ANNUAL REPORT 2024

Beyond Challenges: Building Resilience, Inspiring Confidence

Ariza Credit Union

Ariza Credit Union

Beyond Challenges:
Building Resilience, Inspiring Confidence

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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

SONG

Ariza!
VS1
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!

VS2
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.

CORPORATE INFORMATION

St. George's Branch
Bruce Street, St. George's
P.O. Box 886
T: +1 (473) 440 1759/8296/2099
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Grenville Branch Office
Canal Road
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T: +1 (473) 438 4929/4930
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Carriacou Branch Office
Church Street
Hillsborough, Carriacou
T: +1 (473) 443 7461
F: +1 (473) 443 8520

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

Credit Union House
906 Church Street, St George's

Auditors:
PKF
Pannell House
P O Box 1798
Grand Anse, 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.ariza.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 Sreet, St George's

A. Andall & Co.
Upper Lucas Street, St George's

Justis Chambers
Upper Church Street, St George's

SJW Law
Spiceland Mall,
Grand Anse, St. George

NOTICE OF ANNUAL GENERAL MEETING 2025

Notice is hereby given that the Annual General Meeting (AGM) of Ariza Credit Union Ltd. will be held at the Grenada Trade Centre on 30th June 2025, 2 pm, hybrid.

AGENDA

OPENING SESSION

1.1. Call to order and welcome
1.2. Credit Union prayer
1.3. Silent tribute

BUSINESS SESSION

1. Nominating Committee Report
1.2. Elections
1.3. Voting
1.4. Sitting of new Directors

2. Consideration of the Minutes of the Annual General Meeting (AGM) held 25th July 2024.

3. Committee Reports
3.1. Board of Directors
3.2. Credit
3.3. Supervisory & Compliance
3.4. Treasurer and Auditors
3.5. Budget 2025 and 2026

4. Resolutions
4.1. Allocation of Surplus
4.2. Appointment of Auditors
4.3. Approval of Budget

Sis. Peterlyn Cooper
Secretary

Visit arizaagm2025.rsvpify.com 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 2020–2024

	2024	2023	2022	2021	2020
Gross Loans	539,654,233	487,549,111	437,271,312	403,999,144	374,717,218
Net Loans	518,001,706	470,252,582	417,279,110	387,976,683	363,693,198
Investments	57,172,370	58,420,469	47,055,702	51,400,842	46,893,695
Fixed Assets	24,721,573	24,979,431	24,222,667	24,954,968	25,380,701
Total Assets	**677,421,468**	**622,235,460**	**580,211,714**	**523,772,037**	**489,581,331**
LIABILITIES					
Member's Lifetime Savings	317,205,594	294,535,498	274,027,666	244,366,041	215,896,670
Other Deposits	236,822,181	226,419,188	223,494,301	205,056,240	200,300,667
Total Deposits	**554,027,775**	**520,954,684**	**497,521,967**	**449,422,281**	**416,197,337**
CAPITAL					
Member Equity	16,426,579	17,464,397	16,911,054	16,058,046	15,438,304
Member Qualifying Shares	11,470,935	6,750,837	6,104,748	5,293,916	4,334,962
Surplus and Reserves	55,704,544	49,601,790	39,176,253	35,771,866	32,989,653
Institutional Capital	**67,175,479**	**56,352,627**	**45,281,001**	**41,065,782**	**37,324,615**

OPERATIONAL HIGHLIGHTS 2020–2024 (CONTINUED)

	2024	2023	2022	2021	2020
Income					
Interest on loans	37,020,903	34,163,218	30,767,809	30,848,897	30,416,834
Other Income	5,394,067	4,813,220	3,686,918	2,604,269	2,627,749
Total income	**42,414,970**	**38,976,438**	**34,454,727**	**33,453,166**	**33,044,583**
Expenditure					
Interest on Deposits	11,870,137	11,458,860	10,963,503	10,610,537	11,046,802
Other Expenses	18,463,322	14,853,261	13,657,218	11,920,426	12,643,464
Total expenses	**30,333,459**	**26,312,121**	**24,620,721**	**22,530,963**	**23,690,266**
Surplus					
Operating Surplus for the Year	12,222,621	12,664,317	9,834,006	10,922,203	9,354,317
Provision for Risk Assets/ (Write Back on Provision)	3,672,864	(33,306)	4,552,944	6,682,676	3,691,220
Unapproriated surplus/(deficit)	8,408,647	12,422,976	4,899,438	3,651,794	4,073,077
Dividend	**1,179,386**	**667,178**	**617,458**	**577,875**	**881,458**
Rebate	**1,000,904**	**322,973**	**269,746**	**-**	**560,961**
Membership	**27,333**	**26,119**	**24,481**	**22,443**	**21,130**

SIS. ALANA TWUM-BARIMAH

PRESIDENT

BRO. KIMANII DANIEL

VICE PRESIDENT

SIS. TRICIA MELVILLE

TREASURER

BOARD OF **DIRECTORS**

SIS. MICHELLE SAYERS-GRIFFITH

ASSISTANT TREASURER

SIS. PETERLYN COOPER

SECRETARY

SIS. LYNDONNA HILLAIRE-MARSHALL

ASSISTANT SECRETARY

BRO. CHAD HYSON

MEMBER

SIS. NERISA ANDREWS

MEMBER

BRO. RUFUS BETHEL

MEMBER

BRO. MERVYN LORD

CHIEF EXECUTIVE OFFICER

BRO. KIPPLING CHARLES

EXECUTIVE MANAGER, FINANCE

SIS. DAYNA FRANCIS-ROBERTS

EXECUTIVE MANAGER, LOANS & CREDIT ADMINISTRATION

BRO. JEREMY CHETRAM

EXECUTIVE MANAGER, MEMBER EXPERIENCE

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

SIS. RAELENE LAZARUS

MANAGER,
MARKETING

BRO. DANNY WILLIAMS

MANAGER,
CREDIT ADMINISTRATION

SIS. IRVA FRANK-ROBERTS

BRANCH MANAGER,
GRENVILLE

MANAGEMENT TEAM

SIS. CANDYS DE COTEAU

MANAGER,
RETAIL LOANS

BRO. M. STEPHEN JOSEPH

MANAGER,
RECOVERIES

SIS. NATASHA MARQUEZ-SYLVESTER

MANAGER,
INVESTMENT SERVICES

SIS. NEIKA JOHNSON

MANAGER,
ACCOUNTING

PRESIDENT'S MESSAGE

PRESIDENT'S MESSAGE

It is with heartfelt gratitude to God and renewed optimism that I present Ariza Credit Union's 2024 Annual Report. This year's theme, "Beyond Challenges: Building Resilience, Inspiring Confidence," aptly captures the spirit with which we navigated a year marked by trials, reaffirmed values and strengthened resolve.

Our Executive Team, Management and Staff have worked with unwavering dedication to meet Ariza's goals and objectives. I extend sincere thanks to our CEO, Brother Mervyn Lord, for his passionate leadership, and to all staff for their drive, resilience and commitment. Throughout the year, the Board worked collaboratively with Management to provide strategic oversight, leveraging our diverse skills to support Ariza's continued growth and commitment to service excellence. Our Supervisory & Compliance Committee and Credit Committee met consistently and carried out their mandates effectively, as outlined in the Co-operative Societies Act and our bylaws. The Supervisory & Compliance Committee provided critical oversight that helped strengthen our governance structures and strategic approach.

Among the challenges faced this year was the passage of Hurricane Beryl, which impacted our Carriacou branch and staff. Despite personal hardships, the Carriacou team continued to serve members with dedication and professionalism. We are truly grateful for their sacrifice and service. Another major challenge was the cybersecurity incident in March 2024. This event tested our resilience and demanded swift, decisive action. We approached the crisis with a clear conviction: that we would be defined not by the incident, but by our response. We maintained open and transparent communication with our members throughout, providing regular updates and answering concerns promptly.

In the months that followed, we took decisive steps to reinforce our internal systems, enhance cybersecurity protocols and strengthen governance. Strategic investments were made in technology and operational resilience to protect our members' interests and rebuild trust in Ariza as a secure and reliable financial institution. Looking ahead, we do so with confidence — knowing our systems are stronger, our teams more dedicated and our membership more engaged than ever. True leadership

PRESIDENT'S MESSAGE (CONTINUED)

is about inspiring belief, charting a clear course, and advancing with purpose, even through adversity.

Despite the year's challenges, 2024 was another record-breaking year for Ariza. We achieved an operating surplus of twelve million two hundred thousand dollars ($12.2M), along with an unappropriated surplus of eight million four hundred thousand dollars ($8.4M). Our gross loan portfolio grew by 10.69%, increasing by fifty-two million one hundred thousand dollars ($52.1M) to a total of five hundred and thirty-nine million seven hundred thousand dollars ($539.7M). We approved over 95% of loan requests, while improving the overall portfolio quality — reducing our non-performing loans ratio from 6.45% in 2023 to 5.96% in 2024. This brings us closer to our prudential target of 5% by the end of 2025. Additionally, our Car Park facility recorded a 18.6% increase in revenue, growing from $413.9K in 2023 to $490K in 2024. Throughout the year, we continued to evolve our business model by prioritizing innovation, collaboration and member-centricity. We deepened partnerships within the Grenadian business community, delivering added value to members through exclusive discounts and cooperative ventures. Engagement with our international and diaspora members also grew, aided by the continued success of our Diaspora Relationship Programme. Our participation in Grenada Day celebrations in New York and Toronto resulted in new membership, deposits, and loans totaling over EC$2.8M.

In recognition of our strong financial performance, we are pleased to announce a 3% rebate on loans and recommend 5% dividend payment on shares to members. This reflects our enduring commitment to sharing value and reinforcing trust in Ariza's financial stewardship. As we reflect on 2024, we have emerged more resilient, agile and prepared to lead in a dynamic financial environment. Our commitment to operational excellence, service innovation and member value remains unwavering. The foundation laid this year positions Ariza for sustained growth and continued success.

At Ariza, we are we are a family united by a shared vision of credit unionism and collective financial progress. We must stay focused on the principles that define our movement. We eagerly anticipate continued growth in membership across Grenada, the Caribbean, and the wider diaspora, as more individuals discover the benefits of being part of the Ariza family — where members help members.

In closing, I extend my heartfelt thanks to our members for your trust, patience and unwavering support. I am also deeply grateful to our Board, Committee members, Executive Management, employees and partners for their tireless dedication. A special note of appreciation goes to my fellow Directors, Sisters Peterlyn Cooper and Michelle Griffith-Sayers, whose tenures conclude in 2025. Your steadfast contributions have left an indelible mark on Ariza's legacy.

On behalf of the Board of Directors, thank you once again. Together, we have shown that with unity, resilience and an unyielding pursuit of excellence, no challenge is insurmountable. We remain confident in God's continued guidance over Ariza Credit Union. Let us press forward, "Beyond Challenges: Building Resilience, Inspiring Confidence" — together.

Sis. Alana Twum-Barimah
President

BOARD OF DIRECTORS' REPORT 2024

The following members were elected to constitute the Board of Directors at the conclusion of the Annual General Meeting on 25 July 2024.

- Sis. Peterlyn Cooper
- Sis. Alana Twum-Barimah
- Sis. Nerisa Andrews
- Sis. Michelle Sayers-Griffith
- Sis. Lyndonna Hillaire-Marshall
- Sis. Tricia Melville
- Bro. Chad Hyson
- Bro. Kimanii Daniel
- Bro. Rufus Bethel

At the first meeting of the Board of Directors on 29 July 2024, the following executive officers were selected:

Sis. Alana Twum-Barimah	President
Bro. Kimani Daniel	Vice President
Sis. Peterlyn Cooper	Secretary
Sis. Lyndonna Hillaire-Marshall	Assistant Secretary
Sis. Tricia Melville	Treasurer
Sis. Michelle Sayers-Griffith	Assistant Treasurer

OVERVIEW

Our 2024 theme, "Beyond Challenges: Building Resilience, Inspiring Confidence," reflects Ariza Credit Union's unwavering commitment to strengthening our foundation, deepening trust, and charting a future defined by adaptability and member-focused excellence. In a year marked by both progress and disruption, the Board of Directors remained focused on steering the organization through uncertainty while upholding our cooperative principles and strategic vision.

Guided by our strategic goals for 2024, we prioritized:

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

The year began with an unanticipated test of our resilience: a cyber-incident in the first quarter that temporarily disrupted some of our digital services. Thanks to swift internal response, strong collaboration with cybersecurity partners, and transparent communication with members, Ariza successfully contained the threat, protected sensitive data, and restored full service continuity within a short timeframe. This event reinforced the importance of our digital risk management strategies and prompted accelerated investments in cybersecurity infrastructure and staff training.

Economic growth in Grenada was revised downwards from 4.3 % to 3.6% in 2024. The growth was driven by strong performances in the tourism, construction, and education sectors despite the nation facing a significant shock mid-year with the passage of Hurricane Beryl. Despite the damage to our Carriacou office and members' properties, Ariza responded promptly with financial relief and community support, reaffirming our commitment as a trusted partner in times of crisis.

Operationally, Ariza continued its strategic transformation, building on the foundational work of our newly constituted executive leadership team in 2023, we focused on critical activities to support our human resource function for our growing staff complement and formulated and implemented a reward and recognition policy. We were also able to streamline some of our internal processes for greater efficiency and, due to our challenges with the cyber incident in the first quarter, completed the Cyber Risk Register and an action plan to address our cyber and IT security gaps.

In line with our cooperative values, we also intensified our focus on member engagement, staff development, and corporate governance. Our continued investment in people and technology enabled us to navigate external disruptions while delivering measurable value to members. Always remaining member-focused, we launched a 3-day financial wellness seminar bringing together some of our nation's renowned financial management gurus in a pro bono drive to help our nation in their financial literacy journey. We were able to create and launch, in collaboration with the Financial Information Month (FIM) group, an annual financial lecture series urging members and non-members to "make your money work for you" with financial expert and long-standing member Mr. Richard Duncan OBE. Financially, Ariza sustained a strong performance in 2024, achieving key targets and improving our delinquency ratio to 5.96%, a testament to robust credit management and prudent operations.

Notwithstanding the challenges of 2024, Ariza emerged stronger, more agile, and more committed than ever to its mission of empowering people through financial freedom. We redefined our mission and vision statement in 2024 to reflect our quest to have global quality and standards in our provision of financial solutions for our membership. Our strategy focuses on a clear vision to be the leader in the provision of global financial solutions based on cooperative ideals by delivering global innovative financial solutions to improve the quality of life of our members, driving growth through technology, collaboration with stakeholders, and empowered employees. With a clear vision and strategic direction, we are well-positioned to pursue sustainable growth and long-term impact across the communities we serve.

EXTERNAL ENVIRONMENT

The International Monetary Fund (IMF) projected global economic growth at 3.1% in 2024, amid ongoing geopolitical tensions, elevated interest rates in advanced economies, and persistent inflationary pressures. Global trade experienced a modest rebound, and commodity prices began to stabilize. In the Caribbean, economic recovery remained strong, driven primarily by robust tourism demand, increased airlift, and regional investment in climate resilience and digital infrastructure.

Grenada's economy continued its positive trajectory in 2024, expanding by an estimated 4.3%, fueled by strong performances in the tourism, construction, and education sectors. The tourism industry recorded a notable surge in arrivals and cruise ship visits, while large-scale private and public infrastructure projects supported growth in construction. The offshore education sector also remained a key contributor to service exports.

However, the passage of Hurricane Beryl in mid-2024 marked a significant external shock. The Category 4 storm caused widespread devastation in the northern part of Grenada, particularly in Carriacou and St. Patrick. Infrastructure, housing, agriculture, and public utilities in these areas sustained severe damage, temporarily disrupting economic activity and necessitating substantial humanitarian and reconstruction efforts. The national government, in collaboration with regional and international partners, swiftly initiated recovery and rebuilding programs, with a strong focus on climate resilience and sustainable redevelopment.

Despite the impact of the hurricane, Grenada's inflationary pressures moderated slightly in 2024, reflecting easing global supply chain constraints and more stable fuel and food prices. The labor market showed continued improvement, with unemployment trending downward due to increased economic participation. While the country remains vulnerable to climate-related risks and external shocks, the medium-term outlook remains cautiously optimistic. The IMF projects average GDP growth of 3.6% from 2024 to 2026, underpinned by the resilience of key economic sectors, strategic investments, and ongoing recovery efforts in affected regions.

CREDIT UNION SECTOR PERFORMANCE

In 2024, Grenada's credit union sector demonstrated a strong and resilient recovery, recording positive growth across all key performance indicators. This performance is particularly noteworthy given the continued global and regional challenges, including the geopolitical instability arising from the Ukraine-

Russia conflict. Overall loans in the sector grew by 10.6% and total assets by 8.3%. The number of members in the ten (10) credit unions in Grenada also grew by 4.7% to ninety thousand (90,000) members compared to eighty-six thousand (86,000) at the end of the financial year 2023. According to GARFIN data referenced below, delinquency >90 days in the sector also improved, moving from 6.9% in 2023 to 6.5% in 2024, indicating continued improvement in the quality of the loan portfolios held by credit unions.

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

	ALL CREDIT UNIONS			ARIZA CREDIT UNION		
	As of Dec. 2024	As of Dec. 2023	% Change	As of Dec. 2024	As of Dec. 2023	% Change
Deposits	1,252,005,365	1,115,799,999	12%	554,027,775	520,954,684	6.4%
Gross Loans	1,117,251,452	1,010,440,695	10.6%	539,654,233	487,549,111	10.7%
Total Assets	1,558,593,899	1,438,896,606	8.3%	677,421,468	622,235,460	8.9%
Members	90,000	86,000	4.7%	27,333	26,119	4.7%
Delinquency > 90 days	6.5%	6.9%		5.9%	6.5%	

Data adopted from CREDIT UNIONS (garfin.gd)

MARKET SHARE

Ariza Credit Union strengthened its position in relation to its market share for total assets, which was up by 0.22 percentage points to 44.32%, and gross loans, which grew by 0.05 percentage points to 48.30%. Our market share for membership remained unchanged, while our market share for deposits closed the year at 44.25% in 2024.

ARIZA MARKET SHARE (%)		
	2024	**2023**
Deposits	44.25%	46.69%
Gross Loans	48.30%	48.25%
Total Assets	43.46%	43.24%
Members	30.37%	30.37%

Table: ARIZA ANNUAL MARKET SHARE

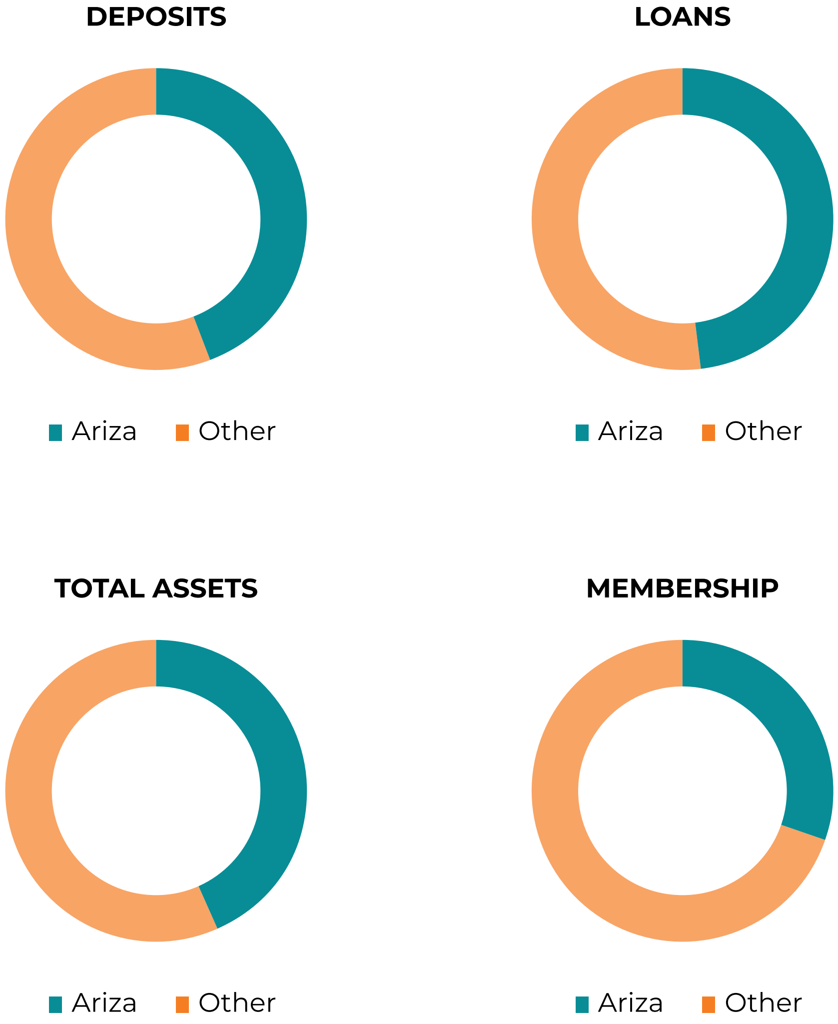


CHART: 2024 MARKET SHARE ARIZA VS. REST OF THE SECTOR

ARIZA'S PERFORMANCE

Financial Performance

In 2024, amidst the challenges of recovery from a cyber-incident, Ariza Credit Union was able to achieve commendable growth given the changing dynamics within the organization and local and regional developments. Total assets grew by fifty-five million, two hundred thousand ($55.2M) or approximately 8.9% to six hundred and seventy-seven million, four hundred and twenty-one thousand, four hundred and sixty-eight dollars ($677,421,468). Loans grew by 10.7% and deposits by roughly 6.4% to five hundred and thirty-nine million, six hundred and fifty-four thousand, two hundred and thirty-three dollars ($539,654,233) and five hundred and fifty-four million, twenty-seven thousand, seven hundred and seventy-five dollars ($554,027,775), respectively. Our membership also increased by 4.6% to twenty-seven thousand, three hundred and thirty -three (27,333) members at the end of December 2024.

