members' loans during the financial year was 7.39% (2024: 7.21%).



8. INVESTMENT PROPERTIES

	Land	Building	Total
Balance at January 1, 2024	13,829,533	498,235	14,327,768
Additions during the year	-	480,524	480,524
Sale during the year	-	-	-
Balance at December 31, 2024	\$13,829,533	\$978,759	\$14,808,292
Balance at January 1, 2025	13,829,533	978,759	14,808,292
Additions during the year	-	369,197	369,197
Sale during the year	-	-	-
Reclassification during the year	(1,400)	(5,150)	(6,550)
Balance at December 31, 2025	\$13,828,133	\$1,342,806	\$15,170,939

9. CASH AND CASH EQUIVALENTS

	2025	2024
Cash on hand	8,158,065	6,179,816
Cash in bank	21,576,319	34,680,498
Total cash and cash equivalents	\$29,734,384	\$40,860,314

10. ACCOUNTS RECEIVABLE AND PREPAYMENTS

Due from Grenada Co-operative Bank Limited – ATM	-	13,180,960
Due from Communal Co-operative Credit Union Limited	-	1,621,262
Prepaid expenses	215,355	187,333
Due from Grenville Co-operative Credit Union	-	1,926,531
Due from Nexa Credit Union	-	273,668
Other accounts receivable	790,587	2,962,267
Interest receivable	3,253,429	1,705,252
	4,259,371	21,857,273
Less: Provision for Fraud Loss	(1,382)	(60)
Total accounts receivables and prepayments	\$4,257,989	\$21,857,213





11. INVESTMENT SECURITIES Continued

	2025	2024
Fixed deposits		
Grenada Co-operative League Limited	72,336	71,620
NEXA Credit Union	7,464,644	7,313,447
Communal Co-operative Credit Union Ltd	4,953,490	4,856,363
Grenada Co-operative League Limited	2,734,974	2,770,909
First Citizens Investment Limited	9,236,256	9,075,835
Community First Credit Union Limited	4,709,399	4,594,536
Grenville Co-operative Credit Union Limited	2,810,595	2,723,720
ECHMB	7,395,000	7,287,000
Gateway Credit Union	500,000	-
Bonds		
Government of St. Vincent 7yr Bond	1,300,000	1,300,000
Government of St. Vincent 5yr Treasury Note	<u>3,700,000</u>	<u>3,700,000</u>
Total Financial assets at amortized costs	<u>44,876,694</u>	<u>43,693,430</u>
Total Investment securities	58,877,363	57,422,370
Less: Provision for Expected Credit Loss	<u>(250,000)</u>	<u>(250,000)</u>
	<u>\$58,627,363</u>	<u>\$57,172,370</u>
Current	53,127,363	48,531,681
Non- current	<u>5,500,000</u>	<u>8,640,689</u>
	<u>\$58,627,363</u>	<u>\$57,172,370</u>





12. PROPERTY AND EQUIPMENT

	W.I. P	Freehold Land and Building	Furniture and Equipment	Computer and Equipment	Automatic Teller Machines	Motor Vehicle	Car Park	Leasehold Improve- ments	IDC Develop- ment	Total
Balance as at December 31, 2023										
Cost	620,194	24,569,004	2,979,260	3,684,798	972,090	409,386	758,967	655,769	188,630	34,838,098
Accumulated depreciation	-	3,446,565	1,694,172	3,363,562	827,437	188,147	56,111	94,045	188,630	9,858,669
Net Book Value	\$620,194	\$21,122,439	\$1,285,088	\$321,236	\$144,653	\$221,239	\$702,856	\$561,724	\$-	\$24,979,429
For the year ended December 31, 2024										
Opening book value	620,194	21,122,439	1,285,088	321,236	144,653	221,239	702,856	561,724	-	24,979,429
Additions for the year	318,252	70,667	115,608	75,561	81,794	153,000	-	14,805	-	829,687
Transfers	132,918	-	-	124,603	-	-	-	8,315	-	-
Disposal during the year	14,014	-	-	-	-	-	-	-	-	14,014
Depreciation charge for the year	-	485,646	245,991	151,495	63,209	85,081	18,974	17,984	-	1,068,380
Net Book Value	\$791,514	\$20,707,460	\$1,154,705	\$369,905	\$163,238	\$289,158	\$683,882	\$566,860	\$-	\$24,726,722
Balance as at December 31, 2024										
Cost	791,514	24,639,671	3,094,868	3,834,348	1,053,884	562,386	758,967	678,889	188,630	35,603,157
Accumulated depreciation	-	3,932,211	1,940,163	3,464,443	890,646	273,228	75,085	112,029	188,630	10,876,435
Net Book Value	\$791,514	\$20,707,460	\$1,154,705	\$369,905	\$163,238	\$289,158	\$683,882	\$566,860	\$-	\$24,726,722
For the year ended December 31, 2025										
Opening book value	791,514	20,707,460	1,154,705	369,905	163,238	289,158	683,882	566,860	-	24,726,722
Additions for the year	1,536,929	28,710	157,885	531,558	-	-	19,935	28,773	-	2,303,790
Transfers	990,079	-	-	-	-	-	-	-	-	990,079
Disposal during the year	-	-	198	-	-	-	-	-	-	198
Depreciation charge for the year	-	487,497	247,962	215,282	56,895	89,477	19,223	14,711	-	1,131,047
Net Book Value	\$1,338,364	\$20,248,673	\$1,064,430	\$686,181	\$106,343	\$199,681	\$684,594	\$580,922	\$-	\$24,909,188
Balance as at December 31, 2025										
Cost	1,338,364	24,668,381	3,250,254	4,365,906	754,627	447,386	778,902	707,662	188,630	36,500,112
Accumulated depreciation	-	4,419,708	2,185,824	3,679,725	648,284	247,705	94,308	126,740	188,630	11,590,924
Net Book Value	\$1,338,364	\$20,248,673	\$1,064,430	\$686,181	\$106,343	\$199,681	\$684,594	\$580,922	\$-	\$24,909,188



13. MEMBERS' LIFETIME SAVINGS

These deposits are members' long-term savings at the Credit Union. This is the first form of security held against member's loans. Interest is payable on these deposits at the rate of 2.75% per annum.

	2025	2024
Members' Lifetime Savings	<u>\$342,688,616</u>	<u>\$317,205,594</u>

14. OTHER DEPOSITS

Term Deposits	99,838,570	89,170,529
Triple A Deposits	1,883,937	-
Transaction Savings	94,580,692	86,931,341
Education Savings Plan	18,383,045	17,715,205
Retirement Savings	19,515,575	17,438,569
Internal Holding	14,107,730	14,795,521
Insurance and Group Life Savings Plan	4,117,459	2,764,661
Loan Payment Savings	2,140,147	2,919,420
Excel Savings	333,978	341,349
Estate Management	503,606	979,620
Business Savings	3,148,279	2,250,800
Micro-finance Savings	9,260	9,219
Standing Order	46,038	35,281
Golden Nest	277,740	936,538
Trust Account	453,131	533,945
Other Deposits	184	183
	<u>\$259,339,371</u>	<u>\$236,822,181</u>

These deposits have various maturity profiles with interest rates varying from 0% to 4.25% (2024: 0% to 3.5%.)





15. NON-INTEREST-BEARING LIABILITIES

	2025	2024
IDC Payables	42,011	18,797,197
Interest Payable	919,186	1,520,818
Sundry Creditors and Accruals	1,624,984	1,621,481
Other Accounts Payable	<u>622,939</u>	<u>13,325,571</u>
	<u>\$3,209,120</u>	<u>\$35,265,066</u>

16. MEMBERS' QUALIFYING EQUITY

These shares are of a nominal value of \$20.00 when fully paid up. Each member is required to own twenty-five (25) shares of \$20.00 each.

17. STATUTORY RESERVE

Balance at January 1 2025	24,439,596	22,134,852
Receipts from loans written-off	235,797	178,242
Entrance fees	24,476	24,340
Revaluation of shares	186,032	-
Allocation for the year - 25% of surplus	<u>2,795,836</u>	<u>2,102,162</u>
Balance at December 31 2025	<u>\$27,681,737</u>	<u>\$24,439,596</u>

In accordance with Section 125 (4) of the Co-operative Societies Act No.8 of 2011, at least 20% of the surplus for the year shall be transferred to the Reserve Fund.



18. MEMBER'S EQUITY SHARES

This amount represents additional share investment in the Credit Union apart from qualifying shares.

19. OTHER FUNDS AND RESERVES

(a) Development fund

	2025	2024
Balance at January 1	325,597	511,350
Allocation for the year	335,500	252,260
Remittance to Grenada Co-operative League Limited	(252,259)	(372,689)
Board approved transfer towards Beryl relief	(100,000)	-
CCCU Pledge Contribution	<u>26,662</u>	<u>(65,323)</u>
Balance at December 31 2025	<u>\$335,500</u>	<u>\$325,598</u>

The above fund is payable to the Grenada Co-operative League Limited and is made in accordance with Section 126 of the Cooperative Societies Act No. 8 of 2011.

(b) Education fund

Balance at January 1	1,730,986	1,478,726
Allocation for the year	335,500	252,260
Disbursements during the year	<u>-</u>	<u>-</u>
Balance at December 31 2025	<u>\$2,066,486</u>	<u>\$1,730,986</u>

This fund is dedicated for the provision of educational initiatives for members of the Credit Union.

(c) Education savings plan fund

Balance at January 1	2,051,691	1,793,444
Allocation for the year	335,500	252,259
Disbursements during the year	(530,000)	-
Interest allocated for the year	<u>13,216</u>	<u>5,988</u>
Balance at December 31	<u>\$1,870,407</u>	<u>\$2,051,691</u>

This fund was set up to provide scholarships to members.





19. OTHER FUNDS AND RESERVES (continued)

(d) Provident fund

	2025	2024
Balance at January 1	720,929	680,830
Allocation for the year	335,500	168,173
Disbursements during the year	<u>(140,368)</u>	<u>(128,074)</u>
Balance at December 31	<u>\$916,061</u>	<u>\$720,929</u>

This fund was set up to assist members who are not in a position to access loan facilities.

(e) Disaster Relief Fund

Balance at January 1	-	-
Board Approved Contribution toward Beryl Relief	630,000	
Allocation for the year	223,667	-
Carriacou Beryl Relief Fund	<u>(223,796)</u>	-
Balance at December 31	<u>\$629,871</u>	<u>\$-</u>

20. INCOME TAX

Under the income tax laws of Grenada, the Credit Union is classified as a non-profit organization and is therefore exempted from the payment of income tax.

21. RELATED PARTY BALANCES AND TRANSACTIONS

Related parties

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

- a. A person or a close member of that person's family is related to the Credit Union if that person:
 - i. has control or joint control over the Credit Union;
 - ii. has significant influence over the Credit Union; or
 - iii. is a member of the key management personnel of the Credit Union, or of a parent of the Credit Union.
- b. An entity is related to the Credit Union if any of the following conditions applies:
 - i. The entity and the Credit Union are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).