Overall, the Credit Union's performance resulted in increased profitability for 2024 with an operating surplus of $12.2 million at year-end.

Corporate Governance

The Board of Directors executed its mandate by consistently meeting during the year in accordance with the Act. Eighteen (18) meetings of the full board were held. The various subcommittees also met and reported to the board on their specific areas. One (1) Extraordinary Committee meeting was held to consider loan applications and to receive updates on the Credit Union's operations.

In 2024, the Board undertook its annual self-evaluation exercise, which reflected a high level of satisfaction with the effectiveness of its governance framework. Particular strengths were noted in the areas of strategic planning and financial oversight. Additionally, the successful implementation of the Board Charter during the year was positively received and regarded as a significant step in strengthening the Board's governance structure.

The results of the evaluation also highlighted the need to strengthen risk governance and enhance management accountability systems. Nevertheless, the Board expressed overall satisfaction with its performance in 2024. Directors reported regular attendance at meetings and affirmed their meaningful contributions to Ariza Credit Union.

DIRECTORS	January		February	March			April		May	June	July		August	September	October	November		December
Lyndon Bubb	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓							
Claudette James	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓							
Peterlyn Cooper	✓	✓		✓	✓	✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Lyndonna Hillaire-Marshall	✓	✓		✓	✓	✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Tricia Melville	✓		✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓		✓	
Michelle Sayers-Griffith	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓		✓	✓	✓	✓	✓
Otis Gay	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓							
Alana Twum-Barimah	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Kimanii Daniel		✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
Nerisa Andrews												✓	✓	✓	✓	✓	✓	✓
Chad Hyson												✓	✓	✓	✓	✓	✓	✓
Rufus Bethel												✓	✓	✓	✓	✓	✓	

The Board's annual retreat was held in October 2024 under the theme "Sharing Knowledge and Building Greater Bonds." Key sessions focused on risk, financial governance, and audit oversight. A special training session on Board governance and leadership was delivered by Mr. Michael Archibald.

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

Additionally, our Credit Union continued to be represented on the Board and Committees of the Co-operative League. Management was also actively engaged and worked closely with the League and other Credit Union managers on a number of issues affecting 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. In 2024, the Risk and Compliance department focused on strengthening ARIZA's AML/CFT framework as a means of bolstering our foundation, especially due to advances in artificial intelligence and the number of fraudulent activities plaguing our members.

Following the AML risk assessment in 2023, updated policies and procedures, which were more in line with our regulations and more risk-sensitive, were drafted and submitted to the Policy Review Committee for approval. Once implemented, significant shortcomings identified by our regulators in previous examinations will be addressed.

Training and Awareness across all levels were also high on our list of priorities. 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/CFT at Ariza. Twenty-two (22) senior management and committee members (Board, Credit Committee & 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.

In 2024, the FIU launched a new portal for the electronic submission of SARs, large transaction reports, and requesting and responding to financial requests. Use of this portal by the Compliance Unit resulted in a significant reduction in the time taken to fulfill our mandate to our regulators and the use of paper.

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. Exercise wisdom and be vigilant when looking for investment opportunities, and avoid online scams.

Marketing Highlights

Diaspora Engagement:

Grenada Day 2024 in New York and Canada

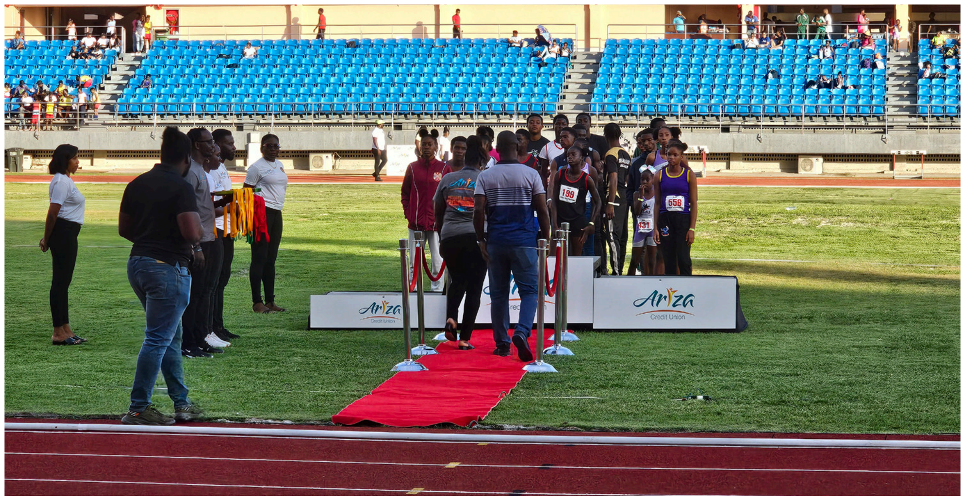
Ariza was proud to participate once again in Grenada Day celebrations, connecting with our members and prospective members in the diaspora. For the first time, our team also attended Grenada Day in Toronto, Canada. The reception from Grenadians was heart-warming—many expressed how thrilled they were to see Ariza represented abroad. The impact was tangible: roughly eighty-nine thousand, six hundred and seventy-five ($89,675) Eastern Caribbean dollars in deposits were realized, and over 14 new members joined the Ariza family during these engagements. Our presence reaffirmed Ariza's commitment to staying connected with our diaspora community and expanding access to our services.

Sponsorship Highlights

Sports

Ariza National Championships

Ariza was honoured to sponsor the 2024 Ariza National Championship, continuing our proud tradition of supporting youth athletics. This year's event was particularly meaningful, as it served as a qualifier for the CARIFTA Games 2024, which were hosted in Grenada. The championships offered over 300 young athletes, ages 8 to 20, a platform to compete, grow, and potentially represent Grenada at the regional level.



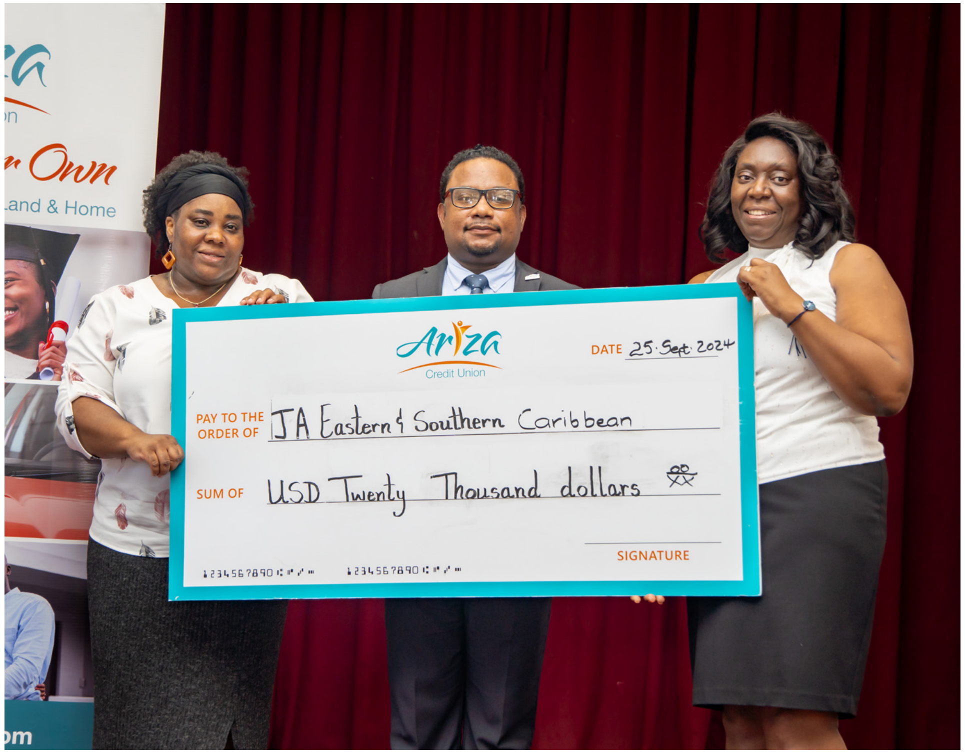
Waggy T Knockout Football Tournament

The 14th Waggy T Knockout Football Tournament took place over eight weeks from November to December 2024, and Ariza remained a steadfast sponsor. With participation from teams across Grenada, the event was spirited and well-organised, featuring strong community involvement and vibrant Ariza branding throughout all venues. As part of our sponsorship, Ariza awarded winners with vouchers for qualifying shares and start-up Retirement Savings Accounts, bringing new members into the fold and encouraging long-term financial planning.

Youth Empowerment & Education

Junior Achievement (JA) 2024

Ariza proudly contributed USD 20,000 towards the successful execution of the Junior Achievement Program in 2024. In addition, 28 dedicated Ariza employees volunteered as mentors, guiding over 200 students across 10 schools in Grenada and Carriacou. This program provides students with real-world experience in running a business, with support from business mentors and educators — a powerful way to foster financial literacy and entrepreneurship.



Scholarship Awards Programme

Ariza awarded ten (10) scholarships to students from primary to tertiary levels through our longstanding Scholarship Awards Programme. Among these were the Blue Ribbon, Secondary School, Brighter Future, and Joseph Bain Scholarships. These awards, grounded in both merit and need, reflect Ariza's 21-year commitment to educational support. For the first time since the inception of the programme, children of Ariza staff who passed the CPEA exams were each awarded a one-time contribution toward their secondary education — a meaningful step in recognising and supporting our internal community.

Partnership with GRENCODA

A donation of EC$20,000 was made to GRENCODA in support of their scholarship programme. This initiative targets rural children in need, helping them access basic educational supplies for primary school. Ariza is proud to support GRENCODA in their mission to level the educational playing field.

Community Outreach

Carriacou & Petite Martinique – Hurricane Relief

In the aftermath of Hurricane Beryl, Ariza responded swiftly. Our management team travelled to Carriacou and Petite Martinique within days, providing immediate relief supplies — including mattresses, water, and non-perishable food — to affected families and our team members.

Catch The Ariza Bus

Over the course of four consecutive Saturdays during September, the Ariza team visited the vibrant community of Gouyave with a mission to connect, listen, and serve. These visits provided an opportunity to engage directly with residents, gain insight into their needs, gather feedback on how Ariza can better support them, and introduce the benefits of membership, including access to loan opportunities. This outreach proved both meaningful and impactful. It not only offered valuable perspectives from the community but also reaffirmed Ariza's dedication to being a trusted partner in the lives of Gouyave residents.

ICU Day 2024

Ariza proudly brought home the Gold this ICU Day 2024! Our presentation, "Ariza to the World," captivated both judges and spectators, showcasing the heart of who we are. The standout highlight was our role as the only all-inclusive Grenadian Credit Union, welcoming all our CARICOM brothers and sisters — a testament to our commitment to regional unity. Our outreach to the diaspora was also on full display, through initiatives like Grenada Day in New York and Toronto, as well as partnerships with AMIE and the introduction of our debit card. Together, these efforts demonstrate Ariza's ongoing mission to serve and connect Grenadians at home and abroad.

Financial Wellness Clinic

In celebration of Financial Literacy Month, Ariza hosted a 3-day Financial Wellness Clinic, offering valuable insights into key topics such as wealth creation, budgeting, financial independence, and investing. Expert facilitators included our CEO, Mr. Mervyn Lord, finance specialists Mr. Michael Archibald and Mr. Richard Duncan, OBE, and Insurance Specialist Mr. Wilcox Roberts. The clinic was conducted in a hybrid format, welcoming participants both in person and online, making it accessible to all.

The feedback from attendees was overwhelmingly positive, with many expressing sincere gratitude for what they described as a "timely and informative" initiative. Ariza continues to empower our community through education and support on the path to financial well-being.

Additional Community Contributions and Initiatives

Throughout the year, Ariza supported various cultural and community events, including:

- Mt. Rich Football Tournament
- Various schools' sports and fundraisers
- Church and community programmes and fundraisers
- Support for numerous Public Servants' community engagements and recognition, and award ceremonies
- Celebration of Grenada's 50th Anniversary of Independence
- Christmas Hamper Distribution
- Christmas Brass Concert – Royal Grenada Police Force
- Rotary Club's Carols by Candlelight

All schools and churches requesting assistance during the year were given at least one hundred and fifty dollars ($150.00).

Ridgeway Residences Project

Our continuous marketing and promotion efforts in 2024, resulted in the sale of a Lily model home at the Ridgeway Residence Project at Morne Jaloux.

General maintenance of the entire development was also undertaken.


For more information
CONTACT
Ariza
Credit Union
TEL: 1(473) 415 - 0994
info@ridgewayresidences.gd

Human Resource Highlights for 2024

Staffing

As the number of members we serve continues to grow, Ariza's human resource complement also expanded in 2024.

The staffing numbers at the start and end of 2024 are below.

Total employees as at 1 January 2024	**117**
Total employees as at 31 December 2024	**131**

In 2023, the Credit Union House on Church Street was renovated to facilitate the relocation of employees from two units to that building; however, the need for office space is becoming increasingly important as our staff body continues to grow.

Learning & Development 2024

Employees continued to receive in-house and external training to equip them with the skills and knowledge to perform their duties.

Some highlights during the year were as follows:

Mortgage Underwriting: Three (3) employees from the Loans & Credit Administration Department attended Module 3 of the ECHMB Mortgage Underwriting Course, held in St Kitts from 15 to 19 April 2024.

Real Estate and Valuation: Five (5) employees from various departments completed the Real Estate Law & Practice course offered by T.A. Marryshow Community College. An additional five (5) employees completed the Property Valuation course at the same institution.

Business Communication: Four (4) employees from different departments completed the Business Writing & Communication course offered by the University of the West Indies from January to April 2024.

Corporate Secretarial Practice: The Senior Executive Assistant from the Corporate Services Department completed the Corporate Secretarial Practice course online during the period January to April 2024.

Supervisory Management: Seven (7) employees from different departments completed the Supervisory Management course offered by the University of the West Indies from January to April 2024.

Anti-Money Laundering (AML): Three (3) Executive Team members participated in AML training sessions held in February and March 2024.

Credit Union Conference: Two (2) Board Members, the Chief Executive Officer (CEO), and the Executive Manager – Member Experience attended the Caribbean Confederation of Credit Unions Conference in St. Kitts from 21 to 26 June 2024. Three additional staff members attended virtually.

AI & Digital Risk Compliance: The Manager – Risk & Compliance and the Senior Compliance Officer attended training on AI Compliance and Digital Risk Management in March and April 2024.

Sharetec Users' Conference: The Executive Manager – Finance and the Manager – Information Technology attended the annual Sharetec Users' Conference to stay updated on software developments.

Digital Forensics: The Manager – Risk & Compliance, Senior Compliance Officer, and Compliance Officer II participated in a two-day Digital Forensic Examination workshop.

Branch Management: The Branch Manager – Carriacou and the Retail Manager – Loans attended the ISG Branch Management workshop on 8 May 2024.

Governance Training: The CEO and two Directors attended governance workshops hosted by the Caribbean Governance Training Institute on 4 July and 7 August 2024. Additionally, two Directors completed the Chartered Director training with the Caribbean Governance Training Institute.

Member Outreach Programme: The Executive Managers for Loans & Credit Administration and Member Experience, along with three staff members from the Loans Department, participated in the Member Outreach Programme – Grenada Day events held in New York, USA, and Toronto, Canada, on August 18th and 24th, respectively.

We have benefited from an expanded range of training opportunities, particularly as more courses are now offered virtually or in hybrid formats since the onset of the COVID-19 pandemic. This has enabled broader staff participation at significantly reduced costs.

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 January 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 2024, there were over 42 approved applications for Provident Funds totaling one hundred and twenty-six thousand, eight hundred and sixty-five dollars and twenty-five cents ($126,865.25). Of the approved applications, 38% were used for medical purposes, 28% for Living Expenses, 21% to improve member housing, and 13% for Education expenses.

A number of these applications for housing and living expenses were a result of damages to members' housing and livelihoods due to the passage of Hurricane Beryl.

Scholarships

Secondary School Award

Three students received the Secondary School Award in 2024. The awardees were: Narajee Bowen, Abigail Alexander, and Huron Stewart-McLawrence.

Blue Ribbon Award

The Blue-Ribbon Award, similar to the Secondary School Scholarship Award, is granted to students for entrance into Secondary School. It is granted to the student who has an Ariza Education Savings Plan account and attained the highest score at the Primary Exit Assessment Level. The awardee in 2024 was Lamai Gittens.

Brighter Future Scholarship Award

This award focuses on tertiary level education for students pursuing studies at the T.A. Marryshow Community College. This scholarship is awarded to two (2) students whose parents/guardians are members of the Credit Union or who have Excel accounts. Each student receives $1,500.00 per year for their two-year programme at the College, provided that a high academic performance is maintained. The 2024 awardees were Samuel Roberts and Jadon Dominique.

The Joseph Bain Scholarship Award

The Joseph Bain Scholarship Award granted assistance to four (4) members of Ariza Credit Union who were in pursuit of university-level education at various institutions. Each successful applicant was awarded $5,000.00 as a one-off payment to assist with their studies.

The awardees in 2024 were Awanee Nedd, Kendon Jeremiah, Tracy Francis, and Merissa Farray.

TRANSITIONS 2024

Some of our members transitioned in 2024.

May their souls rest in peace, and their families be comforted by the memories created throughout their lifetime.