21. RELATED PARTY BALANCES AND TRANSACTIONS Continued

- ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- iii. Both entities are joint ventures of the same third party.
- iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- v. The entity is a post-employment benefit plan for the benefit of employees of either the Credit Union or an entity related to the Credit Union.
- vi. The entity is controlled or jointly controlled by a person identified in (a).
- vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Related party balances

	Total loans		Total deposits	
	2025	2024	2025	2024
Board of directors	3,423,239	1,440,236	1,132,284	533,365
Credit committee	831,070	736,675	183,683	244,577
Supervisory committee	579,615	207,866	157,668	459,379
Key management personnel	6,398,462	5,068,649	1,263,909	1,352,534
Total related party balances	\$11,232,386	\$7,453,426	\$2,737,544	\$2,589,855

Related party transactions

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Transactions have been entered into with related parties in the normal course of business. These transactions were conducted at market rates, on commercial terms and conditions except for certain loans made available to officers.

	2025	2024
Interest income on loans	440,430	331,713
Interest expense on deposits	49,340	35,924

Interest rates on related party deposits range from 0% to 4.00% (2024: 0% to 3.94%). Interest rates on related party loans range from 3% to 12% (2023: 3% to 12%).





21. RELATED PARTY BALANCES AND TRANSACTIONS Continued

Remuneration of key management personnel

During the year, salaries and related benefits paid to key members of management were as follows:

Salaries and Allowances	<u>\$941,278</u>	<u>\$820,290</u>
-------------------------	-------------------------	-------------------------

22. DIVIDENDS

During the year, the Credit Union paid \$2,346,992 as dividends (2024: \$2,180,290) to its members as follows:

	2025	2024
Dividends paid	1,240,855	1,179,386
Rebates paid	<u>1,106,137</u>	<u>1,000,904</u>
	<u>\$2,346,992</u>	<u>\$2,180,290</u>

23. FINANCIAL INSTRUMENT RISK

Risk management objectives and policies

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

- Credit Risk
- Liquidity Risk
- Market Risk
- Operational Risk

This note presents information about the Credit Union's exposure to each of the above risks, the Credit Union's objectives, policies and processes for measuring and managing risk, and the Credit Union's management of capital.

The Board of Directors has overall responsibility for the determination of the Credit Union's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies to the Credit Union's finance function.

The Board of Directors receives monthly reports from the Credit Union's Management through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.



23. FINANCIAL INSTRUMENT RISK Continued

The Credit Union's risk management processes are essentially those mandated by the Board of Directors and are structured to facilitate identification of risks in its various business activities and to formulate risk management strategies, policies and procedures.

Risks are maintained within established limits. The Credit Union's risk management policies entail diversification of risk in its portfolios, the establishment of risk rating indicators for individual members and lines of credit and continuous review of risk profiles for its members and portfolios. Risk limits are also set in relation to groups of borrowers and industry and geographical segments. The policies also include review, analysis and valuation of all risk-taking activities.

Credit Risk analysis

Credit risk is the risk of financial loss to the Credit Union if a member or counterparty to a financial instrument fails to meet its contractual obligations. The Credit Union is exposed to this risk for various financial instruments, for example, granting loans to members, placing deposits and investing in bonds.

i. Loans to members

The Credit Union's exposure to credit risk is influenced mainly by the individual characteristics of each member. The demographics of the Credit Union's member base, including the default risk of the country in which members operate, has less of an influence on credit risk.

ii. Cash and cash equivalents

Cash and cash equivalents are held with established and reputable financial institutions, which represent minimum risk of default.

iii. Maximum exposure to credit risk

The maximum on-balance sheet and off-balance sheet exposure to credit risk at the reporting date.





23. FINANCIAL INSTRUMENT RISK Continued

	2025	2024
On balance sheet		
Cash and cash equivalents	29,734,384	40,860,314
Accounts receivables (excluding Prepayment and deferred expenses)	4,257,989	18,707,613
Members' loans	571,680,467	518,001,706
Investment securities	<u>58,627,363</u>	<u>57,172,370</u>
	<u>\$664,300,203</u>	<u>\$634,742,003</u>
Off-balance sheet		
Loan commitments and other credit related facilities	<u>\$11,434,612</u>	<u>\$11,673,490</u>
 (a) The tables below set out information about the credit quality of members' loans and the allowance for impairment:		
Neither past due nor impaired	535,836,660	484,820,085
Past due but not impaired	11,307,861	23,491,660
Impaired	<u>47,582,526</u>	<u>32,161,591</u>
	594,727,047	540,473,336
Allowance for impairment loss	<u>(23,046,580)</u>	<u>(22,471,630)</u>
	<u>\$571,680,467</u>	<u>\$518,001,706</u>

Loan to Members

(a) Expected credit loss on loans to members

The Expected Credit Loss (ECL) represents the amount the Credit Union is likely to lose in the event of a default. The Credit Union is required to categorize the loans in their respective stages as outlined in the IFRS 9 Standard.

Expected credit loss (ECL) on loans to members are analyzed below:



23. FINANCIAL INSTRUMENT RISK Continued

	Gross Amount	ECL	2025 Net Amount
Stage 1	535,836,660	729,868	535,106,792
Stage 2	11,307,861	440,272	10,867,589
Stage 3	<u>47,582,526</u>	<u>21,876,440</u>	<u>25,706,086</u>
As at December 31, 2025	<u>\$594,727,047</u>	<u>\$23,046,580</u>	<u>\$571,680,467</u>
			2024
	Gross Amount	ECL	Net Amount
Stage 1	484,820,085	1,064,010	483,756,075
Stage 2	23,491,660	1,373,615	22,118,045
Stage 3	<u>32,161,591</u>	<u>20,034,005</u>	<u>12,127,586</u>
As at December 31, 2024	<u>\$540,473,336</u>	<u>\$22,471,630</u>	<u>\$518,001,706</u>

(b) Expected credit loss on loans to members (continued)

Credit risk analysis

Stage 1 loans

Loans placed in this stage include loans past due between for 0 to 30 days and loans for which there is no evidence of a significant increase in credit risk since the origination date.

Stage 2 loans

Loans placed in this stage include loans past due between for 31 to 60 days and loans that experienced a significant increase in credit risk even if past due days threshold is not met.

Stage 3 loans

Loans placed in this stage are loans that are past due 60 days and over and loans that show evidence of impairment even if the 60 days threshold is not met.

One of the crucial requirements of IFRS 9 is for the Credit Union to determine whether there is a significant increase in credit risk (SIICR) from the date of loan origination to the current or the reporting date. In the event of a SIICR, the loan must be placed in Stage 2 and will require a lifetime provision. The loan should remain in this Stage until there is evidence that the event(s) that resulted in the increase in the credit risks have been satisfactorily cured. It is only then that these loans should be transitioned back to Stage 1. SIICR is determined by observing to the extent to which adverse changes in one or more of the credit risk drivers could increase the likelihood of the default since the origin of the loan.





23. FINANCIAL INSTRUMENT RISK Continued

A change in members' employment arrangement, payment method, industry or personal conditions could be deemed significant enough to trigger a migration of loans to Stage 2 even if the past due days quantitative SIICR threshold is not met.

(c) Loans to members re-negotiated

Restructuring activities include extended payment arrangements, approved external management plans, modification and deferred payments. Following restructuring, a previously overdue account is reset to a normal status and managed together with other similar accounts. Restructuring policies and practices are based on indicators of criteria which, in the judgement of local management, indicate that payment will most likely continue. These policies are kept under continual review. Restructuring is most commonly applied to term loans, in particular customer finance loans.

As part of its loan policy and especially in light of Covid-19, the Credit Union undertook a review of its loan portfolio determining high risk sectors and the Expected Credit Loss (ECL) for each. The review considered the macroeconomic outlook, customer credit quality, the type of collateral held, exposure at default, and the effect of payment deferral options as at the reporting date. The ECL methodology and definition remained consistent with prior periods.

(d) Bonds and equity investments

There is no formal rating of the credit quality of bonds, treasury bills and equity investments. A number of qualitative and quantitative factors are considered in assessing the risk associated with each investment; however, there is no hierarchy of ranking. There are no external ratings of the securities. None of the securities are pledged as collateral.

(e) Repossessed collateral

The Credit Union had no repossessed collateral in its statement of financial position as of December 31, 2024 (2023: nil).

Liquidity risk analysis

Liquidity risk is the risk that the Credit Union will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Credit Union's liquidity risk is subject to risk management controls and is managed within the framework of regulatory requirements, policies and limits approved by the Board. The Board receives reports on liquidity risk exposures and performance against approved limits. Management provides the Board with information on liquidity risk for Board oversight purposes through its monthly meetings. The key elements of the Credit Union's liquidity risk management framework include:



23. FINANCIAL INSTRUMENT RISK Continued

Liquidity risk analysis (continued)

- liquidity risk measurement and management limits, including limits on maximum net cash outflow over a specified short-term horizon;
- holdings of liquid assets to support its operations, which can generally be converted to cash within a reasonable time;
- liquidity stress testing PEARLS-specific ratios; and
- liquidity contingency planning.

Non-derivative financial liabilities and assets held for managing liquidity risk.

The table below presents the cash flows payable by the Credit Union under non-derivative financial liabilities by remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual and undiscounted cash flows.

As of December 31, 2025

	On demand	Up to 1 year	1 to 5 years	Over 5 years	Total
Liabilities					
Members' lifetime savings	229,413,995	5,622,084	43,732,615	63,919,921	342,688,616
Other deposits	259,339,371	-	-	-	259,339,371
Non-interest-bearing liabilities	3,204,215	-	-	-	3,204,215
Pension Liability	-	-	-	-	-
Other liabilities	4,905	-	-	-	4,905
	<u>\$491,962,486</u>	<u>\$5,622,084</u>	<u>\$43,732,615</u>	<u>\$63,919,921</u>	<u>\$605,237,107</u>





23. FINANCIAL INSTRUMENT RISK Continued

Liquidity risk analysis (continued)

As of December 31, 2024

	On demand	Up to 1 year	1 to 5 years	Over 5 years	Total
Liabilities					
Members' lifetime savings	210,610,990	23,663,890	46,004,917	36,925,797	317,205,594
Other deposits	236,822,181	-	-	-	236,822,181
Non-interest-bearing liabilities	35,265,066	-	-	-	35,265,066
Pension Liability	-	-	-	291,656	291,656
Other liabilities	2,475	-	-	-	2,475
	<u>\$482,700,712</u>	<u>\$23,663,890</u>	<u>\$46,004,917</u>	<u>\$37,217,453</u>	<u>\$589,586,972</u>

Assets held for managing liquidity risk

The Credit Union holds a diversified portfolio of cash and high-quality highly liquid securities to support payment obligations and contingent funding in a stressed market environment. The Credit Union's assets held for managing liquidity risk comprise:

- Un-restricted cash in bank
- Certificates of deposit
- Loans and receivables investment securities
- Unimpaired loans

Market risk analysis

The Credit Union is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

(i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Credit Union does not face any such risk since its transactions are substantially in Eastern Caribbean Dollars, which is its functional currency. The United States Dollar, in which the Credit Union also transacts business, is fixed in relation to the Eastern Caribbean Dollar.



23. FINANCIAL INSTRUMENT RISK Continued

Market risk analysis (continued)

(ii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer, or factors affecting all instruments traded in the market. The Credit Union has no exposure to such risk since its existing investments are not listed in any stock exchange or market.

(iii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Interest rate risk is affected where there is a mismatch between interest earning assets and interest-bearing liabilities, which are subject to interest rate adjustments within a specified period.

The Credit Union actively manages its interest rate exposures with the objective of enhancing net interest income within established risk tolerances. Interest rate risk arising from the Credit Union's funding and investment activities is managed in accordance with Board-approved policies.

The table below summarizes the Credit Union's exposure to interest rate risks. Included in the table are the Credit Union's assets and liabilities at carrying amounts categorized by the earlier of contractual repricing and maturity dates.





23. FINANCIAL INSTRUMENT RISK Continued

Market risk analysis (continued)

(iii) Interest rate risk (continued)

As Of December 31, 2025	Interest rate	On demand	Up to 1 year	1 to 5 years	Over 5 years	Non-interest bearing	Total
Assets							
Cash and cash equivalents		29,734,384	-	-	-	-	29,734,384
Accounts receivable (excluding prepayments and deferred expenses)		-	-	-	-	3,252,047	3,252,047
Members' loans	3% – 14%	625,199	36,442,633	71,583,349	486,075,866	-	594,727,047
Investment securities	2% – 5.75%	22,745,438	29,065,003	4,200,000	1,300,000	1,566,921	58,877,363
Total financial assets		<u>53,105,021</u>	<u>65,507,636</u>	<u>75,783,349</u>	<u>487,375,867</u>	<u>4,818,968</u>	<u>686,590,841</u>
Liabilities							
Members' lifetime savings	2.75%	229,413,995	5,622,084	43,732,615	63,919,921	-	342,688,616
Other deposits	0% – 3%	259,339,371	-	-	-	-	259,339,371
Non-interest-bearing liabilities		3,204,215	-	-	-	-	3,204,215
Pension Liabilities		-	-	-	-	-	-
Other liabilities		4,905	-	-	-	-	4,905
Total financial liabilities		<u>491,962,486</u>	<u>5,622,084</u>	<u>43,732,615</u>	<u>63,919,921</u>	<u>-</u>	<u>605,237,107</u>
Total interest repricing gap		<u>(438,857,465)</u>	<u>59,885,552</u>	<u>32,050,734</u>	<u>423,455,946</u>	<u>4,818,968</u>	<u>81,353,734</u>



23. FINANCIAL INSTRUMENT RISK Continued

Market risk analysis (continued)

(iii) Interest rate risk (continued)

AS OF DECEMBER 31 2024	Interest rate	On demand	Up to 1 year	1 to 5 years	Over 5 years	Non-interest bearing	Total
Assets							
Cash and cash equivalents		40,860,314	-	-	-	-	40,860,314
Accounts receivables (excluding prepayments and deferred expenses)		-	-	-	-	18,707,613	18,707,613
Members' loans	3% – 14%	819,102	40,319,912	78,385,852	420,948,469	-	540,473,335
Investment securities	2% – 5.75%	22,258,975	21,265,070	10,967,437	1,300,000	1,380,888	57,172,370
Total financial assets		63,938,391	61,584,982	89,353,289	422,248,469	20,088,501	657,213,632
Liabilities							
Members' lifetime savings	2.75%	210,610,990	23,663,890	46,004,917	36,925,797	-	317,205,594
Other deposits	0% – 3%	236,822,181	-	-	-	-	236,822,181
Non-interest bearing liabilities		-	-	-	-	35,265,066	35,265,066
Pension Liabilities		-	-	-	-	291,656	291,656
Other liabilities		-	-	-	-	2,475	2,475
Total financial liabilities		447,433,171	23,663,890	46,004,917	36,925,797	35,559,197	589,586,972
Total interest repricing gap		(383,494,780)	37,921,092	43,348,372	385,322,672	(15,470,696)	67,626,660





23. FINANCIAL INSTRUMENT RISK Continued

Market risk analysis (continued)

(iii) Interest rate risk (continued)

Fair value interest rate sensitivity analysis

The Credit Union does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect the statement of comprehensive income.

Cash flow interest rate sensitivity analysis

The Credit Union is not exposed to any cash flow interest rate risk as it has no variable rate financial instruments.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Credit Union's involvement with financial instruments, including 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.

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

The primary responsibility for development and implementation of controls to address operational risk is assigned to management within the Credit Union. This responsibility is supported by the development of overall Credit Union standards for the management of operational risk by establishing requirements for:

- appropriate segregation of duties, including the independent authorization of transactions.
- the reconciliation and monitoring of transactions.
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- the reporting of operational losses and proposed remedial action;



23. FINANCIAL INSTRUMENT RISK Continued

Operational risk (continued)

- development of contingency plans;
- training and professional development;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

Compliance with the Credit Union's standards is supported by a program of periodic reviews undertaken by the Supervisory Committee. The results of the Supervisory Committee reviews are discussed with management, with summaries to the Board of Directors.

24. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

(a) Financial instruments not measured at fair value

The table below summarises the carrying amounts and fair values of the Credit Union's financial assets and liabilities not presented on the statement of financial position at their fair values.

	Carrying Value		Fair Value	
	2025	2024	2025	2024
Financial assets				
Cash and cash equivalents	29,734,384	40,860,314	29,734,384	40,860,314
<i>Investment securities:</i>				
– Financial assets at amortized costs	57,310,441	56,041,482	57,310,441	56,041,482
Members' loans	571,680,467	518,001,706	571,680,467	518,001,706
Accounts receivable (excluding prepayments and deferred expenses)	<u>4,042,634</u>	<u>18,707,613</u>	<u>4,042,634</u>	<u>18,707,613</u>
	<u>\$662,767,926</u>	<u>\$633,611,115</u>	<u>\$662,767,926</u>	<u>\$633,611,115</u>
Financial liabilities				
Members' deposits	342,688,616	317,205,594	342,688,616	317,205,594
Other deposits	259,339,371	236,822,181	259,339,371	236,822,181
Non-interest-bearing liabilities	3,204,215	35,265,066	3,204,215	35,265,066
Pension liability	-	291,656	-	291,656
Other liabilities	<u>4,905</u>	<u>2,475</u>	<u>4,905</u>	<u>2,475</u>
	<u>\$605,237,107</u>	<u>\$589,586,972</u>	<u>\$605,237,107</u>	<u>\$589,586,972</u>





24. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES Continued

(i) Loans and advances

The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

(ii) Investment securities

The fair value of investment securities is based on market prices or broker/dealer price quotations. Where this information is not available, fair value is estimated for debt investment securities based on discounted cash flows using prevailing market interest rates for debts with similar credit risk and remaining maturity.

(iii) Members' deposits

The estimated fair value of deposits with no stated maturity, which includes non-interest-bearing deposits, is the amount repayable on demand. The estimated fair value of fixed interest-bearing deposits not quoted in an active market is based on discounted cash flows using interest rates for new deposits with similar remaining maturity.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis at December 31, 2025 and December 31, 2024.



24. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES Continued

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into Level 3 of the fair value hierarchy.

	Level 3	Total
December 31, 2025		
Financial assets		
Investment securities:		
- Financial assets at fair value through other comprehensive income (FVTOCI)	<u>\$1,566,921</u>	<u>\$1,566,921</u>

	Level 3	Total
December 31 2024		
Financial assets		
Investment securities:		
- Financial assets at fair value through other comprehensive income (FVTOCI)	<u>\$1,380,888</u>	<u>\$1,380,888</u>

Measurement of fair value of financial instruments

The Credit Union's finance team performs valuations of financial items for financial reporting purposes. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The finance team reports directly to the Chief Executive Officer and to the Board of Directors. The valuation techniques used for instruments categorised in Level 3 are described below:





24. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES Continued

Financial assets at FVTOCI

The fair value is generally on broker/dealer price quotations. Where this information is not available, fair value is based on cost less any impairment recognized.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

25. CAPITAL MANAGEMENT POLICIES AND PROCEDURES

The Credit Union has a capital management process in place to measure, deploy and monitor its available capital and assess its adequacy. This capital management process aims to achieve three major objectives:

- Exceed regulatory thresholds;
- Meet longer-term internal capital targets; and
- Provide the Credit Union's members with a source of finance.

Capital is managed in accordance with the Board-approved Capital Management Policy which is based on regulatory requirements of the Co-operative Societies Act and the PEARLS regulations. Management and the Board of Directors developed the capital strategy and oversee the capital management processes of the Credit Union. The Credit Union's management and Supervisory Committee are key in implementing the Credit Union's capital strategy and managing capital. Capital is managed using both regulatory capital measures and internal metrics.

The three primary regulatory capital ratios used to assess capital adequacy are as follows:

	Regulatory requirement	2025	2024
1. Net Loans/Total Assets	70% to 80%	81%	76%
2. Institutional Capital/Total Assets	7% minimum	10.68%	9.68%
3. Total Delinquency/Total Loans	5% maximum	5.20%	5.39%

BUDGETED STATEMENT OF FINANCIAL POSITION

	Actual 2025	Budget 2026	Budget 2027
Earning Assets			
Gross Loans	594,101,849	645,601,849	702,101,849
Less: Provision for loan bad debts	(23,046,580)	(25,046,580)	(27,046,580)
Net loans	571,055,269	620,555,269	675,055,269
Short Term Investments	51,560,441	56,560,441	61,560,441
Long Term Investments	7,066,921	7,066,921	7,066,921
Development Lands	14,327,768	15,170,939	15,170,939
Members Overdraft	625,199	498,671	375,215
Total Earning Assets	645,478,768	699,852,241	759,228,785
Non Earning Assets			
Fixed Assets	24,909,189	35,573,189	49,746,534
Receivables & prepayments	4,257,989	4,023,422	3,788,855
Cash on Hand & in Bank	29,734,384	32,246,089	25,566,219
Total Non-Earning Assets	58,901,562	71,842,700	79,101,608
Total Assets	704,380,330	771,694,940	838,330,393



BUDGETED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Actual 2025	Budget 2026	Budget 2027
Liabilities			
Members' Lifetime Savings	342,688,616	362,688,616	389,188,616
Savings	259,339,371	292,181,767	318,824,905
Pension	4,905	4,905	4,905
Non Interest Bearing Liabilities	3,204,215	3,527,671	2,848,759
Total Liabilities	605,237,107	658,402,959	710,867,185
Capital			
Equity Shares	18,085,812	19,585,812	21,085,812
Institutional Capital			
Qualifying Shares	12,171,460	13,171,460	14,271,460
Statutory Reserve	27,681,737	28,575,480	29,217,928
Accumulated Surplus	35,385,889	44,800,963	54,037,793
Total Institutional Capital	75,239,086	86,547,903	97,527,181
Development Fund Reserve	335,500	480,430	626,720
Education of Members Reserve	2,066,486	2,514,823	2,969,093
Education Savings Plan Fund	1,870,407	2,318,744	2,773,014
Provident Fund	916,061	915,507	1,249,777
Disaster Fund	629,871	928,762	1,231,611
Total Capital	98,513,352	113,291,981	127,463,208
Total Liabilities & Capital	704,380,330	771,694,940	838,330,393