Julie-Ann D Calliste
Jacob N. Marshall
Cynthia Benoit
Claudia J. M. Mason-Welsh
Lennox A. Antoine
Kareem Z Moore
Sherman Clement Davis
Rita Haynes
Michael Lawrence Brathwaite
Linda M Noel
Angella Lydia Langaigne
Jason Dominic Haynes
Norbert Allert
Zepherine Panchoo
Stephen John Waltris
Wesley Alibachus
Kenny Charles
Angel Roderiquez
Benedict A. Alexander
Veronica Persaud
Kenneth Nedd
Earldyne A. Celestine

Jamal A.A Felix
Linus Glenwin Mendes
Marguerite-Joan Joseph
Eudine E Robertson
Michael Vivian Smith
Wilcox Alexander
Cecilia St. Ignac
Cheddi Bernard
Carol Celestine-James
Ann Laurel Simeon
Roylyn Boatswain
Roger M James
Compton G. Branche
Martin Victor Francois
Wilford Alexander
Stenna Mc Gillivary
Derrick Fletcher
Curlon Andrew
Ann Greselda Regis
Rondell Crosby
Denize Lewis-Harford
James W. Belgrave

Norbert E. W. Fletcher
Benedict Charles
Tenisha T Samuel
Kizzi H.J Alleyne
Derrick U. Romain
Margo Du Bois
Francis Findley
Shirlan Saunders
Cuthbert C. Stephen
Sandra Coombs-Paterson
Angella Laura Blair
Rayanson Bullen
Marsha Mirandah Brathwaite
Barbara James
Marina Whint Mc Gillivary
Theodora M.
Thomas-Blackburn
Debra Noel
Ervin Gloucester Walker
Sir Daniel C. Williams
Winston St. Bernard
Anne J. Honore

Carlyle Redhead
Mark Howard C. Campbell
Ann Charles-Humphrey
Rawleson T Bullen
Jippy Bowen
Ateba Fortune
Joseph Kelly Matthew
Trinela A Frank- Purcell
Leslie Martin Jules
Joseph W Baker
Messiah Mc Queen
Patricia O George
Kimlyn N. Antoine-Paul
Christopher St. Louis
Andy Richard Frank
Cecilia A. St. Paul
Florence Charles
Avaitia A Smith-Bishop
Cassandra Bartholomew
Norman James
Rachel Portia Harford-Cadore

ACKNOWLEDGEMENTS

The year 2024 marked a pivotal chapter in Ariza's journey—one defined by transformation, resilience, and purposeful growth. As your Board, we embraced the year's challenges as opportunities to evolve, building upon the strong foundation laid by those who came before us. Guided by our mission of financial freedom for all, we remained focused on reinforcing the strength and sustainability of our Credit Union.

Throughout the year, we advanced key strategic priorities: enhancing operational efficiency and security infrastructure, deepening employee engagement, and implementing sound governance policies. We pursued portfolio diversification, stimulated loan growth, and strengthened our member services—all driven by a unified vision of progress and a steadfast commitment to those we serve.

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 loyal members. Your continued confidence and support inspire us to lead with purpose, resilience, and integrity.

As we look to the future, we do so with optimism and determination, ready to rise beyond every challenge and build a Credit Union that continues to inspire confidence in every community throughout Grenada, Carriacou, and Petit Martinique.

Thank you for the continued privilege of serving you!

Sis. Alana Twum-Barimah
President

Sis. Peterlyn Cooper
Board Secretary

THE ARIZA WAY

CREDIT COMMITTEE REPORT 2024

As the Chair of the Credit Committee, I am honored to present this report in accordance with the Credit Union By-Laws and the mandate given at our last General Meeting. This report covers the financial year ending 31st December 2024.

Mandate of the Credit Committee

The Credit Committee, in its mandate to ensure a healthy and sustainable loan portfolio, diligently reviews all loan applications submitted by members, ensuring each application is thoroughly assessed based on established criteria and policy.

This meticulous evaluation helps uphold fairness and transparency in the loan approval process. Additionally, the committee offers recommendations to refine policies, procedures, and the adoption of best practices related to lending. It aims to improve the overall efficiency and effectiveness of the loan system, ensuring it adapts to the evolving needs of members in keeping with industry standards. In compliance with the approved policies and procedures, the committee then approves loans for eligible members, ensuring all approvals align with the established guidelines and criteria. This structured approach helps maintain the integrity and reliability of the loan approval process.

Throughout the year 2024, the Credit Committee held weekly meetings to fulfill its mandate. Our efforts were supported by the dedicated staff of the Loans & Credit Administration Department.

We extend our heartfelt gratitude to the team and membership for their unwavering trust and support. As we move forward, we remain committed to serving our members and ensuring responsible lending practices.

Composition

During the calendar year 2024, the Committee comprised of the following members.

Period: January 2024 – July 2024		Period: July 2024 – Present	
Name	**Position**	**Name**	**Position**
Bro. Brian Pascall	Chairperson	Sis. Deshon Harris	Chairperson
Sis. Judy Pivotte	Secretary	Sis. Portia Fraser	Secretary
Sis. Deshon Harris	Member	Bro. D'Jorn Croney	Member
Sis. Portia Fraser	Member	Sis. Judy Pivotte	Member
Sis. Desiree Stephen	Member	Sis. Desire Stephen	Member

Overview

At the start of 2024, the Loans & Credit Administration Department was dedicated to expanding the loans portfolio, enhancing member relationships, and ensuring prompt feedback and communication. However, these plans were unexpectedly disrupted by a cyber-attack that impacted the credit union's entire operations. The immediate focus shifted to restoring all services, which the credit union impressively accomplished within a week. With full functionality being restored and members safely accessing their accounts, we implemented essential adjustments to our business practices to mitigate the risk of future incidents.

In response, the Credit Union swiftly approved a one-month waiver on loan payments for affected members, followed by individualized moratoriums. Despite these setbacks, the resilience of the Credit Union's Board, Management, Staff, and members shone through, as they maintained unwavering confidence in our mission.

In overcoming these adversities, the Credit Union diligently enhanced its operational processes, risk management, IT infrastructure, and cyber risk management procedures. These improvements have fortified our ability to tackle future threats more effectively, thereby contributing to enhanced efficiency and service delivery.

Commitment to Members

Ariza Credit Union remains resolute in its dedication to offering a diverse array of financial solutions, meticulously tailored to meet the unique needs of each member. Our commitment to empowering members to build solid financial foundations is evident through our comprehensive suite of loan products.

In 2024, we facilitated the dream of homeownership for many by issuing numerous mortgage loans, enabling members to anchor their roots firmly and enjoy the stability and sense of belonging that comes with owning their own home. Our vehicle financing options have empowered members to become independent and drive their dream cars, while our land acquisition loans have supported members in investing in their future through land ownership.

Understanding the pivotal role of education in personal growth, we have crafted financing options that help members invest in their academic pursuits, creating a brighter future for themselves and their children. Additionally, our debt consolidation loan has simplified financial management for members, allowing them to streamline their repayments and achieve greater financial efficiency.

We continue to offer our innovative Flexi Credit and Flexi Equity products, known as “Request, Repay, Repeat,” which provide members with the flexibility to manage their finances independently, without the need for a Loans Analyst. This empowers members to take control of their financial journey with ease and confidence.

Community Outreach and Collaboration

Our collaboration with the Grenada Housing Authority and the Government of Grenada has been a cornerstone in transforming the lives of many Grenadians. Together, we have opened doors to homeownership, standing by our members and allowing them to purchase their own homes. This initiative perfectly embodies our credit union philosophy of “people helping people,” reinforcing our unwavering commitment to community support and empowerment.

One of the standout achievements of our collaboration with the Government of Grenada is the various MIT (Modern Infrastructure and Technology) projects. These projects are designed to modernize infrastructure, enhance technological capabilities, and improve the overall quality of life for our citizens. Through these initiatives, we are not only providing homes but also creating sustainable communities equipped with modern amenities and technological advancements.

In addition to our governmental partnerships, we have forged strong alliances with various hardware, retail, and material suppliers. These collaborations enable us to offer significant discounts to our members who are constructing their homes. By reducing the financial burden of building a home, we are making homeownership more accessible and affordable for our members.

Our outreach efforts extend beyond our national borders, reaching CARICOM nationals in the diaspora. By meeting them right on their doorsteps, we offer the same services they would enjoy at home, ensuring they remain connected and supported no matter where they are. This global approach ensures that our members, regardless of their location, feel the support and benefits of being part of our credit union family.

We have also placed a strong emphasis on community outreach in rural areas such as St. Mark, St. David, and St. Patrick, among others, where services are not readily available. By bringing our services to these communities, we ensure that all members have access to the financial support they need. Our presence in these areas not only provides financial services but also fosters a sense of community and belonging, reinforcing our commitment to inclusivity and support for all members.

Through these multifaceted efforts, Ariza Credit Union continues to be a beacon of hope and support, transforming lives and building stronger, more resilient communities.

Empowering Entrepreneurs

In addition, our credit union partnered with SPs International to host a captivating car show, creating a dynamic platform for our entrepreneurial members to showcase their vehicles, alongside local dealers, and insurance companies. This vibrant event also provided an excellent opportunity for our members who are food vendors to maximize their business potential, while our wider membership enjoyed and benefited from the lively activity.

Members who attended the car show were able to secure significant discounts on vehicles, interest rates, comprehensive insurance, and vehicle parts and supplies. This not only enhanced their purchasing power but also fostered a sense of community and mutual support.

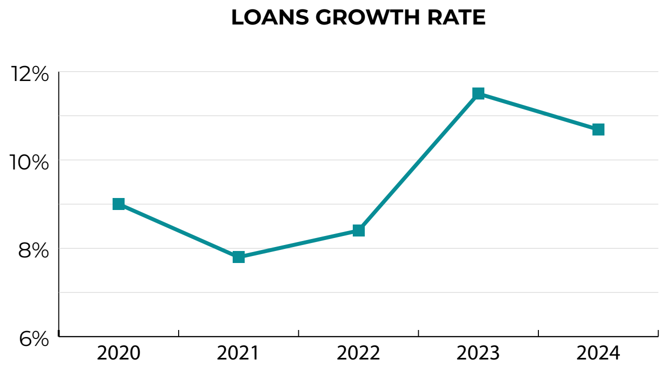
Through these initiatives, we continue to build resilience and inspire confidence within our community, staying true to our mission of supporting and uplifting our members in every conceivable way.

LENDING ACTIVITIES

The table below summarizes the credit union's lending performance from 2020 to 2024:

Year	Loan Value ($M)	Growth Rate (%)
2020	374,218,205.00	9
2021	403,396,913.00	7.8
2022	437,271,312.00	8.4
2023	487,549,111.00	11.5
2024	**539,654,233.00**	**10.69**

TABLE 1 — PORTFOLIO GROWTH



From 2020 to 2024, the credit union demonstrated a robust lending performance. The loan value consistently increased each year, starting from three hundred and seventy-four million, two hundred and eighteen thousand, two hundred and five dollars ($374,218,205) in 2020 to five hundred and thirty-nine million, six hundred and fifty-four thousand, two hundred and thirty-three dollars ($539,654,233) in 2024. The growth rate showed slight fluctuations but trended upwards, peaking at 11.50% in 2023.

While there was a slight decrease in the growth rate percentage in 2024, from 11.50% to 10.69%, the credit union's disbursement and growth in terms of dollar value was the highest during this period. This trend underscores the Credit Union's strong lending performance and reflects its members' trust and confidence in the institution.

SUMMARY OF ACTIVITIES:

LOAN DISBURSEMENTS 2024						
NUMBER OF LOANS				VALUE OF LOANS		
CATEGORY	**2024**	**2023**	**% Change**	**2,024**	**2023**	**% Change**
Debt Consolidation	1,319	1,618	-18.48	$ 25,802,253.24	30,761,423	-16.12
Personal Expenses	8,404	8,795	-4.45	$ 20,838,205.61	18,186,520	14.58
Educational	579	787	-26.43	$ 2,185,148.79	1,375,557	58.86
Housing	956	1,107	-13.64	$ 56,739,140.02	51,045,127	11.15
Home Furnishing	509	417	22.06	$ 1,427,943.81	969,467	47.29
Agriculture	37	33	12.12	$ 461,636.58	572,909	-19.42
Land Purchase	73	88	-17.05	$ 5,208,915.37	5,426,983	-4.02
Business	354	237	49.37	$ 15,150,435.98	10,771,790	40.65
Vacation / Travel	676	559	20.93	$ 2,308,100.73	1,691,120	36.48
Motor Vehicles	764	639	19.56	$ 18,672,987.62	11,124,707	67.85
TOTAL	**13,671**	**14,280**	**-4.26**	**$ 148,794,767.75**	**131,925,603**	**12.79**

Table 2 — LOAN Disbursements 2024

In 2024, there was a slight decline of 4.26% in the overall number of loans disbursed compared to 2023, with a total of thirteen thousand, six hundred and seventy-one (13,671) loans issued. This decrease was reflected across several categories, with notable reductions in Debt Consolidation loans, which fell by 18.48%, and educational loans, which experienced a significant drop of 26.43%. Housing loans also saw a decrease of 13.64%. However, some categories defied this trend, with Home Furnishing loans increasing by 22.06%, Business loans by 49.37%, Vacation/Travel loans by 20.93%, and Motor Vehicles loans by 19.56%.

Despite the overall reduction in the number of loans, the total value of loans disbursed in 2024 increased by 12.79%, reaching approximately one hundred and forty-nine million dollars ($148.79) million. This growth was driven by substantial increases in the value of loans across several categories. Motor Vehicle loans saw the highest percentage increase in value at 67.85%, followed by educational loans at 58.86%, Home Furnishing loans at 47.29%, and Business loans at 40.65%. Conversely, the value of Debt Consolidation loans decreased by 16.12%, and Agriculture loans saw a reduction of 19.42%.

The data above reveals a shift in borrowing trends, with a decline in loans for Debt Consolidation and Educational purposes, while there has been a significant rise in loans for Home Furnishing, Business, Vacation/Travel, and Motor Vehicles. This suggests a change in consumer priorities between 2023 and 2024. The overall increase in the value of loans disbursed, despite the reduction in the number of loans, points to higher loan amounts being issued per loan in several categories, reflecting a greater confidence and/or need for larger investments among borrowers.

Economic Insights

These trends suggest a rise in consumer spending on durable goods and entrepreneurial activities, which can stimulate economic growth by driving demand in these sectors. The significant rise in the value of educational loans, despite a decrease in their number, indicates a higher investment in education, potentially resulting in a more skilled workforce in the future. Conversely, the reduction in Debt Consolidation loans might indicate improved financial health among consumers, while the decrease in agricultural loans could signal challenges within the agricultural sector.

GROSS LOAN PORTFOLIO DISTRIBUTION BY SECTOR						
	NUMBER OF LOANS			VALUE OF LOANS		
CATEGORY	**2024**	**2023**	**% Change**	**2024**	**2023**	**% Change**
Debt Consolidation	2,176	2,304	-5.56	$ 108,368,582.10	$ 106,168,932.55	2.07
Personal Expenses	2,646	2,533	4.46	$ 44,624,465.22	$ 37,465,908.08	19.11
Educational	256	266	-3.76	$ 7,499,618.51	$ 6,816,893.03	10.02
Housing	1,700	1,627	4.49	$ 254,265,849.60	$ 222,421,199.34	14.32
Home Furnishing	158	157	0.64	$ 2,550,837.06	$ 2,071,788.29	23.12
Agriculture	76	85	-10.59	$ 3,836,597.92	$ 13,964,796.51	-72.53
Land Purchase	264	273	-3.30	$ 27,581,393.18	$ 26,495,328.63	4.10
Business	436	357	22.13	$ 47,673,747.91	$ 40,474,776.09	17.79
Vacation / Travel	300	246	21.95	$ 4,563,276.36	$ 3,583,971.59	27.32
Motor Vehicles	849	718	18.25	$ 38,689,865.14	$ 28,085,517.37	37.76
TOTAL	**8,861**	**8,566**	**3.44**	**$ 539,654,233.00**	**487,549,111**	**10.69**

TABLE 3 — GROSS LOAN PORTFOLIO DISTRIBUTION BY SECTOR

The Gross Loan Portfolio Distribution by Sector for the years 2024 and 2023 reveals several notable trends in both the number and value of loans across various categories.

In terms of the number of loans, there was a slight overall increase of 3.44% from eight thousand, five hundred and sixty-six (8,566) in 2023 to eight thousand, eight hundred and sixty-one (8,861) in 2024. This growth was driven by significant increases in certain categories, such as Business loans, which saw a 22.13% rise, and Vacation/Travel loans, which increased by 21.95%. Motor Vehicle loans also experienced a substantial increase of 18.25%. Conversely, some categories saw declines, with Agriculture loans dropping by 10.59% and Debt Consolidation loans decreasing by 5.56%.

The total value increased by fifty-two million, ninety-eight thousand, eight hundred and thirty-eight dollars and fifteen cents ($52,098,838.15), from four hundred and eighty-seven million, five hundred and forty-nine thousand, one hundred and eleven dollars ($487,549,111) in 2023 to five hundred and thirty-nine million, six hundred and forty-seven thousand, nine hundred and forty-nine dollars and fifteen cents ($539,647,949.15) in 2024, representing a 10.69% overall growth. This increase was particularly pronounced in the Motor Vehicles category, which saw a 37.76% rise in loan value, and Vacation/Travel loans, which increased by 27.32%. Home Furnishing loans also experienced a notable increase of 23.12%. However, the Agriculture sector saw a significant decline in loan value, dropping by 72.53% on account of one nonperforming loan that was recovered, which accounted for a significant percentage of the portfolio.

The data reflects robust growth in the loan portfolio, particularly in sectors related to personal consumption and business activities. However, areas such as Agriculture and Debt Consolidation experienced declines, indicating a shift in borrowing patterns. These trends may be influenced by evolving economic conditions and changing consumer priorities.

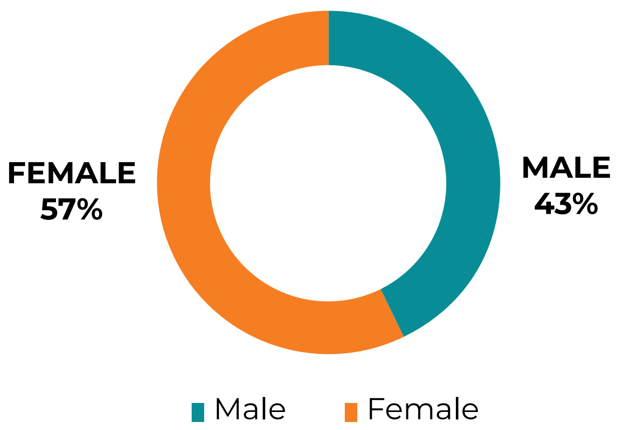
LOANS DISBURSED BY GENDER – 2024

GENDER	NUMBER	VALUE
MALE	5,878	$79,848,472.02
FEMALE	7,793	$68,946,295.73

The data compares the number of individuals and their associated values by gender. There are five thousand, eight hundred and seventy-eight (5,878) males with a total value of seventy-nine million, eight hundred and forty-eight thousand, four hundred and seventy-two dollars and two cents ($79,848,472.02), and seven thousand, seven hundred and ninety-three (7,793) females with a total value of sixty-eight million, nine hundred and forty-six thousand, two hundred and ninety-five dollars and seventy-three cents ($68,946,295.73).

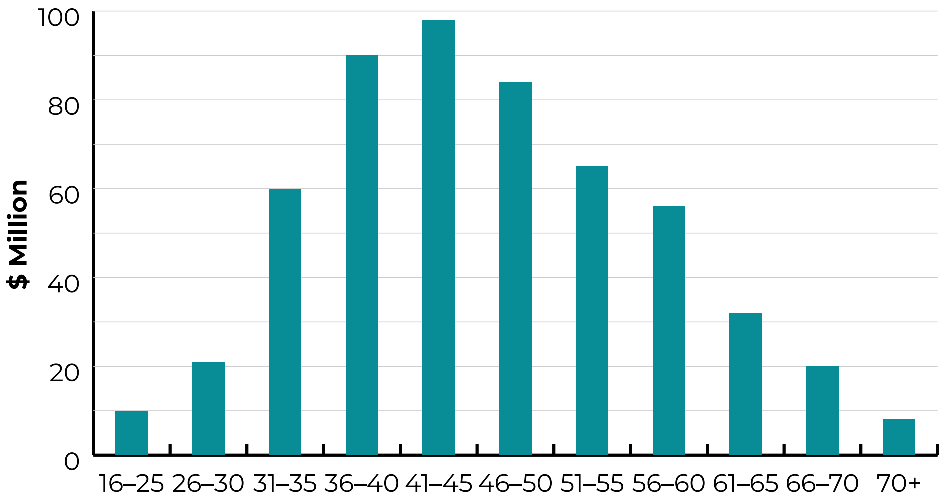
Although females outnumber males, the total value of loans for males is higher. On average, each male has a value of thirteen thousand, five hundred and eighty-three dollars and ten cents ($13,583.10), while each female has eight thousand, eight hundred and forty-seven dollars and ninety-two cents ($8,847.92). Males represent 43.00% of the total number of individuals and account for 53.66% of the total value. Females represent 57.00% of the total number and account for 46.34% of the total value.

NUMBER OF LOANS DISBURSED (BY GENDER)



This indicates a higher average value per male compared to females, suggesting potential differences in income, investment, or economic contributions between genders.

PORTFOLIO BY AGE



The distribution of loan amounts across the different age groups reveals interesting trends and patterns. On the Y-axis, the loan amounts are represented in dollars, ranging from zero dollars ($0) to one hundred and twenty million dollars ($120,000,000). The X-axis categorizes these amounts by different age groups.

Starting with the youngest age group, 16–25, the total loan amount is approximately $10 million. This amount doubles for the next age group, 26–30, reaching around twenty-one ($21) million. A significant increase is observed in the age group 31–35, where the loan amount jumps to approximately sixty ($60) million. The trend continues upward for the age group 36–40, with the total loan amount reaching about ninety ($90) million.

The peak of loan distribution is seen in the age group 41–45, where the loan amount is approximately ninety-eight ($98) million, the highest among all age groups. Following this peak, the loan amount remains substantial for the age group 46–50, at around eighty-four ($84) million. However, a noticeable decline begins with the age group 51–55, where the loan amount drops to approximately sixty-five ($65) million.

This downward trend continues for older age groups. The total loan amount for the age group 56–60 is around fifty-six ($56) million, and it further decreases to approximately thirty-two ($32) million for the age group 61–65. The age group 66–70 sees the total loan amount reduced to under twenty ($20) million. Finally, for individuals over 70, the loan amount returns to the initial level of approximately eight ($8) million.

Observations from the distribution indicate that loan amounts peak in the 41–45 age group, with approximately ninety-eight ($98) million. Significant borrowing is also seen in the 36–40 and 46–50 age groups, with ninety ($90) million and eighty-four ($84) million, respectively.

Loan volumes decline steadily after age 50, falling to sixty-five ($65) million for ages 51–55 and tapering to eight ($8) million for those over 70. The youngest group (16–25) also shows low borrowing at ten ($10) million.

This pattern reflects a peak in loan demand during middle age, followed by a gradual decline with increasing age.

DELINQUENCY MANAGEMENT

In 2024, the credit union achieved notable progress in managing its loan portfolio and addressing delinquency issues, despite facing significant challenges, including the impact of Hurricane Beryl on members' financial obligations. The dedicated team, comprising the Delinquency Unit, Loans & Credit Department, Recoveries Manager, Executive Manager, CEO, Board of Directors, and Supervisory & Compliance and Credit Committee, worked diligently to mitigate these challenges.

In 2023, the delinquency ratio experienced considerable improvement through concerted efforts, from an 8.47% Portfolio at Risk (PAR) to 6.44% PAR 90 (loans 90 days or more overdue), which is 1.44 percentage points above the prudential standard. This represents a 2.03 percentage point reduction compared to the previous year's performance. The internationally accepted level is 5%, and management aimed for a targeted reduction to 6.50% in 2023, to reach the 5% mark by 2024. While not meeting its 2024 target, the credit union achieved a delinquency ratio of 5.96% which was only 0.96 percentage points above the prudential standard.

To effectively manage and reduce delinquency, the Credit Union has implemented several strategies, including offering customized payment plans to members to make their repayments more manageable, rescheduling loans to reduce monthly payments and make them more affordable for members facing financial difficulties, maintaining open lines of communication with members to understand their financial situations and provide timely assistance, facilitating the sale of properties to recover outstanding loan amounts and reduce the delinquency portfolio, and providing financial counseling to members to help them manage their finances better and avoid future delinquencies.

Despite the positive outcomes, several challenges remain. Continued economic instability may affect members' ability to meet their financial obligations, potentially increasing delinquency rates. Future natural disasters could disrupt members' financial stability and impact loan repayments. High unemployment rates can lead to increased financial hardship for members, making it difficult for them to adhere to repayment plans. Ensuring consistent and effective communication with all members to address their concerns and provide necessary support remains a critical challenge. Variability in the property market can affect the ability to sell properties quickly and recover outstanding loan amounts.

To address these challenges, the Credit Union will implement enhanced economic monitoring to anticipate and respond to changes that may affect members' financial stability, develop and implement comprehensive disaster preparedness plans to support members in the event of future natural disasters, collaborate with local businesses and organizations to create employment support programs that help members find job opportunities, strengthen communication channels to ensure timely and effective engagement with members, addressing their concerns and providing necessary support, and implement strategic property management practices to optimize the sale of properties and recover outstanding loan amounts efficiently.

The Credit Union remains committed to assisting all members who are currently unemployed or facing challenges in meeting their monthly obligations due to various circumstances. Our dedicated team is working closely with each member to find solutions that facilitate easier repayment until account adjustments can be made. This commitment, combined with a robust strategy to reduce overall delinquency, has positioned the credit union to continue supporting its members effectively while maintaining financial stability.

CONCLUSION

In conclusion, 2024 highlights a year marked by resilience and strategic adaptation. Despite facing significant challenges, including a cyber-attack and Hurricane Beryl, the Credit Union successfully restored services and supported affected members. Our efforts to enhance operational processes and risk management have positioned us to handle future threats more effectively.

The Credit Union's commitment to providing diverse financial solutions is evident in the issuance of mortgage loans, vehicle financing options, and support for land acquisition. Our community outreach and collaboration efforts have transformed lives and provided homeownership opportunities, extending services to rural areas and CARICOM nationals in the diaspora.

The Credit Union's lending performance from 2020 to 2024 has been robust, with consistent increases in loan value and growth rates. Despite a slight reduction in the number of loans disbursed in 2024, the total value of loans increased significantly, driven by substantial increases in several categories. This trend underscores the credit union's strong lending performance and reflects our members' trust and confidence in the institution.

Our delinquency management strategies have yielded positive results, with significant improvements in the delinquency ratio. Customized payment plans, loan rescheduling, property sales, and financial counseling have empowered members to meet their financial obligations and manage their finances more effectively.

As we move forward, the Credit Union will continue to adapt to changing economic conditions, enhance disaster preparedness, collaborate with local businesses, strengthen communication channels, and optimize property management practices. Our dedication to serving our members and maintaining financial stability remains unwavering, ensuring that we continue to support and uplift our community in every possible way.

Deshon J Harris

Sis. Deshon J Harris
Credit Committee

THE ARIZA WAY

SUPERVISORY & COMPLIANCE COMMITTEE REPORT 2024

1.0 INTRODUCTION

In accordance with the requirements of Section 66(1) of the Co-operative Societies Act, No. 8 of 2011, as amended by Act No. 20 of 2017, and the mandate given at the last Annual General Meeting (AGM), the Supervisory and Compliance Committee (SCC) is pleased to submit its report for the financial year 2024.

As Chairperson of the SCC, I would like to take this opportunity to acknowledge the team's hard work, support, and dedication throughout the year.

Composition

Prior to the AGM held on 25th July 2024, the following members constituted the Supervisory and Compliance Committee:

- Bro. Adrian Strachan
- Bro. Alan Francis
- Bro. Davon Baker
- Bro. Francis Robertson
- Bro. Terrence Victor

At the first meeting of the Supervisory and Compliance Committee after the July 2024 AGM, the Committee comprised the following members:

- **Sis. Jodie-Anne Johnson**
  First year of her first 3-year term — Chairperson
- **Bro. Terrence Victor**
  Third year of his second 3-year term — Secretary
- **Bro. Adrian Strachan**
  Third year of his second 3-year term
- **Bro. Alan Francis**
  Third year of his second 3-year term
- **Bro. Davon Baker**
  First year of his second 3-year term

As part of its mandate, the Supervisory and Compliance Committee engaged in a combination of in-person and virtual meetings/working sessions, occurring bi-monthly at times, to carry out various tasks. The Committee's observations and recommendations from these tasks form the basis of this report.

2.0 REVIEW OF MANAGEMENT ACCOUNTS, RATIOS, AND DELINQUENCY DATA

The Committee reviewed the monthly management accounts (financial statements), performance ratios, and delinquency data for the period November 2023 to October 2024. The review highlighted the following

- An increase in delinquent loans, with ongoing efforts by Management to manage the delinquency portfolio.
- A slight decline in the ratio of savings deposits to total assets.
- Membership growth remained below the minimum target of 15%.

The Committee also noted the Board's consideration of a marketing plan as part of its strategy to increase membership growth.

For reference, the SCC looks forward to achieving delinquency ratios of 5.00% or lower.

Recommendations

- Revise the membership growth target, with a particular focus on students.
- Increase efforts to reduce loan delinquency through enhanced loan underwriting and monitoring, as well as stricter adherence to recovery procedures. These measures should be continuously monitored and evaluated for effectiveness.

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 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 SCC commends the Board for its timely submission of minutes and supporting documents for meetings held between January 2024 and December 2024. Additionally, the SCC gave particular attention to the costs associated with debit cards, incidents of debit card fraud, and the cybersecurity breach.

The SCC commends the Credit Union for its swift response to the cybersecurity incident and its consideration of an action plan to develop an IT policy aimed at enhancing security across all departments.

Recommendations

- Strengthen collaboration with other Credit Unions on financial technology and cybersecurity to adopt regional best practices and enhance system resilience.
- Consider subsidizing the debit card transaction fee as a strategic measure to improve member loyalty, enhance retention, and support continued membership growth.

4.0 REVIEW OF IMPLEMENTATION OF THE 2021-2023 STRATEGIC PLAN

The SCC continued its review of the Credit Union's implementation of the 2021-2023 Strategic Plan, focusing on member retention and growth, service excellence, and digital transformation.

The Committee noted the following:

- Membership growth of 7.25%, which, while commendable, is less than half of the amount prescribed by the PEARLS Standard.
- Improvement in the time taken to answer calls.
- Given the significant number of digital transformation projects transferred to 2024, it may be more effective to outsource non-core functions and focus on core areas internally.

5.0 REVIEW OF SAMPLE LOANS FINANCED/ TAKEN OVER FROM OTHER INSTITUTIONS

In October 2024, 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 findings revealed no material concerns regarding these disbursements.

6.0 LOANS ISSUED TO DIRECTORS, COMMITTEE MEMBERS, & EMPLOYEES

The SCC also reviewed a sample of loans issued to Directors, Committee Members, and Employees from January 2023 to September 2024.

Recommendations

- Greater effort should be made to improve the maintenance of member files.
- Provide continuous training for Loan Officers to enhance their capacity in the assessment of members and evaluation of loan applications.

7.0 CONSIDERATION OF THE 2024-2026 STRATEGIC PLAN

The Committee reviewed the 2024-2026 Strategic Plan and commended the Credit Union for producing a well-planned and detailed document, which outlines key performance requirements for each department. The SCC anticipates the successful implementation of the plan and its positive contribution to the Credit Union's continued growth and development.

8.0 CASH COUNTS

The SCC successfully conducted cash counts at the St. George's and Grenville Branches. The objective was to ensure that the actual cash on hand matched the amounts recorded in the system at the time of the count. The Committee was satisfied with the cash counts and appreciated the cooperation of the relevant staff.

9.0 CONSIDERATION OF THE 2023 AUDIT MANAGEMENT LETTER AND MANAGEMENT'S RESPONSE

The SCC requested a copy of the 2023 Audit Management Letter and Management's Response. However, these documents were not made available to the Committee during 2024, preventing a review and commentary on their contents.

10.0 REVIEW OF INTERNAL AUDIT AND RISK & COMPLIANCE REPORTS

The SCC is responsible for reviewing internal audit and risk & compliance reports. The Committee reviewed the respective annual reports for 2023 and quarterly reports for 2024.

The SCC received the internal audit reports for the first two quarters of the year in September 2024, but the report for the third quarter was not received.

The Committee recommends that internal audit reports be submitted promptly, as these reports allow the SCC to identify and evaluate risks, suggest improvements, and foster continuous enhancement of the Credit Union's processes and performance.

11.0 OTHER MATTERS

11.1 Review of Special General Meeting

The Committee observed the special general meeting held in January 2024 for the approval of the revised By-laws and noted the following:

- The time taken to ascertain a quorum of 200 members.
- The duration of the meeting.
- The meeting served as a valuable learning experience, particularly for new members.

11.2 Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) Training

Members of the Committee attended AML/CFT training sessions held in February and March 2024. The SCC recommends continuous AML/CFT training for members to stay informed of evolving practices and developments in this area.

11.3 Annual Business Luncheon of the Cooperative Sector

The SCC was represented at the Business Luncheon of the Co-operative Sector held in February 2024.

11.4 Self-Evaluation of the 2023/2024 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 identified areas for improvement.

11.5 OECS Summit

The 17th Annual OECS Summit, held in Dominica in September 2024 under the theme “Credit Unions: Empowered to Thrive in an Evolving Landscape”, covered a wide range of topics essential for the growth and collaboration within the credit union movement in the OECS. The SCC was part of the Ariza Credit Union team that attended the Summit.

11.6 Grenada Co-operative League Investment Conference

The Grenada Co-operative League Investment Conference 2024 was held in a hybrid format in November 2024. Members of the SCC attended virtually. The conference aimed to encourage credit unions to motivate their members to consider investing, alongside saving.

11.7 Meeting with Executive Manager, Human Resources

The SCC met with the Executive Manager, Human Resources, in November 2024 to discuss the overall status of HR policies and initiatives, including the Reward and Recognition Policy, the implementation of a comprehensive HR framework, and recommendations from the Employee Engagement Survey.

The SCC noted the challenges faced by the HR Department, as well as the significant constraints within the HR Unit. However, the Credit Union should be commended for taking steps to address these challenges, including the appointment of an HR Manager.

11.8 Meeting with Head of the Delinquency Unit

In December 2024, the SCC met with the Head of the Delinquency Unit to discuss measures to reduce the delinquency rate, the Unit's operations, obstacles faced by the Unit, and the monitoring mechanisms for large loans.

The Committee was informed that the largest defaulting loans were related to business investments, which may have suffered from inadequate monitoring and oversight. The Committee commended the Unit for its ongoing efforts to reduce loan delinquency through strengthened loan underwriting, monitoring, and adherence to recovery procedures.

12.0 ACKNOWLEDGEMENTS

The Supervisory and Compliance Committee extends its sincere appreciation to the Board of Directors, Credit Committee, Management, Staff, and Membership of the Credit Union. Special thanks are extended to the Risk and Compliance Department and all those who ensured our requests and meetings/working sessions were adequately facilitated.

Jodi-Ann Johnson

Sis. Jodi-Ann Johnson
Supervisory and Compliance Committee

NOMINATING COMMITTEE REPORT 2024

Composition

1. Sis. Alana Twum-Barimah — Chair
2. Bro. Aaron Moses — Member
3. Sis. Karel Hood — Member (absent with excuse)
4. Sis. Gemma Bain-Thomas — Member
5. 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 19th March and 13th June 2025. The initial meeting dealt with the review of the competencies for prospective nominees, while the second meeting was to do the selection of nominees for the Board and Supervisory & Compliance Committee.

The Chair noted that there were two (2) continuing and three (3) new members appointed to the Nominating Committee. She welcomed and thanked them for their willingness to serve the Ariza Credit Union.

The meeting proceeded to review the competencies listed for the respective positions vacant with the completion of the term of office for departing Directors and committee members. The meeting noted that gaps on the current board existed in the areas of legal and accounting competencies.

Notices

Notices of the vacancies and invitation for nominations to positions on the Board of Directors, and the Supervisory and Compliance Committee were placed in the local printed press, SMS text messages, and on Ariza's website.

Deliberations

The Committee, in its meeting, was guided in its deliberations by the following:

- The skill sets advised for the Board of Directors included the areas of Risk Management/Cybersecurity Risk Management, Business Management, Credit Risk Management, Governance, Finance/Business Management.

- The skill sets advised for the Supervisory and Compliance Committee included the areas of Compliance and Risk, Auditing, Finance, Governance, and Law.

- Individual qualities including commitment, available time to attend to the business of the Credit Union, ability, and willingness to represent the interest of the Credit Union at various levels locally and abroad;

- Representation from Carriacou/Petite Martinique;

- Representation of the older members of the Credit Union;

- Opportunities for involving younger members of the Credit Union;

- Relating to the Supervisory and Compliance Committee, the ability to command the respect of members, regulators, and competitors, and conduct matters with the highest level of propriety and confidentiality; and

- 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 leads 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. Michelle Sayers-Griffith, who has completed a 2nd three-year term and is not eligible for re-election;

2. One three-year term to replace Sis. Peterlyn Cooper, who has completed a 2nd three-year term and is not eligible for re-election; and

3. One three-year term to fill the vacancy of Bro. Kimanii Daniel, who has completed his 1st three-year term and is eligible for re-election.

Supervisory and Compliance Committee

There were three (3) vacancies on the Supervisory and Compliance Committee as follows:

1. One three-year term to fill the vacancy of Bro. Adrian Strachan, who has completed a 2nd three-year term and is not eligible for re-election.

2. One three-year term to fill the vacancy of Bro. Alan Francis, who has completed a 2nd three-year term and is not eligible for re-election.

3. One three-year term to fill the vacancy of Bro. Terrence Victor, who has completed a 2nd three-year term and is not eligible for re-election.

The Nominees were as follows:

1. Kimanii Daniel
2. Shemeka Williams
3. Brian Bonaparte
4. Tarrisa Etienne-Grenade
5. Rennie Henry
6. Adunni Johnson
7. Francis Robertson

Board of Directors

The Nomination Committee considered three (3) nominations and one (1) incumbent who is eligible to serve a second three-year term as follows:

1. Bro. Kimanii Daniel (eligible to serve his second three-year term)
2. Bro. Brian Bonaparte
3. Bro. Rennie Henry
4. Bro. Francis Robertson

Supervisory and Compliance Committee

The Nominating Committee considered four (4) nominations as follows:

1. Sis. Shemeka Williams
2. Sis. Tarrisa Ettienne-Grenade
3. Bro. Adunni Johnson
4. Bro. Rennie Henry

Based on the criteria for serving on the various committees, six (6) of the seven (7) 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 13th June 2025 and zeroed in on the key areas below:

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

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. Brian Bonaparte for a first three-year term.

Supervisory and Compliance Committee

1. Bro. Rennie Henry for a first three-year term.
2. Sis. Tarrisa Ettienne-Grenade for a first three-year term.
3. Sis. Shemeka Williams for a first three-year term.

The Bios of the nominees are annexed to this Report.

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 extends thanks to all those who expressed interest in serving on various committees of the Credit Union, as well as to all members who have contributed to this aspect of our governance over their tenure.

Sis. Alana Twum-Barimah
Chair

THE ARIZA WAY

ADDENDUM
TO THE NOMINATING COMMITTEE REPORT

This addendum documents the proceedings and decisions made during a recent meeting of the Nomination Committee, which was convened to address a change in the nomination for the Supervisory & Compliance position.

Sis. Alana Twum-Barimah opened the meeting and welcomed all attendees. She explained that the meeting was necessary due to the withdrawal of Ms. Shemeka Williams, a previously selected nominee, who declined the nomination earlier today for reasons beyond her control.

In response, the committee reviewed five individuals who had completed Governance training in 2023 as potential replacements. Upon evaluation, only two candidates met all the required criteria for the position: Mrs. Adel Hagley-Ollivierre and Ms. Kishona Hypolite.

Both candidates were contacted and expressed interest in the role. They subsequently submitted their biographies for committee review.

A thorough examination of the required competencies for the Supervisory & Compliance committee was conducted, followed by a detailed discussion to assess which candidate's qualifications and experience aligned most closely with these competencies.

After deliberation, the committee concluded that Ms. Kishona Hypolite was the most suitable nominee. Her qualifications and professional background were deemed to be the best fit for the role.

This decision has been documented and will be reflected in the updated nomination records.

TREASURER'S REPORT 2024

The accompanying audited Financial Statements and analysis of the Credit Union's performance are submitted in accordance with the requirement of section 130 (1) of the Cooperative Societies Act No. 20 of 2017.

In 2024 Ariza recorded another commendable performance, consistent with results experienced over the last five (5) years. Loan growth of 10.15%, Institutional Capital growth of 18.15%, Asset growth of 8.87%, and Deposit growth of 6.35% fueled our performance. Our Credit Union attained another very strong achievement of a noted operating surplus of twelve million two hundred thousand dollars ($12.2M). This comes on the heel of the unprecedented surplus of twelve million, four hundred thousand dollars ($12.4M) realized in 2023.