BUDGETED STATEMENT OF COMPREHENSIVE INCOME

	Actual 2025	Budget 2026	Budget 2027
Income			
Net Loan Income	41,883,070	52,069,312	56,397,373
Total Non- Interest Income	4,082,232	4,735,115	5,788,000
Total Income	45,965,302	56,804,427	62,185,373
Cost/Expenses			
Total Financial Cost	13,827,490	17,000,845	18,416,626
Gross Margin	32,137,812	39,803,582	43,768,747
Operating Expenses			
Total Personnel Expenses	11,166,750	13,071,387	14,758,526
Total Member Interest Protection	628,500	800,000	915,000
Total Marketing Expenses	1,325,569	1,655,000	2,030,000
Total General & Admin Expenses	4,702,600	5,637,000	6,568,222
Total Depreciation	1,131,047	1,654,633	2,276,655
Total Operating Expenses	18,954,466	22,818,020	26,548,403
Operating Surplus	13,183,346	16,985,562	17,220,344
Provision for Risk Assets	2,000,000	2,000,000	2,000,000
Surplus Before Appropriation	11,183,346	14,985,562	15,220,344
Transfer to Statutory Reserves	2,795,836	3,746,391	3,805,086
Transfer to Development Fund	335,500	449,567	456,610
Transfer to Education of Members Fund	335,500	449,567	456,610
Transfer to Education Plan Fund	335,500	449,567	456,610
Transfer to Provident Fund	335,500	449,567	456,610
Transfer to Disaster Fund	223,667	299,711	304,407
Unallocated Surplus	6,821,843	9,141,192	9,284,411



CAPITAL BUDGET

2026 AND 2027

Capital Budget	2026	2027
Computer Hardware	625,000	400,000
Computer Software	1,794,000	500,000
Furniture and Equipment	200,000	100,000
Vehicle	175,000	-
Car Park and Storage	400,000	
Leasehold Improvement	200,000	
Morne Jaloux/La Borie	1,160,000	950,000
Solar Farms	3,000,000	
Grenville	2,500,000	
Grand Anse	50,000	10,000,000
Carriacou	60,000	
Church Street	500,000	4,500,000
TOTAL	10,664,000	16,450,000

RESOLUTIONS

1. ALLOCATION OF SURPLUS

WHEREAS the Credit Union paid interest of 2.75% on Lifetime Savings up to November 2025, and 3 % from December 2025, amounting to \$9,069,666

AND WHEREAS the Credit Union earned a surplus of \$11,183,346 for the year ended December 31st, 2025, and a balance of \$6,821,843 remains unallocated after making the required Statutory and other allocations for the year

AND WHEREAS the highest rate of dividends on Equity Shares allowable under the Co-operative Society's Act and Regulations is 5%

AND WHEREAS the Board approved a rebate payment on LOAN INTEREST of 3% amounting to \$1,136,031 to be paid to members

BE IT RESOLVED

That a dividend payment on EQUITY and QUALIFYING SHARES of 5% amounting to \$1,450,578 is paid to Members.

2. APPOINTMENT OF AUDITORS — 2026

WHEREAS the Annual General Meeting of 2025 approved the firm, HLB Grenada Ltd. as the Credit Union's Auditor,

AND WHEREAS the firm provided satisfactory service to the Credit Union

BE IT RESOLVED that the firm, HLB Grenada Ltd. be appointed as the Credit Union's auditors for the year 2026.

3. APPROVAL OF BUDGET

WHEREAS it is required under the Credit Union's By-laws 49(2) (g) that the budget be approved by the Annual General Meeting

AND WHEREAS this budget is presented for the consideration of the meeting on pages 143–146 of the Annual Report and is highlighted as follows:

	2026	2027
Total Assets	771.69 M	838.33 M
Net Loans	620.55 M	675.05 M
Total Income	56.80 M	62.18 M
Total Expenses	41.82 M	46.97 M
Surplus	14.98 M	15.22 M
Capital Expenditures	10.66 M	16.45 M

BE IT RESOLVED that the budget, as presented, is approved.



MINUTES OF 78TH AGM

The 78th Annual General Meeting of Ariza Credit Union held on Monday 30th June 2025 at the Grenada Trade Centre, Morne Rouge, St. George, and Via Zoom

AGM/24/01 Call to order and Welcome

Sis. Alana Twum-Barimah, Chairperson, welcomed everyone to the Annual General Meeting (AGM) to celebrate Ariza's achievements in 2024, under the team theme "Beyond Challenges, Building Resilience, Inspiring Confidence". She expressed gratitude, saying that Ariza's success would not have been possible without its dedicated CEO and team, as well as its members.

AGM 24/02 Amendment to the Agenda

A motion was moved to amend the agenda to delete Item #4.2 Election of Officers. Sis. Peterlyn Cooper apologised to the membership for not being able to present an auditor for approval. She further stated that a special General Meeting would be convened at a date and time to be announced.

The motion was moved by Bro. Kippling Charles and seconded by Sis. Cindy-Ann Alexander.

AGM 24/03 Tributes

Sis. Hillaire- Marshall led the opening prayer, which was followed

by a minute of silent tribute in memory of all members who passed away during the last year.

AGM 24/04 Apologies for absence

Apologies were received from the Board of Directors on behalf of the Treasurer and Assistant Treasurer, and Bro. Chad Hyson, who was unable to attend the meeting in person.

AGM 24/05 – Greetings and Solidarity Messages from Sister Societies

The messages were read by the Board Secretary, Sis. Peterlyn Cooper.

Birchgrove Cooperative Credit Union

Birchgrove Cooperative Credit Union/ Annika George Farray (General Manager) congratulated Ariza for turning obstacles into opportunities and being a beacon of resilience and innovation.

Mrs. George-Farray, on behalf of Birchgrove Cooperative Credit Union, encouraged us to grow while staying rooted in the cooper-

ative values. Birchgrove Cooperative Credit Union expressed pride in us and look forward to continued collaboration and mutual support, and wished us a successful Annual General Meeting.

Communal Cooperative Credit Union

The Board of Directors, Management, and staff of the Communal Cooperative Credit Union extended warm regards to Ariza at our Annual General Meeting. The Communal salutes Ariza's strong leadership through trust, empowerment, and inclusion, especially during this time of economic and regulatory pressure. The Communal shares in our success and stands with us in advancing the cooperative movement.

Grenville Cooperative Credit Union

The Board of Directors, Management, and Staff of Grenville Cooperative Credit Union praised Ariza's leadership in digital innovation and inclusive finance. We were also praised for member upliftment and national progress.

The Grenville Credit Union is looking forward to continued collaboration in the future.

Nexa Credit Union

Nexa Credit Union extended warm congratulations and praised this year's theme as timely and powerful, emphasizing the need for resilience and confidence in today's challenging environment. Nexa commended Ariza's innovation, security, and empowerment. Nexa congratulated us on the successful Annual General

Meeting and looks forward to many more years of success and growth towards the movement.

Sis. Cooper closed by encouraging us to receive these messages in the spirit of unity in which they were sent and thanked the credit unions for walking this journey with us.

AGM 24/06 Official Remarks

Grenada Co-operative League Limited

Bro. Randy Boyke-Cadet, President of the Grenada Cooperative League Ltd, extended his congratulations to the Board, Management, and Staff of Ariza Credit Union during its Annual General Meeting for the financial year 2024.

Mr. Boyke-Cadet encouraged everyone to let their hearts guide them as they reflect on the theme for this year's AGM. This gathering serves as a powerful celebration of unity, highlighting the strength of our community and the unwavering spirit of a Credit Union that continues to uplift and empower the people of Grenada. Ariza shines as a beacon of hope, innovation, and stability; it truly is a blessing for Grenada, and we have greatly benefited from its presence.

Mr. Boyke-Cadet expressed that as he reviewed the booklet, a gentle sense of joy and fulfillment washed over him. He further stated that the Ariza annual report is more than just a report; it's



a reflection of identity, impact, and journey. Each page speaks to our values, progress, and purpose.

Ariza reminds us that a credit union is more than just a financial service; it is a community in action. Mr. Boyke-Cadet noted that “support, not restrictions, is the path to resilience.” As he prepares to pass on his responsibilities, he does so with immense pride. He expressed gratitude for the memories, mission, and movement, stating he is forever proud of the Ariza brand and thankful for the opportunity to be part of this journey.

He congratulated Ariza on another successful year and implored those present to continue to allow the spirit of cooperation to shine.

GARFIN

GARFIN was represented by its Executive Director, Mr. Denis Felix.

Mr. Felix brought greetings from the Board of Directors, Management & Staff of GARFIN to our Annual General Meeting. He stated that, considering the importance of an Annual General Meeting within the overarching governance of the Credit Union, GARFIN strives to ensure that all functional credit unions hold the Annual General Meeting as required.

He commended Ariza for its efforts in holding the meeting at that time. He also mentioned the seven other credit unions that had

successfully conducted their Annual General Meetings (AGMs) for 2025, with Ariza being the eighth to complete this process within the deadline set by the Cooperative Societies Act.

Mr. Felix advised that the deadline for holding AGMs is June 30, 2025, to ensure that all credit unions can complete their Annual General Meetings on time.

In his review of the sector, Mr. Felix noted that, based on consolidated data, there are significant improvements in the quality of performance across most key areas. He also shared relevant financial information regarding the sector’s performance for the year ending December 31, 2024.

Total Assets 1.56 B, an increase of 8.9%; Deposits, Loans, Capital, and Reserve, and net operating surplus also showed improvements.

An analysis of the sector’s prudential performance revealed that all Credit Unions exceeded the minimum standard of 15% for unencumbered deposits, indicating strong liquidity. GARFIN is pleased with the progress made in the sector concerning non-performing loans. As of December 31, 2024, non-performing loans were reported at 6.5%, a decrease from 8.4% at the end of 2023.

Mr. Felix stated that from GARFIN’s perspective, Ariza’s financial statements for 2024 demonstrate notable performance once again. By the end of 2024, Ariza’s held asset base reached \$677.4

million, representing 43.5% of the total asset base in the sector. This positions Ariza as the largest in the sector and the second largest in the Eastern Caribbean Currency Union (ECCU). While the sector can be commended for its relatively steady performance during 2024, we must continue to closely monitor the delinquency situation and implement more innovative measures for future improvement.

Based on ongoing supervisory work at Ariza, GARFIN is pleased to note that, while the credit union has always maintained a solid foundation for growth and demonstrated good quality performance in 2024, it has also satisfactorily addressed all major lingering regulatory and supervisory issues. This has significantly improved associated risks and alleviated GARFIN's concerns.

In reflecting on the theme, "Beyond Challenges, Building Resilience, Inspiring Confidence," he noted that it is reassuring to see that Ariza continues to establish itself as a respected leader in the sector. He referenced a sector meeting held in November 2024 that focused on guidelines related to the enforcement and implementation of IFRS-9 accounting standards on impaired loans. Ariza articulated its position with clarity and authority, and was able to provide effective guidance on the proposed treatment.