Highest commendation is extended to all members, for your continued show of confidence and trust in your credit union.

This performance was recorded against a backdrop that was punctuated with challenges such as the Cyber Incident and Hurricane Beryl.

Ariza continues to show its resilience propelled by its financial strength.

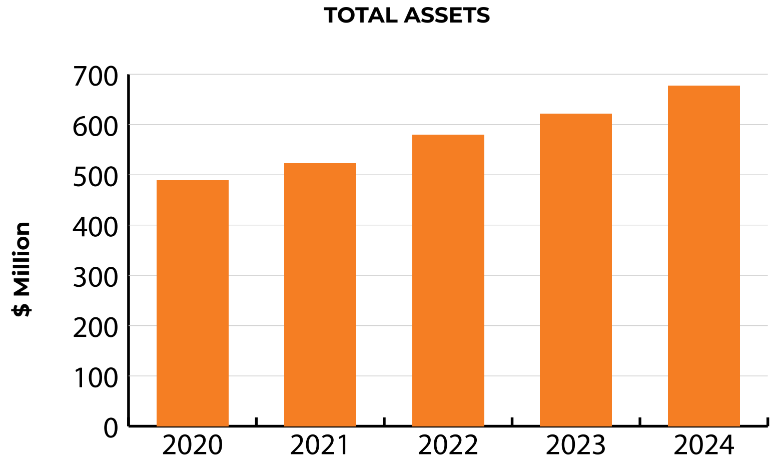
Statement of Financial Position

This statement represents the financial position as of 31 December 2024, and is made up of 3 elements which are assets, liabilities and capital.

ASSETS

These are resources owned, which contribute directly or indirectly to the generation of cash flows.

Graph 1.1 below shows the growth in assets over the last five years.



Graph 1.1

Ariza's assets are broken down further into two categories, namely:

I. Earning Assets
II. Non-Earning Assets

Earning Assets

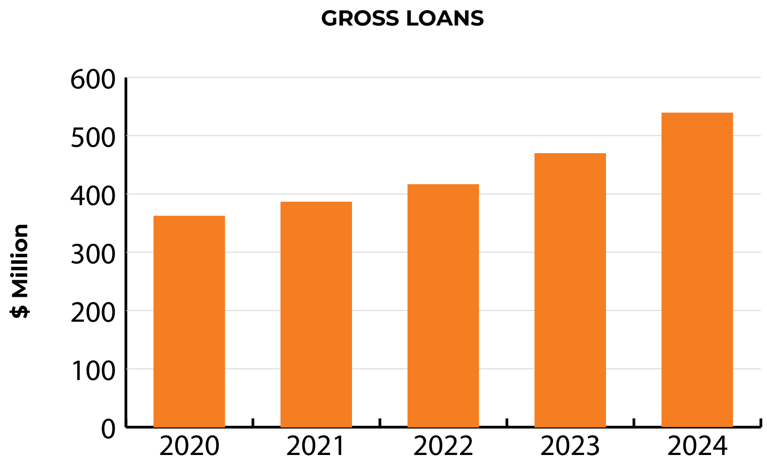
Earning Assets identifies those assets through which a return is directly generated. Ariza's earning assets consists of Investments.

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

Members' Loans

Members' loans account for 76.47% of the Credit Union's asset base, making it the main source of revenue. At the end of 2024 the gross loan portfolio grew by fifty-two million one hundred thousand dollars ($52.1M) or 10.69% over 2024. The gross portfolio stood at five hundred and thirty-nine million six hundred thousand dollars ($539.6M). Total Loans disbursed in the year 2024 amounted to one hundred and forty- eight million six hundred thousand dollars ($148.7M).

Graph 1.2 below shows the growth in gross loans over the last five years.



Graph 1.2

Loans past due 90 days and loans which experience significant increase in credit risk and/or are impaired stood at thirty-two million, one hundred and sixty thousand dollars ($32.16M) or 5.96% of the gross loans portfolio as at 31 December 2024. This represented an increase of seventy-six thousand dollars ($76k) or 1.98% compared to 2023. Whilst this is commendable, we continue to appeal for a collaborative effort as we work towards bringing this ratio in line with the Pearls Standard of 5%.
A comprehensive review of the current delinquency portfolio has been undertaken, and a reassessment of the existing strategies were done, and new strategies were identified to reverse the trend experienced in 2024.

Effective delinquency management continues to be a collaborative effort on the part of all stakeholders.

Financial Assets

The financial assets held by Ariza were mainly in the form of term deposits, treasury bills, and investment in shares.

Ariza Credit Union has two forms of Financial Assets:

1. Available-for-Sale
   These are in the form of shares purchased by the Credit Union in other institutions. Aiza receives a return on these financial assets in the form of dividends. Available for Sale financial assets stood at $1.38M at the end of 2024.
2. Loans and Receivables
   These Financial Assets held by Ariza Credit Union were in the form of Term Deposits, Treasury Bills and Repurchase Agreements. The Credit Union receives income in the form of interest when these financial assets mature.

   At the end of 2024, total financial assets stood at fifty-seven million two hundred thousand dollars $57.2M. This represented a reduction of one million two hundred thousand dollars ($1.2M) or 2.14%. In accordance with IFRS 9, the Credit Union annually reviews its financial assets for impairment on a forward-looking basis.

Investment Property

Ariza Credit Union has investments in properties at Morne Jaloux, Grand Anse and Bruce Street.

The property at the Bruce Street location is currently being used as a parking lot. Revenues from the parking lot for the year 2024 amounted to four hundred and ninety thousand dollars ($490K).

In 2024 the credit union engaged into two (2) new contractual arrangements. These projects are under construction and final sales are expected to be realized in 2025.

Non-Earning Assets

Property, Plant and Equipment (PPE)

These are long-term assets which are used in the Credit Union's operations. In 2024 there was a reduction from twenty-four million, nine hundred and eighty thousand dollars ($24.98M) to twenty-four million, seven hundred and twenty thousand dollars ($24.72M). This represented a reduction of two hundred and fifty-seven thousand, eight hundred and sixty dollars ($257.86K) or 1.03%.

Cash and Cash Equivalents

The Credit Union focused on an efficient utilization of idle cash with a view to maintaining an optimal balance for operations.

Our overall liquidity stood at 16%, which represents 1% above the prescribed standard of 15%.

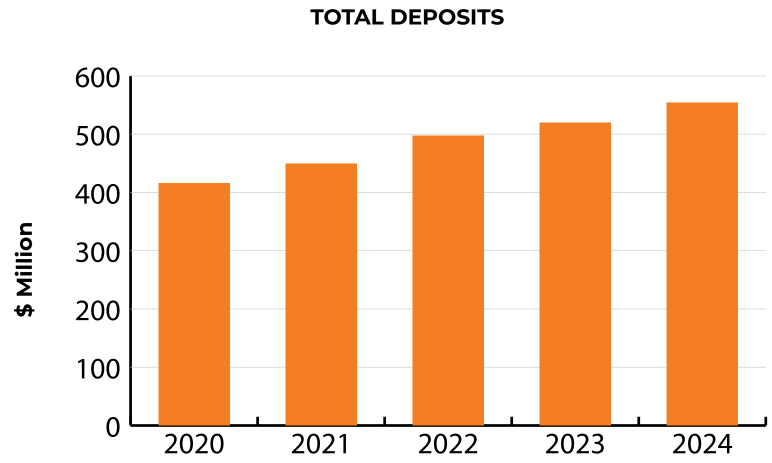
LIABILITIES

Liabilities capture the financial obligations of the Credit Union. It details the indebtedness to persons or institutions. Our main liabilities are members' deposits and savings.

Members Lifetime Savings/Other Deposits

In 2024 the Credit Unions' deposit portfolio continued to attract interest from members and non-members alike. At year end the portfolio stood at five hundred and fifty-four million dollars ($554M). This represented a growth of thirty-three million ($33M) or 6.35% over 2023 and was fueled mainly by the members' investment in Lifetime Savings. Over the year the Lifetime Savings portfolio grew by twenty-two million ($22.6M) or 7.70%.

Graph 1.3 below shows growth in total deposits over the last five years.



Graph 1.3

Non-Interest-bearing liabilities

As is termed, these liabilities do not accrue any interest. These are mainly ATM/Debit Card Settlements with other institutions and interest payable on deposits. Non-interest-bearing liabilities increased by twelve million five hundred and sixty thousand dollars ($12.56M) or 54.62% in the year ended 2024.

Capital

Capital is the financial pillar of our Credit Union. It represents an excess of assets over liabilities. The capital base is broken down into the following:

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

Equity Shares

Equity Shares are a member's investment in excess of the mandatory qualifying shares. This investment allows members to share in the year end surplus through the payment of a dividend. In the financial year 2024, equity shares reduced by one million and thirty thousand dollars ($1.03M) or 5.94%. This reduction was attributed mainly due to internal transfers to qualifying shares to satisfy the new resolution, increasing qualifying share membership to $500.00. At the end of the year, the balance stood at sixteen million four hundred and thirty thousand dollars ($16.43M).

Institutional Capital

At the end of 2024, the capital to total assets ratio stood at 12.25% of which Institutional capital accounted for 9.83%. This represented a noted increase of 0.77% from 9.06% in 2023. The benchmark for capital to total assets as per the Co-operative Societies Act is 10% of which institutional Capital must be greater than 7%. This 7% institutional capital threshold is the benchmark for the payment of a dividend. Institutional Capital comprises of the following:

I. Qualifying Shares — This represents the 25 mandatory shares which define eligibility for membership. Qualifying Shares stood at eleven million four hundred and seventy thousand dollars ($11.47M) in the year 2024. This represented a growth of four million seven hundred and twenty thousand dollars ($4.72M) or 69.92%.

II. Statutory Reserve — This represents the amount set aside from surplus for strengthening capacity to withstand any external or internal shocks e.g. bad debts/impairments to assets etc. Whereas the law prescribes a 20% transfer to this reserve it has been the Credit Union's practice to transfer 25%. This represented a growth of two million three hundred thousand dollars ($2.3M) over the period. At the end of 2024, the Credit Union's Statutory Reserve stood at twenty-four million four hundred thousand dollars ($24.4M).

III. Accumulated Surplus — Accumulated surplus stood at thirty million seven hundred thousand dollars ($30.7M) at the end of 2024.

Statement of Comprehensive Income

The Credit Union earned total income of forty-two million four hundred thousand dollars ($42.4M) during the year 2024 as compared to thirty-eight million nine hundred thousand dollars ($38.9M) in 2023. Income from loans amounted to thirty-eight million seven hundred thousand ($38.7M) and non-interest income totaled three million seven hundred and sixty thousand dollars ($3.76M). Loan interest income recorded a slight increase of two million eight hundred and sixty thousand dollars ($2.86M) or 8.36% over 2023.

Interest on deposits and other finance cost amounted to twelve million nine hundred and sixty thousand dollars ($12.96M), which represented an increase of $611k or 4.95% over the year 2023.

As at December 2024, total operating expenses stood at seventeen million two hundred and thirty thousand dollars ($17.23M), an increase of three million two hundred and sixty thousand dollars ($3.26M) or 23.41% compared to 2023.

A significant contributor to the increase has been investment in an improved Cyber Security mechanism that facilitated a more secure environment for Credit Union operations.

Notwithstanding an increase in operating expense, the credit union continued to demonstrate excellent cost efficiency measures.

Ariza recorded a surplus before provision of twelve million two hundred thousand dollars ($12.2M). This underscores our members' confidence in our Credit Union. A key contributor to this surplus has been a reduction in specific provisioning. Surplus before appropriation amounted to eight million four hundred thousand dollars ($8.4M), a reduction of four million ($4M) or 32.3% on 2023, resulting mainly from an increase in loan loss provisions based on the performance of 2024.

A rebate of 3% or one million, one hundred thousand ($1.1M) on loan interest has been approved and a proposal has been made to pay a maximum dividend of 5% or one million, two hundred and forty thousand dollars ($1.24M).

Though this financial year brought its share of significant challenges, our Credit Union has stood strong, demonstrating the resilience, unity, and determination needed to meet adversity head-on. Through it all, we've maintained a performance that stands shoulder to shoulder with previous years, a true testament to our collective strength.

We are deeply grateful for your continued confidence and steadfast support. It is because of you, our members, partners, and community, that we can face each challenge with purpose and perseverance.

To echo the words of Catherine DeVrye: *"Like tiny seeds with potent power to push through tough ground and become mighty trees, we hold innate reserves of unimaginable strength."*

Together, we are resilient.

Tricia Melville
TREASURER

THE ARIZA WAY

RATIO ANALYSIS

Ratio	Goal	Dec 2024	Dec 2023
Protection			
Provision for Loan Losses /Del>12 Months	**100%**	100%	100%
Provision for loan losses /Loans del<12 months	**35%**	35%	35%
Solvency	**≥110%**	115%	113%
Effective Financial Structure			
Net Loans/Total Assets	**70-80%**	76.35%	75.33%
Savings deposits/total assets	**70-80%**	81.79%	83.72%
Effective Financial Structure			
Member Share Capital/Total Assets (N) *	**≥3%**	2.42%	2.81%
Institutional Capital (other)/Total Assets (N)*	**≥7%**	9.83%	9.06%
Asset Quality			
Balance of Del loans >90 /Gross Loan Portfolio	**≤5%**	5.96%	6.45%
Non-Earning Assets/Total Assets	**≤5%**	12.91%	12.73%
Rates of Return and Cost (Annualized)			
Fin Investment Income/Avg. fin investments	**Market Rate 2%**	3.60%	3.52%
Fin costs:savings deposit/average sav deposits	**Market Rate 2%**	2.21%	2.24%
Operating Expenses/average Total Assets	**≤5%**	2.67%	2.21%
Liquidity			
Liquid Assets-ST payables/unemcumbered deposits	**Min 15%**	16.00%	17.92%
Signs of Growth (annualized Growth Rate)			
Total Assets	**> inflation+10%**	8.87%	7.24%
Loans to Members	**0.05**	10.69%	11.50%
Savings deposits	**0.05**	6.35%	4.71%
Share Capital (N)	**Min 15%**	69.92%	10.58%
Institutional Capital	**Min 10%**	18.15%	24.45%
Membership	**Min 15%**	4.65%	6.69%

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

ARIZA CREDIT UNION LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2024
(Expressed in Eastern Caribbean Dollars)

CONTENTS

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PKF
Accountants &
business advisers

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ARIZA CREDIT UNION LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ariza Credit Union Limited (the 'Credit Union'), which comprise the statement of financial position at 31 December 2024, and the statement of comprehensive income, statement of changes in members' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Credit Union in accordance with the ethical requirements that are relevant to our audit of the financial statements in Grenada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information included in the Credit Union's 2024 Annual Report

Other information consists of the information included in the Credit Union's 2024 Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ARIZA CREDIT UNION LIMITED
(continued)**

Report on the Audit of the Financial Statements (continued)

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS' OF
ARIZA CREDIT UNION LIMITED
(continued)

Report on the Audit of the Financial Statements (continued)

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

GRENADA

June, 2025

PKF
Accountants & Business Advisers

STATEMENT OF FINANCIAL POSITION AT 31 December 2024
(Expressed in Eastern Caribbean Dollars)

ASSETS	Notes	**2024 $**	2023 $
EARNING ASSETS			
Members' loans	6	518,001,706	470,252,582
Investment property	7	14,808,292	14,327,768
Investment securities	8	57,172,370	58,420,469
Total earning assets		589,982,368	543,000,819
NON-EARNING ASSETS			
Property and equipment	9	24,721,573	24,979,431
Other Assets			
Cash and cash equivalents	11	40,860,314	38,403,740
Accounts receivable and prepayments	10	21,857,213	15,851,470
		87,439,100	79,234,641
TOTAL ASSETS		$677,421,468	622,235,460
EQUITY AND LIABILITIES			
Equity			
Members' qualifying equity	12	11,470,935	6,750,837
Statutory reserve	13	24,439,596	22,134,852
Accumulated surplus		30,668,182	27,466,938
Total Institutional Capital		66,578,713	56,352,627
Members' equity shares	14	16,426,579	17,464,397
OTHER FUNDS AND RESERVES			
Development fund	15(a)	325,598	511,350
Education fund	15(b)	1,730,986	1,478,726
Education savings plan fund	15(c)	2,051,691	1,793,444
Provident fund	15(d)	720,929	680,830
		4,829,204	4,464,350
TOTAL EQUITY		87,834,496	78,281,374
Liabilities			
Members' lifetime savings	16	317,205,594	294,535,498
Other deposits	17	236,822,181	226,419,186
Non-interest-bearing liabilities	18	35,265,066	21,480,986
Special pension liability		291,656	1,515,485
Other liabilities		2,475	2,931
TOTAL LIABILITIES		589,586,972	543,954,086
TOTAL EQUITY AND LIABILITIES		677,421,468	622,235,460

The accompanying notes form an integral part of these financial statements

:Director

:Director

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 December 2024
(Expressed in Eastern Caribbean Dollars)

	2024 $	2023 $
INCOME FROM LOANS		
Interest from member loans	37,020,903	34,163,218
Fees and charges	2,812,426	2,321,007
Loan protection	(1,201,160)	(1,236,300)
Other income from loans	19,660	80,701
Net loan income	38,651,829	35,328,626
Income from liquid investments		
Interest on investments – dated securities	1,803,061	1,633,258
Interest investments – other	12,604	22,597
Non-related income	1,947,476	1,991,957
	3,763,141	3,647,812
Total income	42,414,970	38,976,438
FINANCIAL COST		
Interest on deposits	11,870,137	11,458,860
Life savings insurance	577,696	515,411
Other financial cost	512,648	374,725
	12,960,481	12,348,996
Gross Margin	29,454,489	26,627,442
OPERATING EXPENSES		
Personnel expenses	9,759,389	7,826,238
Governance	984,063	588,591
Occupancy	1,310,128	1,108,191
Marketing expense	1,147,224	1,033,664
Administration	2,962,684	2,451,205
Depreciation	1,068,380	955,236
Total operating expenses	17,231,868	13,963,125
Total operating surplus	12,222,621	12,664,317
Less: Allowance for risks assets	(3,672,864)	(33,306)
Provision for vacation accrual	(141,110)	(103,035)
Provision for pension	-	(105,000)
Surplus for the year before appropriation	8,408,647	12,422,976
Appropriations:		
Transfer to: Statutory reserve	2,102,162	3,105,744
Development fund	252,259	372,689
Education members fund	252,259	372,689
Education savings plan fund	252,259	372,689
Provident fund	168,173	124,230
	3,071,113	4,348,042
Total comprehensive income for the year	5,381,534	8,074,935

The accompanying notes form an integral part of these financial statements

STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED 31 December 2024
(Expressed in Eastern Caribbean Dollars)

	Qualifying and Equity Shares	Statutory Reserve	Other Funds and Reserve	Accumulated Surplus	Total Equity
	$	$	$	$	$
Balance at 1 January 2023	23,015,802	18,794,099	3,414,045	20,382,154	65,606,100
Net movements in shares	1,199,432	-	-	-	1,199,432
Entrance fees	-	35,900	-	-	35,900
Net movement on other funds and reserves	-	3,304,853	1,050,305	(4,348,041)	7,117
Dividends paid	-	-	-	(990,151)	(990,151)
Net surplus for the year	-	-	-	12,422,976	12,422,976
Balance at 31 December 2023	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 31 December 2024	27,897,514	24,439,596	4,829,204	30,668,182	87,834,496

The accompanying notes form an integral part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 December 2024
(Expressed in Eastern Caribbean Dollars)

	Notes	**2024 $**	2023 $
OPERATING ACTIVITIES			
Surplus for the year before appropriation		8,408,647	12,422,976
Adjustments for:			
Provision for risk assets		3,422,864	33,306
Provision for vacation accrual	8	141,110	103,035
Depreciation		1,068,380	955,236
Interest income		(38,823,964)	(35,796,476)
Interest expense		11,870,137	11,458,860
Net movement in reserves		(381,857)	7,117
Operating loss before changes in working capital		(14,294,683)	(10,815,946)
Change in accounts receivable and prepayments		(5,769,802)	(7,314,036)
Change in Members' loans		(51,421,987)	(52,756,778)
Change in Members' deposits		22,670,097	20,507,832
Change in other deposits		10,402,993	2,924,885
Change in non-interest-bearing liabilities		13,864,005	5,544,202
Change in pension liability		(1,223,830)	104,999
Change in other liabilities		(456)	1,424
Cash used in operations		(25,773,663)	(41,803,418)
Interest received		38,588,023	35,973,593
Interest paid		(12,091,172)	(11,296,766)
Net cash generated from operating activities		723,189	(17,126,591)
INVESTING ACTIVITIES			
Purchase of property and equipment	8	(824,536)	(1,779,895)
Disposal of property and equipment		14,014	67,895
Purchase of investment properties	6	(480,524)	(122,298)
Sale of investment properties		-	2,372,747
Net movement in investment securities		1,248,099	(11,614,767)
Net cash used in investing activities		(42,947)	(11,076,318)
FINANCING ACTIVITIES			
Entrance fees		24,340	35,900
Dividends paid		(2,180,290)	(990,151)
Increase in members' shares		3,682,282	1,199,432
Net cash generated from financing activities		1,526,332	245,181
Net increase in cash and cash equivalents		2,206,574	(27,957,728)
Cash and cash equivalents – at beginning of the year		38,403,740	66,361,468
– at end of the year		40,610,314	38,403,740

The accompanying notes form an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2024
(Expressed in Eastern Caribbean Dollars)

1. NATURE OF OPERATIONS

The principal activities of Ariza Credit Union Limited ("The Credit Union") (previously named the Grenada Public Service Co-operative Credit Union Limited) center 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. GENERAL INFORMATION AND STATEMENT OF COMPLIANCE WITH IFRS

The Ariza Credit Union Limited (previously named Grenada Public Service Co-operative Credit Union Limited) was established in 1947 and originally registered in March 1958 under the Co-operative Societies Ordinance as amended by the Co-operative Societies Act No. 8 of 2011 for the purpose of affording members of the Credit Union the opportunity to accumulate savings and to obtain credit for provident or productive purposes at reasonable rates of interest.