The standard was successfully implemented, and, as a result, the credit union sector within Grenada is experiencing its highest level of soundness in at least the past five years. However, there

is still work to be done to uphold the highest safety measures that we are striving to integrate into the system.

Mr. Felix highlighted several key developments initiated by his organization to enhance the monitoring and supervision of the sector:

1. Implementation of a risk-based supervisory framework developed with technical assistance from the Caribbean Regional Technical Assistance Centre.
2. Monitoring governance practices in Credit Unions to assess how effectively this process is influenced by the level of risk present at each institution.
3. Collaboration with the Eastern Caribbean Central Bank (ECCB) and other Eastern Caribbean Currency Union (ECCU) regulators to establish the Eastern Financial Standards Board.
4. Efforts to finalise the long-delayed revised Cooperative Society Bill and regulations, which were recently postponed for further consolidation.

In closing, Mr. Felix emphasised the importance of Ariza as a significant financial institution in Grenada, capable of playing a crucial role in growth and development at both the rural and grassroots levels.

Mr. Felix also advised those who will be elected to office to prepare for the challenges of managing the credit union prudently



and safely, noting that these demands are increasingly complex. He pointed out that standards of accountability, fit and proper criteria, and good corporate governance are continually rising. Additionally, the global standards for regulation and supervision are also becoming more stringent. All stakeholders in financial institutions now have a greater responsibility to effectively manage people's resources.

In conclusion, he wished everyone in the sector continued success and reiterated that Ariza's contributions are of great value to the industry.

Guest Speaker – Mr. Van Reynders, Coordinator, EveryData

Mr. Reynders explained that EveryData is the largest credit bureau group in the Caribbean, with its Head office in Jamaica. EveryData ECCU Limited will serve the 8 territories of the Eastern Caribbean Currency Union (ECCU) from its Head Office in Antigua.

The credit bureau organization is licensed by the Central Bank to work within the regulatory framework with a mandate to collect, protect, and consolidate credit and credit-related information from financial institutions into credit profiles, and then make it available in real time to assist institutions in deciding whether to extend credit to an individual based on information received.

He highlighted that the information on a credit report includes

personal information, credit accounts, inquiries, public records, and collection accounts. He stressed that the following information is not collected, such as medical information, religion, and creed.

Mr. Van Reynders highlighted some of the challenges faced by institutions without a credit bureau:

- Higher risk for lending
- Extremely high cost of credit
- High blanked interest rates

He noted that all institutions will be sharing information with their borrowers. Consent must be given to pull information so that a decision can be made based on the information found. He highlighted to the members that the EveryData score is calculated using the credit history information, such as age, arrears, loan-to-value ratios, and court judgements.

He urged members to be consistent with their payments, have a long and diverse credit history, and check their credit profiles annually checking of your credit profile to improve their credit scores. Members can benefit from the credit bureau through easier access to affordable credit, improved loan terms, faster loan approval, better products, and protection from identity theft.

Hon. Lennox Andrews, Minister for Economic

Development, Planning, Tourism, ICT, and the Creative Economy, Agriculture and Lands, Fisheries and Cooperatives.

Hon. Lennox Andrews expressed his gratitude for the invitation to attend and congratulated Ariza on its exceptional performance for the 2024 financial year. He began by acknowledging the significant contributions Ariza has made to the community and the country. He mentioned that he was inspired by the vision articulated by our president in her address, highlighting an organisation focused on creating investment opportunities for ordinary Grenadians and ensuring that our youth can actively contribute to a promising future.

Minister Andrews noted that the theme of the gathering emphasised a financial sector grounded in one key word: “confidence.” Without confidence in the financial sector, individuals are less likely to deposit their money in various banks and credit unions. Financial stability and strength depend entirely on members and depositors having confidence in their financial institutions. This confidence was demonstrated nearly a year after Hurricane Beryl, showcasing our resilience as a community and our ability to overcome challenges and rebuild our lives and livelihoods. “I am indeed proud of you!” he declared.

He urged the organisation to continue leading with excellence and to set a benchmark for success in the financial cooperative sector. He praised the credit union for its accountability in the

2023 Annual Report, which highlighted an operating surplus of \$12.2 million, a loan portfolio growth of 10.7%, and a decrease in non-performing loans to 6%, down from 6.45% the previous year, with the benchmark for such loans being 5%. Additionally, \$2.2 million was paid in dividends to members in 2025, with the staff standing at 131.

He suggested that, to enhance the financial well-being of our members, the interest earned on these surpluses may not be sufficient. “We must use the money to make money,” he stated. We should leverage our surplus to generate more employment, boost our GDP, and achieve even greater growth. He emphasized the importance of establishing an investment unit within the credit union and proposed providing a scholarship for a member completing studies in investment at TAMCC. This member could return to help strengthen Ariza’s investment efforts.

According to financial economics, when liquidity is high, interest rates should decrease. High liquidity in the financial sector makes borrowing cheaper. By lowering interest rates on loans, more loans can be granted, and lower monthly payments can help reduce the delinquency ratio.

He outlined several areas to consider. Grenada needs Ariza, and it requires all of us to work toward realizing the vision of “Vision 75,” as announced by our esteemed Prime Minister. This vision aims



to shape Grenada’s future 25 years after our 50th anniversary of independence.

In conclusion, he called upon all citizens of Grenada to join a credit union and to encourage others in the community to do the same.

AGM 24/07 End of Official Session

The moderator thanked all the speakers for their congratulations, advice, and commendations and ended the Official Session.

AGM 24/08 Business Session

Sis. Peterlyn Cooper began the session by reading the Standing Orders to members to establish the rules for the session.

Report from the Nominating Committee

Sis. Alana Twum-Barimah, Chairperson of the Nominating Committee, presented the report.

The Nominating Committee comprised the following members:

Sis. Alana Twum-Barimah	Chairman
Bro. Aaron Moses	Member
Sis. Karel Hood	Member
Sis. Gemma Bain Thomas	Member
Sis. Amanda Gittens	Member

The Committee was constituted in accordance with Section VII. VI (53) of the Credit Union’s By-laws. The Committee’s report was recorded on pages 126–128 of the booklet. The report outlined the vacancies on the Board of Directors, the Supervisory and Compliance Committee, and the Credit Committee. The following considerations guided the Nominating Committee in the meeting:

- The skill set advised for the Board of Directors, the Credit Committee, and the Supervisory and Compliance Committee
- Opportunities to involve younger members in the Credit Union
- The requirements of the Act and By-laws:
 - At least 18 years old
 - A citizen of Grenada
 - Holds 10 fully paid equity shares
 - A member for at least one year
 - Saved at least \$50 per quarter for the last year
 - Is in good financial standing
 - Has attended the Volunteer Governance Training

Board of Directors

- Bro. Kimanii Daniel for a second three-year term.
- Bro. Francis Robertson for a first three-year term.
- Bro. Brian Bonaparte for a first three-year term.

Supervisory and Compliance Committee

- Bro. Rennie Henry for a first three-year term.
- Sis. Tarissa Ettienne- Grenade for a first three-year term.
- Sis. Kishona Hypolite for a first three-year term.

The Nominating Committee also made recommendations as follows:

- The shortlisted candidates should be the only submissions for analysis by the Committee.
- As it relates to the Governance Training, candidates who received training in the past and reapplied should receive a refresher course after three years.

The Chairperson thanked all departing Directors and committee members for their service to the Credit Union.

AGM 24/09 Election of Officers

Bro. Ray Roberts, the Presiding Officer, conducted the elections.

He stated that it is a privilege to be the Presiding Officer for the election. He indicated that the report circulated outlined the process and the selection made; however, it does not prevent members from nominating persons from the floor.

The Board of Directors

1. Bro. Kimanii Daniel for a second three-year term.
2. Bro. Francis Robertson for a first three-year term.
3. Bro. Briyan Bonaparte for a first three-year term.

There were no nominations from the floor; therefore, the Presiding Officer declared that no vote was required to fill the three vacant spots.

The following people were elected to serve on the Board of Directors:

- Bro. Kimanii Daniel
- Bro. Francis Robertson
- Bro. Brian Bonaparte

Supervisory and Compliance Committee

1. Sis. Terissa Ettienne- Grenade for a first three-year term.
2. Sis. Kishona Hypolite for a first three-year term.
3. Bro. Rennie Henry for a first three-year term.

There were no other nominations from the floor; therefore, the Presiding Office declared that no vote was required to fill the three vacant spots on the Supervisory & Compliance Committee.



The following people were elected to serve on the Supervisory & Compliance Committee:

- Bro. Rennie Henry
- Sis. Kishona Hypolite
- Sis. Terissa Etienne

The Presiding Officer congratulated the newly elected and re-elected members and wished them a wonderful term of office.

The Chairperson thanked Bro. Ray Roberts for conducting the elections and congratulated the newly elected board and Committee Members.

Following the conclusion of the election of officers, tokens were presented to the following Board and Committee members who were demitting office:

- Bro. Adrian Strachan – Supervisory & Compliance Committee Member
- Bro. Alan Francis – Supervisory & Compliance Committee Member
- Bro. Terrance Victor – Supervisory & Compliance Committee Member
- Sis. Michelle Sayers Griffth – Director
- Sis. Peterlyn Cooper – Director

A lifetime award was presented to Bro. Ray Roberts for his long-standing service as the Returning Officer at our Annual General Meetings.

AGM 24/10 Consideration of the Minutes of the 2024 AGM

The Chairperson indicated that the Minutes of the last AGM held last July were circulated and can be found on page 145. A motion was moved to consider the minutes as presented by Sis. Rhonda Hayling, and seconded by Bro. Marinus Coutain.

There were no corrections made to the minutes.

A motion was moved to approve the minutes by Sis. Francis Emanuel and seconded by Sis. Charmaine Edwards.

AGM 24/11 Board of Directors Report

The Board of Directors' report was presented by Vice President Bro. Kimanii Daniel.

“Ariza Cares,” our theme, “Beyond Challenges, Building Resilience, Inspiring Confidence”, reflects Ariza’s commitment to strengthening our foundation, depending on trust and charting our future defined by adaptability and member focus excellence. In a year marked by both progress and destruction, the Board of Directors remained focused on steering the organisation while upholding our corporate principles and vision.

The strategic goals for 2024 were organisational and digital transformation, human capacity, business diversification, external engagement, governance, and compliance. The year began with a cyber incident; we, however, successfully contained the threat, protected sensitive data, and restored full service within a short time frame. This event reinforces the importance of our digital risk strategies and prompted investments in cybersecurity infrastructure and staff training.

Additionally, on July 1st, when Hurricane Beryl made landfall as a Category 4 Hurricane, Ariza moved swiftly to ascertain the damage sustained by our Carriacou Branch and offered assistance to our members through financial relief and community support, which reaffirmed our roles as a reliable partner in times of crisis.

Ariza continued its strategic transformation in 2024 by enhancing HR capacity and launching new policies. We hosted a three-day financial wellness seminar, initiated a new reward and recognition policy, and partnered on a national financial literacy campaign, "Make Your Money Work for You".