The Credit Union employed an average of one hundred and thirty-one (131) persons during the year compared to one hundred and twenty-seven (127) persons in 2023.

The Credit Union's registered office is located at Bruce Street, St. Georges, Grenada and it conducts business from five locations. Branch operations are conducted at four locations, namely at Grenville, St. Andrew, Hillsborough, Carriacou, Bruce Street, St. George and Morne Rouge, Grand Anse St. George.

The accompanying financial statements are the financial statements of the Credit Union have been prepared in accordance with International Financial Reporting Standards (IFRSs) and International Financial Reporting Standards Interpretations Committee (IFRIC) interpretations as issued by the International Accounting Standards Board (IASB) under the historical cost convention, as modified by the revaluation of land and buildings and financial assets at fair value through other comprehensive income. The measurement bases are fully described in the summary of accounting policies.

3. BASIS OF PREPARATION

(a) *Statement of Compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted by the International Accounting Standards Board (IASB). These financial statements were approved by the Board of Directors on 19 June 2025.

3. BASIS OF PREPARATION

(b) Changes in accounting policies and disclosures

(i) New accounting standards, amendments and interpretations adopted

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Credit Union's annual financial statements for the year ended 31 December 2023, except for the adoption of new standards and interpretations below.

Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback (effective 1 January 2024)

In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).

The amendment to IFRS 16 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors that results in information that is relevant and reliable.

A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into prior to the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS16.

Amendments to IAS 1 – Classification of Liabilities as Current and Non-current with Covenants (effective 1 January 2024)

In January 2020 and October 2022, the Board issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right;
- That only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification.

The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies to covenants which the entity is required to comply with on or before the reporting date regardless of whether the lender tests for compliance at that date or at a later date.

The amendments must be applied retrospectively.

3. BASIS OF PREPARATION (continued)

(b) Changes in accounting policies and disclosures(continued)

(i) New accounting standards, amendments and interpretations adopted

Amendments to IAS 7 and IFRS 7 – Disclosures: Supplier Finance Arrangements (effective 1 January 2024)

In May 2023, the Board issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.

The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements.

IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information (effective 1 January 2024)

IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 – Climate-related Disclosures (effective 1 January 2024)

IFRS S2 Sets out the requirements for identifying, measuring and disclosing information about climate- related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

These amendments and standards had no impact on the financial statements.

(ii) Standards in issue not yet effective

The following is a list of standards and interpretations that were not yet effective up to the date of issuance of the Company's financial statements. These standards and interpretations may be applicable to the Company at a future date and will be adopted when they become effective. The Company is currently assessing the impact of adopting these standards and interpretations.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2024
(Expressed in Eastern Caribbean Dollars)
(continued)

3. BASIS OF PREPARATION (continued)

(b) Changes in accounting policies and disclosures(continued)

(ii) Standards in issue not yet effective(continued)

Amendments to IAS 21 – Lack of exchangeability (effective 1 January 2025)

In August 2023, the Board issued lack of exchangeability (Amendments to IAS 21).

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specifies how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendment states that a currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

When applying the amendments, comparative information is not restated.

Amendments to the SASB standards to enhance their international applicability (effective 1 January 2025)

The amendments remove and replace jurisdiction-specific references and definitions in the SASB standards without substantially altering industries, topics or metrics.

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective 1 January 2026)

In May 2024, the Board issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures), which:

- Clarifies that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met
- Clarified how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features
- Clarifies the treatment of non-recourse assets and contractually linked instruments
- Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income

NOTES TO THE FINANCIAL STATEMENTS
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3. BASIS OF PREPARATION (continued)

(b) Changes in accounting policies and disclosures(continued)

(ii) Standards in issue not yet effective(continued)

Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective 1 January 2026) (cont'd)

The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight.

Amendments to IFRS 9 and IFRS 7 -m Power Purchase Agreements/Contracts Referencing Nature dependent Electricity (effective 1 January 2026)

In December 2024, the Board issued Contracts Referencing Nature-dependent Electricity (Amendments to (IFRS 9 and IFRS 7)

The Amendments include:

- Clarifying the application of the 'own-use' requirements
- Permitting hedge accounting of these contracts are used as hedging instruments
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a Company's financial performance and cash flows.

The Amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted but will need to be disclosed. The clarifications regarding the 'Own-use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application.

IFRS 18 – Presentation and Disclosure in Financial Statements (effective 1 January 2027)

In April 2024, the Board issued IFRS 18 Presentation and Disclosure in Financial Statements which replaces IAS 1 Presentation in Financial Statements. IFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures (as defined) and includes new requirements for the location, aggregation and disaggregation of financial information.

An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, IFRS 18 requires an entity to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'.

NOTES TO THE FINANCIAL STATEMENTS
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3. BASIS OF PREPARATION (continued)

(b) Changes in accounting policies and disclosures(continued)

(ii) Standards in issue not yet effective(continued)

IFRS 18 – Presentation and Disclosure in Financial Statements (effective 1 January 2027) (continued)

IFRS 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity as a whole to users. IFRS 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by IFRS 18 or another IFRS accounting standard.

IFRS 18 must be applied retrospectively.

IFRS 19 – Subsidiaries without Public Accountability: Disclosures (1 January 2027)

In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.

An entity may elect to apply IFRS 19 if at the end of the reporting period:

- It is a subsidiary as defined in IFRS 10 Consolidated Financial Statements;
- It does not have public accountability; and
- It has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

An entity has public accountability if:

- Its debt or equity instruments are traded in a public market, or it is in the process of issuing such instruments for trading in a public market; or
- It holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (i.e., not for reasons incidental to its primary business).

NOTES TO THE FINANCIAL STATEMENTS
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3. BASIS OF PREPARATION (continued)

(b) Changes in accounting policies and disclosures(continued)

(ii) Standards in issue not yet effective (continued)

IFRS 19 – Subsidiaries without Public Accountability: Disclosures (1 January 2027) (continued)

If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under IFRS 19, unless IFRS 19 or another IFRS accounting standard permits or requires otherwise.

Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted.

The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business Combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interest in the associate or joint venture.

The amendments must be applied retro-prospectively.

NOTES TO THE FINANCIAL STATEMENTS
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3. BASIS OF PREPARATION (continued)

(b) Changes in accounting policies and disclosures(continued)

(iii)Improvements to International Reporting Standards

The annual improvements process for the International Accounting Standards Board deals with non-urgent but necessary clarifications and amendments to IFRS.

Annual improvements to IFRS Standards – Volume 11

The following amendments are applicable to annual periods beginning on or after 1 January 2026

IFRSs – Subject of Amendment

IFRS 1	Hedge accounting by a first-time adopter
IFRS 7	Gain or loss on derecognition
IFRS 7	Disclosure of deferred difference between fair value and transaction price
IFRS 7	Introduction and credit risk disclosures
IFRS 9	Lessee derecognition of lease liabilities
IFRS 9	Transaction price
IFRS 10	Determination of a 'de facto agent'
IAS 7	Cost method

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Overall considerations

The significant accounting policies set out below have been applied consistently by the Credit Union to all periods presented in these financial statements, except as otherwise stated.

4.2 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:

(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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.2 Revenue recognition (continued)

(ii) *Other income*

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

4.3 *Foreign currency translation*

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.

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.

4.4 *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.

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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.4 *Leases (continued)*

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.

4.5 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.

(a) *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.

- 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.

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.5 Financial instruments (continued)

(a) Classification and subsequent measurement of financial assets

The Credit Union classifies the financial assets as subsequently measured at amortised 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 three measurements:

Financial assets at amortised cost

A financial asset is measured at amortised 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.

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

Amortised 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 amortisation 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.

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

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.5 Financial instruments (continued)

(c) 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.

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.

Undrawn loan commitments

Undrawn loan commitments and letters of credits 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.

Reclassifications

If the business model under which the holds 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).

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.5 Financial instruments (continued)

(d) Impairment of Financial Assets

The Credit Union recognises a loss allowance for expected credit losses (ECL) on financial assets measured at amortised 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:

a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

b) the time value of money; and

c) 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 derecognised 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 realisation of any collateral or credit enhancements that are integral to the loan and not required to be recognised separately. It is usually expressed as a percentage of the EAD.

The financial assets are grouped on the basis of 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 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.5 Financial instruments (continued)

(d) Impairment of Financial Assets

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);
- 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.5 Financial instruments (continued)

(d) Impairment of Financial Assets (continued)

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.

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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.5 Financial instruments (continued)

(d) Impairment of Financial Assets (continued)

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 amortised 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.

- 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.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.5 Financial instruments (continued)

(d) Impairment of Financial Assets (continued)

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.

(e) 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 derecognises the original loan if the terms are substantially different and recognises 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 recognised 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 recognised 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 de-recognised. The Credit Union recalculates the gross carrying amount of the loan and recognises a modification gain or loss in the statement of comprehensive income. The gross carrying amount of the loan is recalculated as the present value of 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 amortised over the remaining term of the modified financial asset.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.5 Financial instruments (continued)

(f) 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 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 recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(g) Derecognition of financial assets

The Credit Union derecognises 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 the 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

(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.

NOTES TO THE FINANCIAL STATEMENTS
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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.5 Financial instruments (continued)

(h) *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

(i) *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 amortised 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 recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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

4.6 *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 amortised cost.

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 *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.

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 Property and equipment (continued)

ii. Subsequent measurement (continued)

Furniture, equipment and motor vehicle

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

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.

4.8 *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.

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.8 *Impairment of non-financial assets (continued)*

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. 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.

4.9 *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 as a whole. 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 recognised 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 recognised.

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 *Employee benefits*

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

4.11 Equity, reserves and dividend payments

a) *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.

b) *Reserves*

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

c) *Accumulated surplus*

Accumulated surplus include all current and prior period retained surpluses.

d) *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 recognised in equity in the period in which they are approved by the Credit Union's members at the Annual General Meeting.

4.12 *Operating expenses*

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

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

5. 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 recognised 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 recognised on the financial statements are described below:

(a) Business model assessment

Classification and measurement of financial assets depends 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 amortised cost or fair value through other comprehensive income that are derecognised 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.

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

5. 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 behaviours (e.g. the likelihood of customers defaulting and the resulting losses). A number of significant judgments 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

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

5. **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 judgment. 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.

The Credit Union recognised ECL on equity investments during the year of nil (2023: nil).

6. **MEMBERS' LOANS**

	2024 **$**	2023 $
General loans	539,654,233	487,549,111
Members overdraft accounts	819,102	1,502,237
	540,473,335	489,051,348
Allowance for doubtful loans	(22,471,630)	(18,798,766)
Total members' loans	518,001,706	470,252,582
Current	50,052,056	42,884,298
Non-current	467,949,650	427,368,284
	518,001,706	470,252,582
Allowance for doubtful loans		
Balance at beginning of the year	18,798,767	20,575,405
Amounts written off during the year	-	(1,559,945)
Provision for loan losses for the year	3,672,863	3,000,000
Write back provision	-	(3,216,693)
Balance at end of year	22,471,630	18,798,767

The average interest rate earned on the members' loans during the financial year was 7.21% (2023: 7.39%).

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

7. INVESTMENT PROPERTIES

	Land	Building	Total
	$	$	$
Balance at January 1, 2023	13,908,657	2,669,560	16,578,217
Additions during the year	1,400	120,898	122,298
Sale during the year	(80,524)	(2,292,223)	(2,372,747)
Balance at December 31, 2023	13,829,533	498,235	14,327,768
Additions during the year	-	480,524	480,524
Balance at 31 December 2024	13,829,533	978,759	14,808,292

8. INVESTMENT SECURITIES

	2024	2023
	$	$
(a) Financial assets at fair value through other comprehensive (FVTOCI)		
income (FVTOCI)		
Equity financial assets		
Grenada Co-operative League Limited		
- 11,717 ordinary shares of $5.00 each	76,095	76,095
Eastern Caribbean Home Mortgage Bank		
- 194 shares of $160 each	31,040	31,040
- 625 shares of $160 each	100,000	100,000
- 1,560 shares of $160 each	249,600	249,600
Corporation Enterprise Finance Facility Limited		
- 10,000 shares $50 each	500,000	500,000
Grenada Co-operative Bank Limited		
- 47,765 shares of $8.88 each	424,153	424,153
	1,380,888	1,380,888
(b) Treasury bills		
Government of Antigua and Barbuda	4,976,699	4,925,720
Government of St. Lucia	2,578,238	2,578,238
Government of Grenada	4,864,736	4,864,736
Total financial assets at fair value through OCI	13,800,560	13,749,582

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 December 2024
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(continued)

8. INVESTMENT SECURITIES (continued)

	2024 $	2023 $
Fixed deposits		
Nexa Credit Union Limited	7,313,447	7,170,046
Communal Co-operative Credit Union Limited	4,856,363	4,754,191
Grenada Co-operative League Limited	2,770,909	2,735,249
First Citizens Investment Limited	9,075,835	8,940,393
Community First Credit Union Limited	4,594,536	4,482,474
Grenville Co-operative Credit Union Limited	2,723,720	2,639,534
Eastern Caribbean Home Mortgage Bank	7,287,000	7,199,000
Bonds		
Government of St. Vincent and the Grenadines – 7 year	1,300,000	1,300,000
Government of St. Vincent and the Grenadines – 5 year	3,700,000	5,000,000
Government of St. Lucia	-	2,000,000
Total Financial assets at amortized costs	43,621,810	44,920,887
Total investment securities	57,422,370	58,670,469
Less: Provision for expected credit loss	(250,000)	(250,000)
	57,172,370	58,420,469
Current	48,531,681	47,221,144
Non-Current	8,640,689	11,199,325
	57,172,370	58,420,469

PKF Accountants & business advisers

9. PROPERTY AND EQUIPMENT

	Work in Progress	Freehold land and Building	Furniture, Fixtures and Equipment	Computer Equipment and Software	Automatic Teller Machine
	$	$	$	$	$
Balance at 1 January 2023					
Cost	481,412	24,577,133	2,560,303	3,511,647	898,429
Accumulated depreciation	-	(3,009,455)	(1,491,462)	(3,341,557)	(824,505)
NET BOOK VALUE	**481,412**	**$21,567,678**	**1,068,841**	**170,090**	**73,924**
For year ended 31 December 2023					
Opening book value	481,412	21,567,678	1,068,841	170,090	73,924
Additions for the year	282,441	39,202	421,152	264,794	66,017
Transfers	(77,410)	-	6,830	5,748	64,832
Disposals during the year	(66,244)	-	(1,651)	-	-
Depreciation charge for year	-	(484,437)	(210,084)	(119,397)	(60,121)
NET BOOK VALUE	**620,199**	**21,122,443**	**1,285,088**	**321,235**	**144,652**
Balance at 31 December 2023					
Cost	620,199	24,616,335	2,986,634	3,782,189	1,029,278
Accumulated depreciation	-	(3,493,892)	(1,701,546)	(3,460,954)	(884,626)
NET BOOK VALUE	**620,199**	**$21,122,443**	**1,285,088**	**321,235**	**144,652**
For year ended 31 December 2024					
Opening book value	620,199	21,122,443	1,285,088	321,235	144,652
Additions for the year	313,102	70,667	115,608	75,561	81,793
Transfers	(132,918)	-	-	124,603	-
Disposals during the year	(14,014)	-	-	-	-
Depreciation charge for year	-	(485,646)	(245,991)	(151,495)	(63,209)
NET BOOK VALUE	**786,369**	**20,707,464**	**1,154,705**	**369,904**	**163,236**
Balance at 31 December 2024					
Cost	786,369	24,687,002	3,102,242	3,982,353	811,814
Accumulated depreciation	-	(3,979,538)	(1,947,537)	(3,612,449)	(648,578)
NET BOOK VALUE	**786,369**	**$20,707,464**	**1,154,705**	**369,904**	**163,236**

PKF Accountants & business advisers

9. PROPERTY AND EQUIPMENT (continued)

	Motor Vehicle	Car Park	Leasehold Improvement	IDC Development	Total
	$	$	$	$	$
Balance at 1 January 2023					
Cost	557,261	757,767	48,347	188,630	33,580929
Accumulated depreciation	(430,764)	(37,164)	(34,725)	(188,630)	(9,358,262)
NET BOOK VALUE	**$126,497**	**$720,603**	**13,622**	**-**	**24,222,667**
For year ended 31 December 2023					
Opening book value	126,497	720,603	13,622	-	24,222,667
Additions for the year	145,000	1,200	560,089	-	1,779,895
Transfer	-	-	-	-	-
Disposals during the year	-	-	-		(67,895)
Depreciation charge for year	(50,258)	(18,950)	(11,989)	-	(955,236)
NET BOOK VALUE	**221,239**	**702,853**	**561,722**	**-**	**24,979,431**
Balance at 31 December 2023					
Cost	702,261	758,967	608,436	188,630	35,292,929
Accumulated depreciation	(481,022)	(56,114)	(46,714)	(188,630)	(10,313,498)
NET BOOK VALUE	**221,239**	**702,853**	**561,722**	-	**24,979,431**
For year ended 31 DECEMBER 2024					
Opening book value	221,239	702,853	561,722	-	24,979,431
Additions for the year	153,000	-	14,805	-	824,536
Transfers	-	-	8,315	-	-
Disposals during the year	-	-	-	-	(14,014)
Depreciation charge for year	(85,081)	(18,974)	(17,984)	-	(1,068,380)
NET BOOK VALUE	**289,158**	**683,879**	**566,858**	**-**	**24,721,573**
Balance at 31 DECEMBER 2024					
Cost	855,261	758,967	631,556	188,630	35,804,194
Accumulated depreciation	(566,103)	(75,088)	(64,698)	(188,630)	(11,082,621)
NET BOOK VALUE	**$289,158**	**$683,879**	**566,858**	**-**	**24,721,573**

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(continued)

10. ACCOUNTS RECEIVABLE AND PREPAYMENTS

	2024 $	2023 $
Due from Grenada Co-operative Bank Limited – ATM	13,180,960	8,760,673
Due from Communal Co-operative Credit Union Limited	1,621,262	787,579
Prepaid expenses	187,333	146,880
Due from Grenville Co-operative Credit union Limited	1,926,531	746,152
Due from Nexa Credit Union Limited	273,668	-
Other accounts receivable	2,962,267	3,469,053
Interest receivable	1,705,252	1,941,193
	21,857,273	15,851,530
Less: Provision for Fraud Loss	(60)	(60)
Total accounts receivables and prepayments	21,857,213	15,851,470

11. CASH AND CASH EQUIVALENTS

Cash on hand	6,179,816	5,129,302
Cash in bank	34,680,498	33,274,438
Cash and cash equivalents per statement of cash flows	40,860,314	38,403,740

12. 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. A minimum of $200.00 can be paid towards the acquisition of shares.

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

13. STATUTORY RESERVE

	2024 $	2023 $
Balance at 1 January 2024	22,134,852	18,794,099
Receipt from loans written-off	178,242	199,307
Entrance fees	24,340	35,700
Allocation for the year – 25% of surplus	2,102,162	3,105,744
Balance at 31 December 2024	24,439,596	22,134,852

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.

14. MEMBERS' EQUITY SHARES

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

15. OTHER FUNDS AND RESERVES

(a) *Development fund*

	2024 $	2023 $
Balance at 1 January 2024	511,350	285,644
Allocation for the year	252,259	372,689
Remittance to Grenada Co-operative League Limited	(372,689)	(146,983)
Carriacou Beryl relief fund	(62,606)	-
CCCU Pledge contribution	(2,717)	-
Balance at 31 December 2024	325,598	511,350

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.

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

15. OTHER FUNDS AND RESERVES (continued)

(b) *Education fund*

	2024 $	2023 $
Balance at 1 January 2024	1,478,726	1,106,037
Allocation for the year	252,260	372,689
Balance at 31 December 2024	1,730,986	1,478,726

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

(c) *Education savings plan fund*

	2024 $	2023 $
Balance at 1 January 2024	1,793,444	1,414,287
Allocation for the year	252,259	372,689
Interest allocated for the year	5,988	6,468
Balance at 31 December 2024	2,051,691	1,793,444

This fund was set up to provide scholarships to members.

(d) *Provident fund*

	2024 $	2023 $
Balance at 1 January 2024	680,830	608,077
Allocation for the year	168,173	124,230
Disbursements during the year	(128,074)	(51,477)
Balance at 31 December 2024	720,929	680,830

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

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

16. MEMBERS' LIFETIME SAVINGS

	2024 $	2023 $
Balance at 31 December 2024	317,205,594	294,535,498

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.

17. OTHER DEPOSITS

	2024 $	2023 $
Term deposits	89,170,529	95,761,103
Savings	86,931,341	80,291,061
Education savings plan	17,715,205	16,292,968
Retirement savings	17,438,569	15,753,475
Internal holding	14,795,521	10,145,789
Insurance and group life savings plan	2,764,661	2,503,090
Loan payment savings	2,919,420	1,687,246
Excel savings	341,349	349,597
Estate management	979,620	683,421
Business savings	2,250,800	1,327,330
Micro-Finance savings	9,219	10,348
Standing order	35,281	43,968
Golden nest	936,538	1,001,237
Trust account	533,945	568,258
Other deposits	183	293
	236,822,181	226,419,186

These deposits have various maturity profiles with interest rates varying from 0% to 3.5% (2023: 0% to 3.5%).

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18. NON-INTEREST-BEARING LIABILITIES

	2024 $	2023 $
IDC payable	18,797,197	5,996,229
Interest payable	1,520,818	1,299,784
Sundry creditors payable	1,621,481	1,415,797
Other accounts payable	13,325,570	12,769,176
Balance at 31 December 2024	35,265,066	21,480,986

19. 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.

20. 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).
- 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.

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20. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Related parties

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	
	2024	2023	**2024**	2023
	$	$	$	$
Board of Directors	1,440,236	2,947,071	533,365	516,522
Credit committee	736,675	487,826	244,577	241,777
Supervisory committee	207,866	217,856	459,379	335,159
Key management personnel	5,068,649	4,045,946	1,352,534	710,735
Total related party balances	7,453,426	7,698,699	2,589,855	1,804,193

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.

	2024	2023
	$	$
Interest income on loans	331,713	240,045
Interest expense on deposits	35,924	25,026

Interest rates on related party deposits range from 0% to 3.94 (2023: 0% to 4%). Interest rates on related party loans range from 3% to 12% (2023: 3% to 12%).

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20. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Related parties (continued)

Remuneration of key management personnel

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

	2024	2023
	$	$
Salaries and allowances	820,290	739,425

21. DIVIDENDS

During the year, the Credit Union paid $2,180,288 as dividends (2023: $990,151) to its members as follows:

	2024	2023
	$	$
Dividends paid	1,179,386	667,178
Rebate paid	1,000,904	322,973
	2,180,290	990,151

22. 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.

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

22. FINANCIAL INSTRUMENT RISK (continued)

Risk management objectives and policies (continued)

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.

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.

22.1 *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. Geographically there is concentration of credit risk as all members are located in Grenada.

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22. FINANCIAL INSTRUMENT RISK (continued)

Risk management objectives and policies (continued)

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.

	2024 **$**	2023 $
On-balance sheet		
Cash and cash equivalents	40,860,314	38,403,740
Accounts receivable (excluding prepayments and deferred expenses)	18,707,613	12,235,537
Members' loans	518,001,706	470,252,582
Investment securities	57,172,370	58,420,469
	634,742,003	579,312,328

	2024 **$**	2023 $
Off-balance sheet		
Loan commitments and other credit related facilities	11,673,490	9,698,941

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22. FINANCIAL INSTRUMENT RISK (continued)

Risk management objectives and policies (continued)

The table below set out information about the credit quality of members' loans and the allowance for impaired:

	2024 **$**	2023 $
Neither past due nor impaired	484,820,084	447,669,287
Past due but not impaired	23,491,660	7,808,843
Impaired	32,161,591	33,573,217
	540,473,336	489,051,348
Allowance for impaired loss	(22,471,630)	(18,798,766)
	518,001,706	470,252,582

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 analysed below:

	Gross Amount	**ECL**	**Net Amount**
	$	$	$
Stage 1	484,820,084	1,064,010	483,756,075
Stage 2	23,491,660	1,373,614	22,118,046
Stage 3	32,161,590	20,034,005	12,127,585
As at 31 December 2024	540,473,335	22,471,630	518,001,706

	Gross Amount	**ECL**	**Net Amount**
	$	$	$
Stage 1	447,669,288	2,331,481	445,337,807
Stage 2	7,808,843	205,009	7,603,834
Stage 3	33,573,217	16,262,276	17,310,941
As at December 31, 2023	489,051,348	18,798,766	470,252,582

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

22. FINANCIAL INSTRUMENT RISK (continued)

Risk management objectives and policies (continued)

Loan to Members

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

22.1 *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. 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.

NOTES TO THE FINANCIAL STATEMENTS
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22. FINANCIAL INSTRUMENT RISK (continued)

(c) Loans to members re-negotiated (continued)

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 31 December 2024 (2023: nil).

22.2 *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:

- 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

22. FINANCIAL INSTRUMENT RISK (continued)

22.2 Liquidity risk analysis *(continued)*

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 31 December 2024

	On demand	**Up to 1 year**	**1-5 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
	482,700,713	23,663,890	46,296,572	36,925,797	589,586,972

**NOTES TO THE FINANCIAL STATEMENTS
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22. FINANCIAL INSTRUMENT RISK (continued)

22.2 Liquidity risk analysis *(continued)*

As of December 31, 2023

	On demand	Up to 1 year	1-5 years	Over 5 years	Total
	$	$	$	$	$
Liabilities					
Members' lifetime Savings	191,642,736	19,483,740	29,740,365	53,668,657	294,535,498
Other deposits	226,419,186	-	-	-	226,419,186
Non-interest-bearing liabilities	21,480,986	-	-	-	21,480,986
Pension liability	-	-	1,515,485	-	1,515,485
Other liabilities	2,931	-	-	-	2,931
	439,545,839	19,483,740	31,255,850	53,668,657	543,954,086

22. FINANCIAL INSTRUMENT RISK (continued)

22.2 Liquidity risk analysis *(continued)*

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

22.3 *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.

(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.

ARIZA CREDIT UNION LIMITED

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22. FINANCIAL INSTRUMENT RISK (continued)

22.3 *Market risk analysis (continued)*

(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.

22. FINANCIAL INSTRUMENT RISK (continued)

22.3 *Market risk analysis (continued)*

(iii) *Interest rate risk*

As of 31 December 2024	Interest rate	On Demand	Up to 1 year	1 to 5 years	Over 5 years	Non-interest bearing	Total
Current Assets	$	$	$	$	$	$	$
Cash and cash equivalents		40,860,314	-	-	-	-	40,860,314
Trade and other receivables		-	-	-	-	18,707,613	18,707,613
Members' loan	3% – 16%	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
Current liabilities							
Members' lifetime savings	2.75%	210,610,990	23,663,890	46,004,917	36,925,797	-	317,205,594
Other deposits	0% – 3.5%	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
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

NOTES TO THE FINANCIAL STATEMENTS
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22. FINANCIAL INSTRUMENT RISK (continued)

1.3 *Market risk analysis (continued)*

(iii) Interest rate risk (continued)

As of December 31, 2023	Interest rate	On Demand	Up to 1 year	1 to 5 years	Over 5 years	Non-interest bearing	Total
Current Assets	$	$	$	$	$	$	$
Cash and cash equivalents		38,403,740	–	–	–	-	38,403,740
Trade and other receivables		-	–	–	–	12,235,537	12,235,537
Members' loan	3.5% – 16%	1,502,237	29,798,793	72,968,112	365,983,440	-	470,252,582
Investment securities	2% – 5.75%	21,781,494	21,240,650	12,967,437	1,300,000	1,380,888	58,670,469
Total financial assets		61,687,471	51,039,443	85,935,549	367,283,440	13,616,425	579,562,328
Current liabilities							
Members' lifetime savings	3.50%	191,642,736	19,483,740	29,740,365	53,668,657	-	294,535,498
Other deposits	0% – 3%	226,419,186	–	–	–	-	226,419,186
Non-interest-bearing liabilities		–	–	–	–	21,480,986	21,480,986
Pension Liability		–	–	–	–	1,515,485	1,515,485
Other liabilities		-	-	-	-	2,931	2,931
Total financial liabilities		418,061,922	19,483,740	29,740,365	53,668,657	22,999,402	543,954,086
Total interest repricing gap		(356,374,451)	31,555,703	56,195,184	256,132,631	(9,382,977)	35,608,242

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22. FINANCIAL INSTRUMENT RISK (continued)

22.3 *Market risk analysis (continued)*

(iii) *Interest rate risk*

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.

22.4 *Operational risk*

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Credit Union's 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 behaviour.

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.

NOTES TO THE FINANCIAL STATEMENTS
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22. FINANCIAL INSTRUMENT RISK (continued)

22.4 *Operational risk (continued)*

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;
- 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 programme 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.

23. 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.

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(continued)

23. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

a) *Financial instruments not measured at fair value*

	Carrying Value		Fair Value	
	2024	2023	**2024**	2023
	$	$	$	$
Financial assets				
Cash and cash equivalents	40,860,314	38,403,740	40,860,314	38,403,740
Investment securities:				
– Financial assets at amortised costs	56,041,482	57,289,581	56,041,482	57,289,581
Members' loans	518,001,706	470,252,582	518,001,706	470,252,582
Accounts receivable (excluding prepayments and deferred expenses)	18,707,613	12,235,537	18,707,613	12,235,537
	633,611,115	578,181,440	633,611,115	578,181,440
Financial liabilities				
Members' deposits	317,205,594	294,535,498	317,205,594	294,535,498
Other deposits	236,822,181	226,419,186	236,822,181	226,419186
Non-interest bearing liabilities	35,265,066	21,480,986	35,265,066	21,480,986
Pension liability	291,656	1,515,485	291,656	1,515,485
Other liabilities	2,475	2,931	2,475	2,931
	589,586,972	543,954,087	589,586,972	543,954,086

(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.

NOTES TO THE FINANCIAL STATEMENTS
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23. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

a) *Financial instruments not measured at fair value (continued)*

(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.

b) *Fair value measurement of financial instruments*

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 31 December 2024 and 31 December 2023.

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23. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

b) *Fair value measurement of financial instruments (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
	$	$
31 December 2024		
Financial assets		
Investment securities:		
- Financial assets at fair value through other comprehensive income (FVTOCI)	1,380,888	1,380,888

	Level 3	Total
	$	$
December 31, 2023		
Financial assets		
Investment securities:		
- Financial assets at fair value through other comprehensive income (FVTOCI)	1,380,888	1,380,888

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:

23. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (continued)

b) *Fair value measurement of financial instruments (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 recognised.

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 judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

24. 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 develop 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	2024 %	2023 %
1.	Net Loans/Total Assets	70% to 80%	76%	76%
2.	Institutional Capital/Total Assets	7% minimum	9.83%	9.06%
3.	Total Delinquency/Total Loans	5% maximum	5.96%	6.45%

BUDGETED STATEMENT OF FINANCIAL POSITION

	Actual 2024	Budget 2025	Budget 2026
Earning Assets			
Gross Loans	539,654,233	589,654,233	641,154,233
Less: Provision for loan bad debts	(22,471,630)	(24,471,630)	(26,471,630)
Net loans	517,182,603	565,182,603	614,682,603
Short Term Investments	50,791,482	55,791,482	60,791,482
Long Term Investments	6,380,888	8,380,888	10,380,888
Development Lands	14,808,292	14,808,292	14,808,292
Members Overdraft	819,102	819,102	819,102
Total Earning Assets	**589,982,367**	**644,982,367**	**701,482,367**
Non Earning Assets			
Fixed Assets	24,721,571	27,433,776	33,222,916
Rebranding	-	-	-
Morne Jaloux WIP	-	-	-
Receivables & prepayments	21,857,213	16,178,226	13,832,548
Cash on Hand & in Bank	40,860,314	42,407,105	30,506,040
Total Non-Earning Assets	**87,439,098**	**86,019,106**	**77,561,503**
Total Assets	**677,421,465**	**731,001,473**	**779,043,871**

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BUDGETED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Actual 2024	Budget 2025	Budget 2026
Liabilities			
Members' Lifetime Savings	317,205,594	346,192,877	369,692,877
Savings	236,822,181	259,058,164	277,558,164
Pension	291,656	291,656	291,656
Non Interest Bearing Liabilities	35,267,538	26,502,105	19,712,983
Total Liabilities	**589,586,969**	**632,044,802**	**667,255,680**
Capital			
Equity Shares	16,426,579	17,826,579	19,326,579
Institutional Capital			
Qualifying Shares	11,470,935	12,520,935	13,620,935
Statutory Reserve	24,439,596	24,883,297	25,447,479
Accumulated Surplus	30,668,182	37,706,100	45,129,277
Earnings for Current Year			
Total Instituitional Capital	**66,578,713**	**75,110,332**	**84,197,691**
Other Funds & Reserves			
Development Fund Reserve	325,598	660,737	1,311,893
Education of Members Reserve	1,730,986	2,066,125	2,717,281
Education Savings Plan Fund	2,051,691	2,386,830	3,037,986
LP/LS Insurance Fund			
Provident Fund	720,929	682,642	712,873
Disaster Relief Fund	–	223,426	483,888
Total Capital	**87,834,496**	**98,956,671**	**111,788,191**
Total Liabilities & Capital	**677,421,465**	**731,001,473**	**779,043,871**

BUDGETED STATEMENT OF COMPREHENSIVE INCOME

	Actual 2024	Budget 2025	Budget 2026
Income			
Net Loan Income	38,651,829	43,745,981	47,611,922
Total Non- Interest Income	3,763,141	4,390,202	4,802,000
Total Income	**42,414,970**	**48,136,182**	**52,413,922**
Cost/Expenses			
Total Financial Cost	12,960,481	14,047,307	15,146,882
Gross Margin	**29,454,489**	**34,088,875**	**37,267,040**
Operating Expenses			
Total Personnel Expenses	9,900,499	11,703,017	12,387,927
Total Member Interest Protection	609,426	800,000	860,000
Total Marketing Expenses	1,147,224	1,450,000	1,710,000
Total General & Admin Expenses	4,647,448	5,678,864	5,425,135
Total Depreciation	1,068,380	1,285,695	1,860,860
Total Operating Expenses	17,372,978	20,917,576	22,243,923
Operating Surplus	**12,081,511**	**13,171,299**	**15,023,117**
Provision for Risk Assets	3,672,864	2,000,000	2,000,000
Surplus Before Appropriation	**8,408,647**	**11,171,299**	**13,023,117**
Transfer to Statutory Reserves	2,102,162	2,792,825	3,255,779
Transfer to Development Fund	252,259	335,139	390,694
Transfer to Education of Members Fund	252,259	335,139	390,694
Transfer to Education Plan Fund	252,259	335,139	390,694
Transfer to Provident Fund	168,173	111,713	130,231
Transfer to Disaster Relief Fund		223,426	260,462
Unallocated Surplus	**5,381,534**	**7,261,344**	**8,465,026**

CAPITAL BUDGET
2025 AND 2026

Capital Budget	2025	2026
Computer Hardware	1,000,000	950,000
Computer Software	300,000	300,000
Furniture and Equipment	550,000	600,000
Morne Jaloux Land	897,900	1,800,000
Vehicle	150,000	
Land/Building	1,100,000	4,000,000
TOTAL	**3,997,900**	**7,650,000**

THE ARIZA WAY

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 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 $1,106,581 to be paid to members

BE IT RESOLVED That a dividend payment on EQUITY and QUALIFYING SHARES of 5% amounting to $1,242,543 is paid to Members.

2. APPROVAL OF BUDGET

WHEREAS it is required under the Credit Union's By-laws Section 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 139 to 142 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 IT RESOLVED that the budget, as presented, is approved.

MINUTES OF 77TH AGM

77th Annual General Meeting of Ariza Credit Union held on Thursday, 25th July 2024, at the Grenada Trade Centre, Morne Rouge, St. George, and Via Zoom

AGM/24/01: Call to Order and Welcome

The 77th Annual General Meeting (AGM) commenced with a procession of the National Flag, accompanied by our 50th Anniversary theme song, followed by the Ariza song sung by the Ariza Chorale. Bro. Lyndon Bubb, the Chairman, welcomed everyone to the AGM to celebrate Ariza's achievements in 2023. He expressed gratitude, noting that Ariza's success would not have been possible without its members.

AGM 24/02: Tributes

Sis. Alana Twum-Barimah led the opening prayer, followed by a minute of silent tribute in memory of members who passed away during the last year.

AGM 24/03: Apologies for Absence

We received no written apologies for absences.

AGM 24/04: Greetings and Solidarity Messages from Guest Societies – Read by Sis. Peterlyn Cooper

Birchgrove Cooperative Credit Union

The Birchgrove Cooperative Credit Union expressed heartfelt support and solidarity with Ariza, who overcame challenges and strove for excellence in its commitment to members and community. They stated that Ariza's dedication to embracing new opportunities while supporting our members had inspired them. They encouraged continued support for one another, sharing experiences and celebrating successes, emphasizing that together, they can achieve remarkable things and build a bright future. They expressed pride in Ariza's accomplishments and looked forward to continued collaboration, wishing Ariza a successful Annual General Meeting.

Communal Cooperative Credit Union

The Board of Directors, Management, and staff of the Communal Cooperative Credit Union conveyed warm regards to Ariza during its Annual General Meeting. They acknowledged Ariza's pivotal role in positively impacting the lives of its members, despite challenges faced by the movement, and recognized Ariza's passion for effecting transformation. They congratulated Ariza on its exceptional performance in 2023, highlighting its ability to generate substantial value for our members. They offered continual support and expressed best wishes for a fruitful meeting.

Gateway Cooperative Credit Union

The Board, Management, and Staff of Gateway Cooperative Credit Union congratulated Ariza on successfully convening its Annual General Meeting under the theme "Navigating Challenges, Embracing Opportunities, and Achieving Excellence." They stated that this theme emphasizes overcoming obstacles and embracing opportunities as crucial steps towards achieving excellence. They noted that navigating challenges and seizing opportunities were essential strategies for both individual and group development and provided hope for members, ensuring a legacy of prosperity and sustainability. They wished us success on our Annual General Meeting.