Credit union sector overview performance 2024: Sector deposits increased by 12%, loans increased by 10.6%, assets increased by 8.3%, and membership within the ten (10) credit unions grew by 4.7%, 90,000 compared to 86,000 in 2023. Delinquency moved from 6.9% in 2023 to 6.5% in 2024.

Ariza's market share for assets is 44.32%, Loans 48.30%, and Deposits 44.25%. Out of the ten credit unions, we account for 50% of the market share. Ariza's performance recorded a robust increase in assets, increasing by 11%, deposits by 6%, loans by 10.7%, and operating surplus by 12.6 million. Delinquency improved to 5.4%.

Board and Governance: A new board was elected in July 2024. There were 18 meetings held in 2024, and 15 hours of monthly service were provided by each member. A directors' retreat was held under the theme: "Sharing Risk, Audit and Governance". Additionally, special leadership training was provided.

Compliance and Risk: In 2024, this department focused on strengthening the AML/CFT framework. 96% of staff completed various risk-based training, and a new FIU SAR portal reduced reporting delay.

Marketing and Community Engagement: For the first time, Ariza attended the Toronto Grenada Day and, as per usual, participated in the New York Grenada Day. Over \$89,675 EC dollars were deposited, and new members were received. Ariza won ICU 2024. Additionally, during the year, Ariza supported both social and community events.

In terms of Human Resources, as our membership grew, so did our team. Our staff increased from 117 to 129. We facilitated train-



ing in compliance and valuation leadership. We launched the reward and compensation policies to benefit staff and paid out more than 126K in provident funds to assist needy members.

As we look ahead, Ariza's staff is stronger and more agile and has a vision for global quality financial services throughout the year. We advance key strategic priorities, strengthen operations and governance, and focus on growth, security, and member value.

Renewed commitment to resilience, innovation, and cooperative values: The progress we achieved in 2024 would not have been possible without the collective efforts of our dedicated volunteer committees, committed strategic partners, hardworking staff, and, most importantly, you, our members.

Questions:

Bro. Dexter Best was concerned about the cyber-attack on our security system. He further questioned if any money was taken out from the Credit Union or if any members were affected by that cyber-attack.

Sis. Alana Twum-Barimah responded by saying that there was no threat to the financial standing of the credit union in terms of the monies deposited on behalf of the members. It was also stated that it was just one attack, and our systems were strong enough to prevent a full penetration of the system.

Bro. Learie Barry stated that every year we are budgeting for millions for the Ridgeway Project; however, only one building was sold this year, thus far.

Bro. Mervyn Lord responded that projects take time to build. He noted that all properties that were built were sold. He also informed the membership that we have made over 1.5 million dollars from the project. This amount does not include the interest income we receive monthly from our residents. A bit of concern was whether we had obtained a return on investment. When we compare the total amount of outflows to the total amount of inflows, we are just \$400,000.00 shy of recovering every single penny that was spent. Currently at Ridgeway, there is one property that is close to completion, but is already sold, meaning a deposit and sale agreement was taken. Another property is in the designing stage, with a deposit taken, and finally, there is one more property that was on the ground for some time but is almost completed and will be advertised soon. There are currently three properties in the pipeline for completion.

Bro. Dexter Best gave his insight that he believes Ridgeway is a failed project. He also stated that for the amount of money spent on this project 20 years ago, there should have been a profit totalling 20 million dollars. It was also stated that it's time for the Credit Union and the Board of Directors to make a firm decision on the Ridgeway project.

Sis. Alana Twum-Barimah responded to Mr Best by agreeing that it should have been a shorter period, and the Board of Directors has been actively ensuring that it is profitable and that we get as far as we can in the period in which we are sitting. The Board also keeps tabs and ensures that every dollar spent is profitable, and will also work alongside our committed engineer, who is also playing a vital role in the success of this project.

Bro. Lancelot Garraway came forward and stated he is a proud resident of Ridgeway Residences. He stated that when he looked at Ridgeway before COVID, it was not a project he would have invested in; however, there were some significant changes since then. He noted that the development was not clear in its direction, and it would have been said before that Ridgeway didn't seem to know what it was about a few years ago. Having many interactions with Mr. Lord and members of the Ariza team, he has seen movement that is really taking shape to what they wish the development will be. Additionally, he believes that this project is developing beautifully. It was also stated that the shortfall is in the proper marketing of the project, both locally and across the diaspora, and some emphasis should be placed on this.

Bro. Learie Barry requested clarification on what he noted as an increase in personal expenses totalling 2 million dollars in the financial report. According to the audited financial statement, there were four (4) new positions added in 2024; however, there

were 14 recruits, and asked who just needed clarification about this.

Sis. Alana Twum-Barimah confirmed that there were fourteen (14) new jobs and not four (4).

A motion was moved to accept the board report by Bro. Aaron Moses and seconded by Sis. Merryl Lord.

AGM 24/12 The Credit Committee Report

Sis. Deshon Harris presented the report of the Credit Committee. She stated that in alignment with its mandate, the Committee worked diligently to ensure prudent lending practices, transparency in approvals, service to members, resilience, and progress.

The Credit Committee faced various challenges in 2024, including a cyber-attack and the devastating impact of Hurricane Beryl, which damaged over 500 homes. In response, the credit union offered payment waivers and loan moratoriums, leading to improved systems.

The gross loan portfolio grew from 374.2 million in 2022 to 539.6 million in 2024, reflecting a 10% increase. Although the number of loans disbursed decreased to 13,671, the amount increased to 148 million, showing strong demand, particularly in business, vehicle, and educational loans. Over the years, financing has shifted more



towards vehicular loans, with women accounting for a significant portion of applications.

Delinquency management improved, with the portfolio at risk for 90 days dropping from 6.44% in 2023 to 5.38% in 2024, thanks to strategies like custom payment plans and financial counselling.

Community outreach was enhanced through collaborations with the Grenada Housing Authority to support affordable housing and initiatives like car shows to foster entrepreneurship.

In summary, 2024 was a year of resilience and innovation for Ariza Credit Union, focusing on strengthening the loan portfolio, enhancing risk management, and committing to responsible lending and member well-being.

Sis. Harris extended congratulations to the Board, management, staff, committee, and the general membership for this great accomplishment.

A motion was moved to approve the report by Sis. Claudette James, and seconded by Bro. Learie Barry.

Questions

Bro. Learie Barry stated that on page 46, there is a paragraph that says one of the standout achievements of our collaboration with

the Government of Grenada is the various MIT projects, which are referred to as modern MIT projects, but that's not the type of projects. He clarified that the projects are Build Back Better and special projects, and as such, this needs to be corrected.

Bro. Barry proposed that under section 2.0 review of management accounts ratios and delinquency data bullet three, highlighted membership growth remains below the minimum target of 15%. He also recommended that we either review our target to increase our annual growth, or we seek efforts to bring in students.

He questioned the \$500 membership fee; he believes that it is a problem in terms of membership growth. He believed the managers, together with the Board of Directors, should huddle together as the credit union should not be compared to banks.

He also stated that it is unacceptable that the board did not present the auditor's report and the Board's response to the auditors' comments. The emphasis on students by the compliance department is an excellent initiative; however, we cannot have the same entry requirements for students. Lastly, he believed the removal of monies from members' equity shares to the qualifying shares is also an issue.

Sis. Alana Twum-Barimah responded by acknowledging the recommendation; however, she assured him that there are discus-

sions concerning the various points raised, and any amendments would require further amendments to the bylaws.

Bro. Kipling Charles responded to Bro. Barry, with respect to the membership fees. He noted that it's not a fee, but rather an investment in the credit union. Additionally, he corrected the statement regarding moving funds from the equity shares, which stated that we are depleting the equity.; Bro. Charles explained that the equity share includes qualifying shares and other shares, and we are merely transferring from one form of equity to another.

He noted that when we look at the credit union's equity, it is not depleted; it is rather maintained. Sis. Alana Twum-Barimah proposed that there should be more emphasis placed on educating members, as well as persons who are interested in requesting clarification from a member.

One member questioned about the HR constraints in the HR unit, and what strategies are in place to improve such constraints.

Sis. Alana Twum-Barimah responded that we have an Executive Manager and a Manager on site as of May 2025. We are looking at expanding that department. Also, we are almost to the completion of the HR policy, at which point it would be submitted to the HR committee and then the board for approval.

Bro. Learie Barry questioned why the Supervisory & Compliance Committee was recommending subsidising the debit card transaction fee. He further asked if it's the transaction fee of \$1.05 that they are referring to.

Sis. Alana Twum-Barimah corrected Bro. Barry, stating that the withdrawal fee is .99 cents and not \$1.05.

Bro. Kipling Charles responded that with respect to the receivables, that figure does not merely refer to fees; the majority of that refers to the actual withdrawals done at the ATM.

He noted that the fees apply to both withdrawals made at our machines and those made at other Connex machines. For example, customers of the Grenada Co-operative Bank can withdraw from our machines, which means they have prepaid. As a result, the Co-operative Bank must reimburse us not only for the amount withdrawn but also for the fees associated with that service.

In previous years, members used other Connex machines rather than our own, which led us to incur fees that we had to pay back to those institutions. We are now encouraging loyalty to our machines to avoid these additional fees.

Bro. Mike Sylvester believed that the credit unions should not be compared with banks, and as such, certain policies should



not be the same as banks. He also questioned why the staff is receiving a preferential rate.

Sis. Alana Twum-Barimah responded that the staff preferential rate is given primarily to meet staff halfway, stating that they are members who work harder to ensure that Ariza continues to rise. She also stated that with those rates, staff are allowed to own various items and invest in business. We want to be able to retain our staff and encourage staff satisfaction.

Ms. Meryll Sylvester said she cannot recall the section of the law that states that no staff should receive preferential treatment.

Sis. Alana Twum-Barimah replied that there was an amendment to the Act that approved for preferential rates to be given to staff.

Bro. Solomon Stafford questioned Sis. Twum-Barimah's statement about the reason staff are receiving preferential treatment. He believed that the staff is very well paid. He also mentioned that employees whose previous employment was at the banks bring over the same kind of energy by treating members as if they are customers.

Sis. Alana Twum-Barimah apologised and assured him that we would continue to provide training, empowerment as to how the credit union works, and that we should be open to teaching them what the true credit union psychology is moving forward.

AGM 24/13 Supervisory and Compliance Committee Report

Sis. Jodie-Anne Johnson presented the report from the Supervisory & Compliance Committee. She stated that the SCC thoroughly examined the minutes and papers of the Board of Directors monthly to determine that the decisions and actions of the board, committees, management, and staff relating to the affairs of the credit union were all in accordance with the act, regulations, and bylaws of the Credit Union and the approved standards and polices.

The SCC commended the Board of Directors for its timely update with minutes and papers from the meetings during the period January 2024 to December 2024.

She highlighted some considerations raised by the Committee, which included:

- Subsidising the debit card transaction fee as a strategic measure to foster member loyalty, improve retention, and support continued membership growth.
- Strengthen collaboration with other credit unions on financial technology and cybersecurity with a view to adopting regional best practices and enhanced system resilience.

Sis. Johnson noted that a sample of loans issued to directors, committee members, and employees during the period January 2023 to September 2024. She also noted a greater effort to improve the maintenance of documents in members' files and ongoing training for loan officers in assessing members' and loan applications.

Consideration of the 2024-2026 strategic plan was reviewed by the committee. The SCC commends the Credit Union for a well-planned and detailed strategic plan that articulated the key performance requirements for each department. We look forward to the execution of the strategic plan and the overall impact, growth, and development of the credit union.

The SCC successfully conducted cash counts at the St. George's and Grenville branches. The main objective of this task was to determine whether the actual cash on hand was equal to the cash recorded on the system at the time of the count. The SCC was satisfied with the cash counts and expressed its satisfaction with the cooperation of the relevant staff. The SCC is entrusted with the responsibility of reviewing internal audit, risk, and compliance reports. The committee considered the respective annual reports for 2023 and quarterly reports for 2024.

Other activities undertaken by the Committee during the year included:

- Reviewed the special general meeting for the approval of the revised By-laws in January 2024.
- Attended AML/CFT training sessions in February and March 2024.
- Attended the business luncheon of the co-operative sector in February 2024.
- Attended the 17th annual OECS summit held in Dominica in September 2024.
- Attended the Grenada Co-operative League investment conference in November 2024.

The SCC met with the Executive Manager of HR in November 2024. The committee considered it incumbent to hold discussions on the overall status of HR policies and initiatives within the unit, such as the reward and recognition policy, and implementation of recommendations arising from the employee engagement survey. The SCC noted challenges faced by the HR department and the significant constraints of the HR unit. The Committee also met with the head of the delinquency unit to discuss measures to reduce the delinquency rate, operations of the unit, obstacles faced by the unit, and the monitoring mechanism for larger loans. The Committee commends the unit on its continued efforts to



reduce loan delinquency through strengthened loan underwriting, monitoring, and adherence to recovery procedures.

The Supervisory and Compliance Committee extends its heartfelt appreciation to the Board of Directors, Credit Committee, Management, Staff, and Membership of Ariza Credit Union.

A motion was moved to approve the report by Sis. Claudette James, and seconded by Bro. Learie Barry.

AGM 23/12 Auditors' Report

The Auditor's Report was presented by Mr. Khalid Steele of PKF Accounting firm. He presented the opinion paragraph that can be found on page 47 of the AGM Booklet.

He stated that the accounting firm of PKF audited the financial statement of Ariza Credit Union, comprising the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in members' equity, and the Statement of Cash Flows for the year ended 31st December 2024, and notes the financial statements, including a summary of significant accounting policies and other explanatory information. In their opinion, the accompanying financial statements present fairly in all material aspects the financial position of the Credit Union as of 31st December 2024 and its financial performance and cash

flows for the year ended in accordance with international financial reporting standards.

A motion was moved to adopt the Auditor's Report by Bro. Lyndon Bubb and seconded by Bro. Terrence Victor.

AGM 23/13 Treasurer's Report

The Treasurer's Report was presented by Sis. Nerisa Andrews. She reported that 2024 has generated commendable results for Ariza. Her presentation focused on five major categories.

Income and loan growth

In 2024, members' loans increased by 10.15% or 47.7M, which increased interest income by 8.36% or 2.86M. Additionally, life-time savings increased by 7.7% or 22.6M. This is the first form of security held against members' loans.

Cost Management

To support the income growth, operating expenses increased by 23.41% or 3.26 M, mainly driven by an increase in investment in cyber security enhancements.

Surplus

The total operating surplus achieved was 12.2M, reflecting a slight decrease of 2.8 million or 3.45% compared to 2023. This decrease was due to an increase in operating expenses, for example, per-

sonnel and heightened cybersecurity measures. Although there was an increase in operating expenses, the Credit Union continues to demonstrate excellent cost efficiency measures. The surplus before appropriation stood at 8.4M, a decline of 4M or 32.3% compared to 2023. This was primarily due to an increase in loan loss provision in response to the 2024 loan portfolio performance.

Ratios

Generally, Ariza achieved the benchmark for most of the ratios; however, a few were mentioned:

- Member share capital/total assets (Benchmark \geq 3%) at the year-end 2024, stood at 2.42%, qualifying shares increased by 4.72 M or 69.92% compared to 2023. This growth was primarily driven by the mandatory requirement of 25 shares for membership eligibility.
- Balance on delinquent loans of the gross loans portfolio. The benchmark is \leq 5%. At the end of December 2024, it stood at 5.96%, with the previous year's figure being 6.45%. The results are trending in the right direction towards the 5% benchmark. Management has conducted a comprehensive review of the current delinquency portfolio, including a reassessment of existing strategies. These new strategies were identified to reverse the trend experienced in 2024.

- Liquid assets benchmark was a minimum of 15%. At the end of December 2024, it stood at 16%, with the previous year's figure being 17.92 cash and cash equivalents. In 2024, it increased by 6% or 2.5 M through the issuance of loans and investment in financial achievements due to minimizing idle cash.
- Non-earning assets to total assets \leq 5%, at the end of December 2024, it stood at 12.73%, with the previous year's figure being 17.11%. During the year 2024, two properties were under construction, and the final stage is expected to be realized in 2025.

Significant movement was seen as Accounts Receivable increased by 6.01M, mainly due to amounts received from the Grenada Co-operative Bank in the sum of 13.2M from delayed payments in reconciliation.

In conclusion, the 2024 results have demonstrated strong and exceptional financial performance with notable increases in income, profitability, loans, and prudent cost management strategies.

A motion was moved to adopt the Treasurer's Report by Sis. Carla Ross, and seconded by Sis. Cindy-Ann Alexander.



AGM 23/14 Resolution for approval of 2025/2026 Budget

Sis. Tricia Melville presented the budget as follows:

	2025	2026
Gross Loans	\$ 590M	\$ 640 M
Total Earning Assets	\$ 605M	\$ 647M
Members' Lifetime Savings	\$ 321M	\$ 344M
Equity, Qualifying Shares & Institutional Capital	\$ 43M	\$ 47M
Total Income	\$ 42.3M	\$ 46.1M
Marketing	\$ 1.0M	\$ 1.2M
Operating Expenses	\$ 13.17M	\$ 15.02M
Surplus Before Appropriation	\$ 11.7M	\$ 13.03M
Capital Budget		
IT Expenditure	\$ 2.05M	\$ 1.95M
Furniture & Equipment	\$ 450K	\$ 400K
Morne Jaloux project	\$ 500k	\$ 500K
Church Street project	\$ 500K	\$500K
Total Capital Budget	\$ 5.655M	\$ 5.8M

Questions:

Sis. Meryl Sylvester questioned the amount budgeted for Church Street and asked what the plans are based on the numbers budgeted. The response was that the budget for the expansion and refurbishment of the Church Street branch is necessary because, as it stands at Bruce Street, the spaces are limited. The intention is to upgrade the Church Street location to move some departments there.

RESOLUTIONS:

1. ALLOCATION OF SURPLUS

WHEREAS the Credit Union paid interest of 2.75% on Lifetime Savings amounting to \$8,413,935.

AND WHEREAS the Credit Union earned a surplus of \$8,408,647 for the year ended December 31st, 2024, and a balance of \$5,381,534 remains unallocated after making the required Statutory and other allocations for the year.

AND WHEREAS the highest rate of dividends on Equity Shares is allowable under the Cooperative Societies Act and Regulations.

AND WHEREAS the Board approved a rebate payment on LOAN INTEREST of 3% amounting to \$1,106,581 to be paid to members.

BE RESOLVED THAT a dividend payment on EQUITY and QUALIFYING SHARES of 5% amounting to \$1,242,543 is paid to Members.

Allocation of Surplus

Yes – 108

No – 0

The resolution for the allocation of surplus was approved by the membership.

2. APPROVAL OF BUDGET

WHEREAS it is required under the Credit Union's By-laws (section 48 (1) (g) that the budget be approved by the Annual General Meeting.

AND WHEREAS this budget is presented for the consideration of the meeting on pages 141–144 of the Annual Report and is highlighted as follows:

	2025	2026
Total Assets	\$ 731M	\$ 779M
Net Loans	\$ 565.2M	\$ 614.7M
Total Income	\$ 48.1M	\$ 52.4M
Total Expenses	\$ 36.96M	\$ 39.39M
Surplus	\$ 11.17M	\$ 13.02M
Capital Expenditures	\$ 3.997M	\$ 7.65M

BE RESOLVED THAT the budget, as presented, is approved.

Approval of the Budget

Yes – 101

No – 1

The resolution for the approval of the budget was approved by the membership.

AGM 23/18 ANY OTHER BUSINESS

AGM 23/19 CLOSING REMARKS

The Chairperson thanked everyone who contributed to the success of the AGM, and she welcomed the new committee and Board members.

AGM 23/20 ADJOURNMENT

The meeting ended at 7:30 pm on a motion moved by Sis. Claudette James and seconded by Bro. Rennie Henry.



MINUTES OF SGM 2025

Special General Meeting of Ariza Credit Union held on Thursday 9th October 2025 at Coyaba Conference Room, St. George, and Via Zoom

SGM 25/01 Call to order and Welcome

Sis. Alana Twum-Barimah, Chairperson, welcomed everyone to the Special General Meeting (SGM) for the selection of an external auditor.

SGM 25/02 Tributes

The national anthem was played, followed by our Ariza prayer, which was led by Sis. Keri- Ann St. Louis-Telesford.

A minute of silent tribute was held in memory of all members who passed away during the last year.

SGM 25/03 Overview of the Purpose of the Meeting

Sis. Alana Twum-Barimah again welcomed everyone to our Special General Meeting. She stated that at our Annual General Meeting (AGM) held on June 30th, 2025, one important agenda item was deferred, which was the selection of external auditors for the financial year 2025.

Every financial year, as stipulated in the Grenada Cooperative Societies Act of 2011 and reinforced in the By-laws of Ariza Credit Union, an external auditor must be appointed to undertake the independent audit of Ariza's financial statement. This ensures that our financial results are presented and approved in a transparent, timely, and accountable manner.

This meeting allows us to fulfil the obligation by considering and approving an external auditor for the financial year 2025. For the past five years, PKF Grenada has faithfully served Ariza Credit Union as our external auditors.

The President expressed heartfelt gratitude on behalf of Ariza Credit Union and its Board of Directors to PKF for their professionalism, dedication, and contribution to the integrity and accountability of our financial reporting.

SGM 25/04 Presentation on Process to select the External Auditor

Mr. Kippling Charles informed us that, according to subsection 16 (1)(c) of the law, we are required to select a new auditor for the year 2025. This subsection states that an auditor of a cooperative society automatically ceases to hold office after five consecutive years of service.

He stated that in compliance with this regulation, we need to rotate our auditors, as PKF has performed this role for the past five years with distinction. Earlier this year, we invited various firms to submit proposals for our auditor selection.

He reported to the meeting that we received four proposals from the following entities: Cardinal Advisory Services, located in Grenada; Grant Thornton, based in St. Lucia; HLB Grenada Advisory and Accounting; and LDS Audit and Accounting Inc.

However, the members were informed that LDS Audit and Accounting is not on the approved list provided by our regulators, and, therefore, they were unable to go through the vetting process.

Each proposal was evaluated against established criteria, which included the following:

- Technical expertise and industry experience
- Audit methodology and standards
- Independence and ethical compliance
- Cost effectiveness
- Technology and innovation
- Client reference and reputation

After a comprehensive review, the Board of Directors proposes proposed the appointment of HLB Grenada Advisory and Accounting as our external auditors for the financial year 2025, based on the following key features of their operation:

- Technical Expertise and Industry Experience
- Audit methodology and standards
- Independence and Ethics
- Cost effectiveness
- Reputation and Global Network.

It was mentioned that they have also been involved in the audit of the Grenada Co-operative League.

Grant Thornton was also considered; however, the cost presented was significantly more than the cost of the other companies. In some cases, it was almost 200% more.



Bro. Charles then gave the members an overview of the proposed audit firm. He stated that HLB Grenada is a full-service accounting firm and an independent member of the HLB international network, authorized by GARFIN to audit credit unions. The firm adheres to international audit quality standards and maintains compliance with Anti-Money Laundering (AML) and regulatory requirements. They bring over 80 years of combined experience in accounting, audit and assurance, fraud investigation, taxation, and business consultancy.

The principals behind the company are Mr. Hyacinth Jeremiah, Managing Partner, and Mrs. Claudia Francis, Advisory Services Partner.

He further stated that after completion of the assessment, the management and the Board of Directors believe that, for the year 2025, the firm HLB Grenada Limited should be the one selected to complete our audit to present to the AGM its assessment of our financial statements.

Questions

Bro. Ambrose Phillip questioned the evaluation of the proposals done and the criteria used. He also enquired as to who made up the evaluating committee. Bro. Lord, in his response, noted that the evaluation was done by management, and then by the Audit Committee, and then finally by the Board of Directors.

Bro. Phillip mentioned that Ariza's assets constitute over 50% of the Credit Union's assets. In discussing cost comparisons, he asked what are we comparing the costs against and what the criteria are we using to determine if something is too expensive. In response, he was informed that pricing was not the only criterion used; there were other criteria that also needed to be met for approval.

Bro. Phillip questioned the capacity of the firm to deliver the audit on time and the qualifications of the team at HLB. In response, he was told that the team comprises Mr. Jeremiah, who is the managing partner, and Ms. Francis, who will be the quality assurance partner. Additionally, the other team members have the following qualifications: a qualified ACCA, a Level 3 ACCA program, and a bachelor's degree in accounting.

Bro. Charles assured the membership that the interim audit is scheduled to begin in November, and the plan is to have the final audit done in February. We are working to have our AGM either by the end of March or April 2026.

Bro. Lancelot Garraway shared his concern regarding the size of Ariza in relation to the cost of the audit. He also inquired as to whether the partner of HLB, Ms. Francis, was a partner in PKF while they were conducting audits at Ariza. The response was

that she was not a part of PKF during the five years when the audits were done by PKF.

Bro. Rene Parke questioned whether there is a matter of conflict of interest with the firm auditing commercial banks while auditing Ariza. The response was that the company is not currently auditing any of the commercial banks.

SGM 25/06 Resolution to select the External Auditors

The resolution to appoint the External Auditors for 2025 of the Ariza Credit Union Limited was read by Sis. Alana Twum-Barimah:

WHEREAS the Credit Union is legally mandated to rotate its external auditors every five (5) years and is therefore required to appoint new auditors for the financial year ending 2025.

AND WHEREAS a comprehensive evaluation process was undertaken to identify a qualified audit firm possessing the requisite expertise, capacity, and organizational structure to conduct an audit of the Credit Union's scale and complexity

AND WHEREAS HLB Grenada, an independent member of the HLB International network, has emerged as the preferred option

as a full-device service accounting firm demonstrating strong sectoral knowledge, a rigorous audit methodology, competitive pricing, while locally based in Grenada, but, supported by regional and international resources, duly authorised by GARFIN to audit credit unions, and adheres to international audit quality standards (ISQC1), anti-money laundering (AML) protocols, and all applicable regulatory requirements;

BE IT RESOLVED that HLB Grenada be appointed as the Credit Union's external auditors for the financial year 2025.

Following the period of voting, the votes tallied were as follows:

Yes 181

No 11

The resolution passed, and HLB was appointed external auditor for the financial year 2025.

SGM/25/07 Closing Remarks

Sis. Alana Twum-Barimah thanked everyone who participated in the activity and expressed the desire to see all members at next year's AGM.

SGM/25/08 Adjournment

The meeting ended at 7:30 pm.



NOMINEES



ALANA TWUM-BARIMAH

NOMINEE: BOARD OF DIRECTORS

Mrs. Alana Twum-Barimah (LLM, LEC, LLB, BSC., AML/CA, C.Dir) is an Attorney-at-Law who serves as Assistant Professor of Law and Management at St. George's University (SGU). Her past work experience includes the roles of Corporate Secretary/ Executive Manager, Legal and Compliance, at Grenada Co-operative Bank Limited, and Senior Legal Counsel and Registrar (Government of Grenada). Mrs. Twum-Barimah has served as President of the Board of Ariza Credit Union since 2024. She is a Director of the Alpha Junior School, a Primary School, since 2005.

Mrs. Twum-Barimah graduated from the University of the West Indies with a Bachelor of Laws, from the Hugh Wooding Law School with a Legal Education Certificate and from the University of Liverpool with an LLM in International Business Law. She is a certified Director from the Caribbean Governance Training Institute and a Certified Anti-Money Laundering Compliance specialist with FIBA.

In 2024, Mrs. Twum-Barimah was a keynote speaker at the University of the West Indies Corporate and Commercial Law Workshop

(CCLW) on the topic: A look at the UNCITRAL and the EU model on electronic contracts: Shaping a digital future for the CSME. Her recent work included a World Bank three-day intensive workshop on Data Protection in Grenada. Her passion for research and writing has encouraged her to pursue a Ph.D. degree in Foreign Policy.

At SGU, Mrs. Twum-Barimah serves on several committees and teaches at both the undergraduate and graduate levels. The courses include Business Law, Business Ethics, International Trade, Legal Aspects of International Business, and International Business Law. In 2025, she received the SGU SAS Student Advisor Award for the Business Department. Furthermore, she has recently been promoted to the position of Assistant Dean of Students within the School of Arts and Sciences at SGU.

Overall, Mrs. Twum-Barimah is passionate about nation-building and the advancement of financial institutions in the Caribbean through strong governance and compliance structures and frameworks.



DAHELIA R. THOMAS

**NOMINEE:
BOARD OF
DIRECTORS**

Dahelia R. Thomas is a governance and compliance professional with over eight years of experience in financial services, regulatory compliance, and institutional development. She currently serves as a Research and Development Officer at the Grenada National Accreditation Board, where she supports national policy development, regulatory oversight, and strategic initiatives for Grenada's education sector.

Dahelia previously served as Compliance Officer at Ariza Credit Union, where she was responsible for risk-based customer

and transaction analysis, and compliance monitoring in line with AML/CFT regulatory requirements. She has also held compliance and reporting roles within the private sector, supporting Board-level reporting and organizational risk management.

Dahelia holds an MBA in International Business and a Bachelor's degree in Criminology and Criminal Justice, and brings strong competence in risk management, governance support, strategic planning, and stakeholder engagement





TRICIA ST. BERNARD

**NOMINEE:
BOARD OF
DIRECTORS**

Mrs. Tricia St. Bernard is a seasoned finance and governance professional with over 18 years of experience in accounting, auditing, and financial management. She holds the Chartered Director (C.Dir.) designation from the Caribbean Governance Institute, an MBA in Finance from Arden University (previously known as the University of Wales), is a Fellow of the Association of Chartered Certified Accountants (FCCA), and a member of the Institute of Chartered Certified Accountants of the Eastern Caribbean, Grenada Branch (ICAEC).

Her professional career spans over seven years at PKF Accountants and Business Advisers, where she held positions as a Qualified Audit Semi-Senior and a Qualified Audit Senior. She then joined Digicel, progressing from Financial Accountant to

Finance Manager over another seven years. Additionally, she served on the Board of Directors of the Grenada Society for the Prevention of Cruelty to Animals (GSPCA). For the past four years, Sis. St. Bernard has been providing financial leadership at Jonas Browne and Hubbard (Grenada) Ltd.

Throughout her tenure on the Board, Sis. St. Bernard has brought strong financial oversight, sound governance practices, and strategic insight to the Credit Union's stewardship. She remains committed to promoting transparency, accountability, and sustainable growth in the service of the membership and wider community.



RACHEL JUDY PIVOTTE

**NOMINEE:
CREDIT COMMITTEE**

Rachel Judy Pivotte is a retired public servant who worked in the Ministry of Finance, Inland Revenue Division, for thirty-eight (38) years.

She attended St. Joseph's Convent High School, St. George's, from 1979 to 1983, and the Institute for Further Education (IFE) from 1983 to 1985.

She graduated from the University of the West Indies (Outreach Campus, Marryshow House), earning a Certificate in Public Administration (1992-1994).

She is also a graduate of St. George's University (SGU) (May 2022) and earned an undergraduate degree in Accounts &

Finance (Cum Laude). Other educational achievements include a Project Management Essentials Certificate and a Procurement and Logistics Certificate.

Rachel Judy Pivotte is also a member of the Ariza Credit Union (formerly The Grenada Public Service Credit Union) for over thirty (30) years. She has served the establishment for many years and continues to do so as a member of the Credit Committee, with true diligence.

Rachel Judy Pivotte resides in Hills View, Gouyave, St. John, and is an active member of the Lions Club St. John.





DESIREE STEPHEN

**NOMINEE:
CREDIT COMMITTEE**

Ms. Desiree Stephen has been a member of the Ariza Credit Union for approximately fifteen (18) years, having joined the Credit Union after she was appointed to the Public Service of Grenada in August 2008 and served on the Credit Committee from 2023.

She is currently attached to the Ministry of Tourism, the Creative Economy and Culture in the capacity of Permanent Secretary, effective September 2024.

Before her appointment at the Ministry of Tourism, et. al., she served in the Ministry of Youth & Sports, Agriculture, Health, Deputy Permanent Secretary with responsibility for Administration in the Ministry of Finance, Senior Human Resource Officer, and Human Resource Management Officer at the Department of Public Administration. Subsequent to joining the Public Service,

she worked in the Private Sector in the areas of accounting/finance and human resources for approximately seven (7) years.

She attained her academic qualifications from Midwestern State University in 1999, where she gained a Bachelor's Degree in Finance and a Master's Degree in International Business from St. George's University in 2013.


She has also acquired valuable experience, having been exposed to several short-term training courses and while serving on various Boards and Committees, and volunteering in sporting and community activities.











 www.arizacu.com

 [arizacreditunion](#)

 [excelclub](#)

 [arizacu](#)