Nexa Credit Union

Nexa Credit Union extended heartfelt congratulations to Ariza on holding its 2024 Annual General Meeting. They noted that the theme, "Navigating Challenges, Embracing Opportunities, Achieving Excellence," reflected the resilient spirit and forward-thinking approach of the movement. They stated that Ariza exemplified strength and resilience in navigating challenges while embracing opportunities and achieving excellence through strategic vision and commitment to innovation. Nexa celebrated Ariza's achievements and was confident that the continued efforts would lead to even greater success in the future.

AGM 24/05: Official Remarks

Grenada Co-operative League Limited

Bro. Randy Boyke-Cadet, President of the Grenada Cooperative League Ltd, extended congratulations to the Board, Management, and staff of Ariza at its Annual General Meeting for the financial year 2023.

He addressed the challenges faced during this uncertain period, especially for members in Carriacou and Petite Martinique, whose lives were disrupted by Hurricane Beryl. Despite the daunting circumstances, he emphasized a sense of hope and optimism, encouraging collective efforts to support one another, just as was done during the COVID-19 pandemic and following Hurricane Ivan.

As President of the movement, he expressed pride, satisfaction, and encouragement upon reviewing Ariza's performance in 2023, noting that it represented growth, accomplishments, strategic focus, empowerment, opportunities, and a path toward a sustainable future for the Ariza Brand. He highlighted the connection between Ariza's vision and the impact of the achievements in the lives of ordinary Grenadian sons and daughters, applauding Ariza for a job well done.

He described the theme as purposeful and influential, acknowledging that in the pursuit of excellence, we will inevitably encounter challenges and obstacles. He affirmed that the Ariza brand has demonstrated that overcoming these challenges allowed for growth and the realization of our full potential.

He expressed his firm belief that the theme had the potential to serve as the backbone of the organization and the movement, embodying the fundamental belief that through visionary leadership, hard work, and a commitment to hope, progress could be made not only for the Ariza brand but also for the Grenada Credit Union movement.

He highlighted that Ariza had achieved a record-breaking operating surplus, experienced growth in the loan portfolio, and reduced the non-performing loan (NPL) ratio, stating that 2023 was a successful year for Ariza.

He noted that the credit union sector continued to contribute significantly to the Grenadian economy and society, emphasizing that the public had placed its trust in the credit union movement and that the sector remained relevant to the country's growth and development. He expressed appreciation to Ariza for providing tremendous support to the League and fellow credit unions over the years and acknowledged the passion that Ariza's members brought to the League. He reaffirmed the League's commitment to support Ariza in achieving its goals.

He encouraged members to recognize the challenges they faced in attracting new talent to attend Annual General Meetings and serve on boards and committees, stating that the call to serve was not being answered by them. He reminded everyone that the movement could not grow without a strong commitment to serve its members and urged all present to remember that, as members, they were also owners. He encouraged them to be generous, sharing their talents, expertise, and time with Ariza whenever possible.

He quoted, "Ask not what Ariza can do for you, but what you can do for Ariza."

He urged members to continue contributing to build, expand, and secure what they owned, motivating them to take necessary actions to elevate the profile of Ariza Credit Union and the sector as a whole while remaining committed, purpose-driven, authentic, deliberate, and intentional in their actions.

GARFIN

Mr. Denis Felix, the Executive Director of GARFIN, conveyed greetings from the Board of Directors, Management, and Staff. He emphasized the significance of the Annual General Meeting within the governance of the credit union, highlighting it as a key statutory requirement that embodies the cooperative principle of democratic control.

He praised Ariza for organizing the meeting and noted that seven other credit unions had successfully held their AGMs for 2023, complying with the six-month timeline stipulated by the Cooperative Societies Act. Mr. Felix also informed attendees that, due to the circumstances surrounding Hurricane Beryl, forbearance would be extended until 31 August 2024, to allow all credit unions to hold their AGMs.

In his assessment of the sector, Mr. Felix shared that the consolidated data indicated a notable improvement in performance across several key areas for the year ending December 31, 2023. He presented financial figures including a total asset increase to $1.43 billion, representing a 10% rise, deposits growing to $1.16 billion at 6.3%, and loans increasing to $1 billion, a 11.2% rise. He also mentioned that capital, reserves, and net operating surplus had shown improvements.

Furthermore, Mr. Felix reported that the sector had performed well in terms of liquidity, with all credit unions exceeding the minimum unencumbered deposits standard of 15%. He highlighted the importance of credit unions, particularly in rural communities, noting that deposits constituted 81% of the sector's total assets by the end of 2023, reflecting the confidence of over 87,000 savings accounts. He pointed out that the downsizing of other financial institutions had created additional opportunities for the sector's growth.

He expressed encouragement regarding the reduction in non-performing loans, which stood at $70 million or 6.7% at the end of December 2023, down from $76.8 million or 8.4% at the close of 2022.

Mr. Felix remarked on Ariza's financial statements for 2023, stating that they reflected notable performance, with Ariza's asset base reaching $622.2 million, representing 44% of the sector's total assets. He emphasized Ariza's position as the largest credit union in the sector and the second largest in the Eastern Caribbean Currency Union (ECCU), categorizing it as a systematic important institution and an essential part of the financial system. He urged all stakeholders to collaborate with the regulator to safeguard the credit union movement's achievements.

He highlighted that the theme was embodied in how the Board managed operations and relations with GARFIN. He acknowledged the favourable decisions made by GARFIN's Board of Directors regarding Ariza's progress, noting that changes in resolutions recorded in the 2023 Annual Report were set to provide added benefits to members.

Looking to the future, Mr. Felix assured that GARFIN is dedicated to protecting consumers and fostering public confidence in the non-banking financial system through effective supervision. He explained that GARFIN would continue to engage closely with the sector on loan delinquency through rigorous reviews and meetings while also enhancing staffing capabilities via ongoing training and keeping pace with local, regional, and international developments. He reaffirmed GARFIN's commitment to delivering high-quality regulatory work.

Mr. Felix highlighted several key initiatives undertaken by his organization to improve monitoring and supervision within the sector:

1. The draft Co-operative Societies Act and Regulations have been completed and approved by the Cabinet. It is currently with the Attorney General's chambers for vetting before being considered for enactment. This document has been shared with the Caribbean Conference of Credit Unions and the World Council of Credit Unions, both of whom provided positive feedback.
2. The full implementation of a risk-based supervisory framework has been finalized. Given the growth and the significant size of the non-banking financial sector, it became necessary to adjust how credit unions were monitored and supervised.
3. Stress testing for credit unions has been implemented to evaluate the potential impact of economic shocks.
4. There has been an improvement in the monitoring of governance within credit unions, which is assessed based on the level of risk and compliance with legislation and best practices.
5. A suitable supervisory procedure for monitoring cyber risk management systems at regulated entities has been developed, which will also include climate risk assessments.
6. There is a lack of uniformity in the application of IFRS-9 accounting standards concerning provisioning.

Due to observed inconsistencies in the treatment of provisioning, particularly for non-performing loans under the IFRS-9 accounting standard within the ECCU, discussions are ongoing to establish appropriate regulatory guidance to address this concern. Current accepted practices in the sector are helping to reach a consensus on the matter.

These developments will have a significant impact on credit unions, requiring both prudence and skill to achieve higher standards of prudential performance and ultimately stronger credit unions. To this end, GARFIN committed to working closely with the sector to ensure a smooth transition. Stakeholders were encouraged to adopt a forward-thinking approach as they strategized for optimal performance.

In closing, Mr. Felix emphasized that Ariza is a critical financial institution in Grenada, capable of fostering growth and development at both the rural and grassroots levels.

He offered the following advice to those elected to office: Be prepared to accept the challenges of managing the credit union in a prudent and safe manner, as demands are becoming increasingly complex. He stated that the standards for accountability, fit and proper criteria, and good corporate governance are continuously rising. Additionally, the standards of global regulations and supervision were also increasing. All stakeholders in financial institutions now bear a greater responsibility in effectively managing other people's resources.

In conclusion, he wished continued success to everyone in the sector and reiterated the valuable contributions of Ariza to the industry.

Guest Speaker – Bro. Jervis Da Breo, Coordinator, Grenada National Cybersecurity and Incident Response Team

Mr. Da Breo began his presentation with the following analogy: "You can build the strongest wall or the highest fence, but if the people responsible are not doing their jobs, problems will arise."

He noted that hacking and computer-enabled crimes were once only seen in action movies and not in small countries like Grenada. Similarly, not long ago, when people deposited their funds into financial institutions, it was considered safe, and they only checked back to make withdrawals, deposits, or updates to their accounts when collecting interest. He stated that the responsibility for keeping money safe rested solely with the financial institution back then. Today, that is no longer the case.

He indicated that the primary reason people lose money from financial institutions is not due to bank robberies or institutional errors; it is primarily due to phishing attacks. He further stated that phishing occurs when individuals are tricked into giving up their credentials, either by clicking on a malicious link or by allowing access to motivated criminals known as bad actors.

He emphasized that members of the credit union are responsible for the security of their funds. He likened cybersecurity to a chain with many links. While financial institutions have some responsibility, members play a significant role, as people can often be the weakest link in this chain. He encouraged members to educate themselves about their responsibilities regarding cybersecurity.

He provided the following guidelines:

1. Utilize available tools. The AIME-Ariza Internet Mobile Experience should not be underestimated. Members should use this online service to monitor their accounts actively.
2. Keep your cards safe. Be cautious about where you use your card online. Protect your card number and information, and ensure your card is always within sight.

   He also encouraged members to discuss cyber safety with their children. He recounted an incident from Grenada in 2022, where individuals reported small amounts of money missing from their cards. Investigations revealed that a small child at a local primary school had started a trend of exchanging debit card details. Children would sneak into their parents' purses or wallets to take card information and bring it to school to swap, using it to play games on their devices.
3. Protect your devices. Safeguard your login details and passwords. Be cautious when logging onto free Wi-Fi networks; it is unsafe to connect just anywhere.

He urged members to strengthen their links in the security chain. He reminded them that while Ariza can do everything possible to keep resources safe, if those with access to the vault do not fulfill their responsibilities, issues with missing funds will inevitably arise. He encouraged attendees to support one another as a community.

Minister of Finance and Energy Hon. Dennis Cornwall on behalf of Senator the Hon. Lennox Andrews, Minister for Economic Development, Planning, Tourism, ICT, and the Creative Economy, Agriculture and Lands, Fisheries and Cooperatives.

Minister Dennis Cornwall addressed the Annual General Meeting (AGM) on behalf of Minister Lennox Andrews, who was out of the state. In his message, Minister Cornwall expressed appreciation for the invitation to attend and congratulated Ariza for its outstanding performance in the 2023 financial year.

He stated that he was inspired by the vision outlined in the President's address, which articulated a thriving future where ordinary Grenadians have ample investment opportunities and where youth can contribute to a promising future. He indicated

that the theme resonated deeply with that vision, underscoring its importance to Grenadians as a resilient people. He urged that as we work to recover from the impact of Hurricane Beryl, we are confident that our tri-island state will rebuild our lives and livelihoods.
He stated that reflecting on the operational highlights presented in the 2024 AGM booklet, it is clear that Ariza Credit Union has made significant progress in advancing its strategic goals, and that the state of the credit union movement reaffirms its critical economic role in Grenadian society. He noted that the growth in assets, loans, savings, and membership emphasized the movement's continued relevance and impact on the lives of everyday Grenadians. He commended the Ariza team for fostering strategic alliances with key stakeholders, which have enhanced the organization's resilience and adaptability in the face of evolving challenges.

Minister Cornwall urged Ariza to maintain its leadership with excellence and to serve as a model for success within the financial cooperative sector. He commended the Credit Union for its accountability in the 2023 Annual Report.

As Grenada celebrates its 50th year of independence, Bro. Cornwall challenged Ariza to extend its vision of excellence into the next twenty-five years. Looking ahead, he encouraged aiming for even higher achievements, as the credit union sector now contributes about 40% of the national GDP, a significant increase from 20% ten years ago, placing it alongside the tourism sector in its contribution to the economy. He expressed his confidence that the sector will continue to grow while remaining true to its values and adapting to new challenges. He affirmed that collaboration, innovation, and strong leadership will be essential to support Ariza on its journey of continued success.

Minister Cornwall encouraged Ariza to consider strategies to assist small businesses, providing our youth with diverse employment opportunities as we rebuild our nation. He expressed confidence in the excellent and dedicated Ariza staff and hoped that today's discussions would yield new insights contributing to the government's transformational agenda for moving Grenada forward.

He applauded Ariza for establishing the Carriacou and Petite Martinique Relief Fund, encouraging all members to contribute and demonstrate our solidarity as our brother's keeper. He also recognized Ariza's efforts in distributing hampers to those affected.

In closing, he wished Ariza success in conducting its Annual General Meeting on behalf of Minister Lennox Andrews, Minister of Cooperatives.

Reflection on Carriacou

The Chairman reflected on his visit to Carriacou with the CEO two days after the passage of Hurricane Beryl and seeing the devastation, which he stated reminded him of Grenada after the passage of Hurricane Ivan.

A tribute to the people of Carriacou was done through a spoken word presentation called Resilience by Ms. Camille John with drumming from the members of the Lion Pride Drummers.

AGM 24/06 End of Official Session

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

AGM 24/07 Business Session

The Chairman began the session by reading the Standing Orders to members to establish the rules for the session.

Report from the Nominating Committee

Bro. Lyndon Bubb, Chairman of the Nominating Committee, presented the report. The Nominating Committee consisted of the following members:

- Bro. Lyndon Bubb – Chairman
- Bro. Mervyn Lord – Member
- Sis. Karel Hood – Member
- Sis. Pauline Peters – Member
- Sis. Amanda Gittens – Member

The Committee was established in accordance with Section VII.VI (53) of the Credit Union's By-Laws. The report of the Committee is recorded on pages 126–128 of the booklet. It outlined the vacancies on the Board of Directors, the Supervisory and Compliance Committee, and the Credit Committee. During the meeting, the Committee was guided by the following considerations:

The necessary skill sets 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:
- Must be at least 18 years old
- Must be a citizen of Grenada
- Must hold 10 fully paid equity shares
- Must have been a member for at least one year
- Must have saved at least $50 per quarter for the last year
- Must be in good financial standing
- Must have attended the Volunteer Governance Training

The following were the recommendations from the Nominating committee to serve in the various positions:

Board of Directors

1. Sis. Nerisa Andrews for a first 3-year term
2. Bro. Chad Hyson for a first 3-year term
3. Bro. Rufus Bethel for a first 3-year term

Supervisory and Compliance Committee

1. Sis. Jodie Anne Johnson for a first 3-year term
2. Bro. Davon Baker for a second three-year term

Credit Committee

1. Sis. Portia Fraser for a second 3-year term
2. Sis. Deshon Harris for a second 3-year term
3. Bro. D'Jorn Croney for a first 3-year term

The Nominating Committee also made the following recommendations:

- The shortlisted candidates should be the only submissions analyzed by the Committee.
- Candidates who received Governance Training in the past and are reapplying should receive a refresher course after three years.

The Chairman expressed gratitude to all departing directors and committee members for their service to the Credit Union.

AGM 24/08 Election of Officers

Bro. Ray Roberts, the Presiding Officer, conducted the elections. He expressed that it was a privilege to serve in this role and noted that the circulated report outlined the election process and the selections made. However, he stated that this did not prevent members from nominating candidates from the floor.

The following persons were put forward by the Nomination Committee to serve on the Board of Directors:

Board of Directors

1. Sis. Nerisa Andrews – elected for a first 3-year term.
2. Bro. Chad Hyson – elected for a first 3-year term.
3. Bro. Rufus Bethel – elected for a first 3-year term.

Since there were no nominations from the floor, the Presiding Officer declared that no vote was required to fill the three vacant positions. The following members were elected to serve on the Board of Directors:

- Sis. Nerisa Andrews
- Bro. Chad Hyson
- Bro. Rufus Bethel

The following persons were put forward by the Nominating Committee to serve on the Supervisory & Compliance Committee:

Supervisory and Compliance Committee

1. Sis. Jodie Anne Johnson – elected for a first 3-year term.
2. Bro. Davon Baker – re-elected for a second 3-year term.

Again, there were no other nominations from the floor, so the Presiding Officer declared that no vote was needed to fill the two vacant positions on the Supervisory and Compliance Committee. The following members were elected:

- Sis. Jodie Anne Johnson
- Bro. Davon Baker

The following persons were put forward by the Nominating Committee to serve on the Credit Committee:

Credit Committee

1. Sis. Portia Fraser – re-elected for a second 3-year term.
2. Sis. Deshon Harris – re-elected for a second 3-year term.
3. Bro. D'Jorn Croney – elected for a first 3-year term.

With no other nominations from the floor, the Presiding Officer stated that no vote was required to fill the three vacant positions on the Credit Committee. The following members were elected:

- Sis. Portia Fraser
- Sis. Deshon Harris
- Bro. D'Jorn Croney

The Presiding Officer congratulated the newly elected and re-elected members and wished them a successful 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 elections, tokens of appreciation were presented to the following Board and Committee members who were demitting office:

- Bro. Lyndon Bubb – Board Member
- Sis. Claudette James – Board Member
- Bro. Otis Gay – Board Member
- Bro. Francis Robertson – Supervisory and Compliance Committee Member
- Bro. Brian Pascall – Credit Committee Member

AGM 24/09 Consideration of the Minutes of the 2023 AGM

The Chairperson noted that the minutes from the last Annual General Meeting (AGM) held in June 2023 were circulated and can be found on pages 120 to 154. A motion to approve the minutes as presented was moved by Sis. Marina Jessamy and seconded by Bro. Ernie James. There were no corrections to the minutes. The motion to approve the minutes was then moved by Sis. Carla Ross and seconded by Sis. Sabrina Forsyth.

Matters Arising from the Minutes

Bro. Dexter Best raised a concern regarding the Ridgeway project. He inquired about the amount of money that had been allocated to this project thus far, stating that over $8 million had been spent, but only approximately $700,000 in profits had been generated. The Chairman replied that the project had made profits of $326,000 in 2022 and $389,000 in 2023. He also mentioned a proposal to alter the strategy to include the sale of lands in the La Borie/Hope Vale area, which would not include the homes. The current project with the model house designs will continue.

Bro. Best asserted that the Ridgeway project was a failure and that the proposed change in strategy confirms this, arguing that the project needs to be abandoned.

Sis. Sonia Murray expressed her concern regarding the size and cost of the properties at Ridgeway. She indicated that while there is interest in the properties, members of the Credit Union, as owners, should have a say in how the project is managed instead of feeling marginalized. She suggested creating smaller lots, as the larger plots may not be suitable for most members.

Bro. Best referred to page 120, where he reiterated his previous concerns about the Arizas in Trinidad. He stated his opposition to the name change and requested clarification on whether there is a relationship between Ariza Credit Union and the eighty (80) Arizas in Trinidad.

The Chairman clarified that there is no relationship between the Ariza in Trinidad and the one in Grenada, as Bro. Best had mentioned. He stated that while his research uncovered a surname Ariza in Trinidad, there is no Ariza Credit Union there.

Sis. Heidi Vincent raised a concern regarding the new bylaws that needed to be ratified by the membership. The Chairman responded that the new bylaws had already been ratified by the membership in a Special General Meeting held in January of this year.

AGM 24/10 Board of Directors Report

The Board of Directors report was presented by Sis. Claudette

James, the outgoing vice president. She reported that at the 76th Annual General Meeting, Sis. Carla Ross and Bro. Aaron Moses demitted office after six years of service. They were succeeded by Sis. Alana Twum-Barimah and Sis. Tricia Melville.

During the review period, the Board focused on building upon the foundation established in 2022. She stated that the theme reflected the board's efforts to overcome challenges in a recovering financial system while leveraging new opportunities and partnerships to add value for our members.

She asserted that the Credit Union began 2023 with a predominantly new executive management team as it continued its strategic organizational restructuring. She noted that the Board strengthened its operations, creating documented policies and procedures and addressing staffing gaps to better meet our members' needs in response to the evolving financial environment.

Sis. James highlighted that in response to our members' requests for improved customer service, including telephone support, the credit union welcomed Mr. Jeremy Chetram into the newly created position of Executive Manager: Member Experience. She stated that Mr. Chetram is responsible for all branch operations, including Carriacou, as well as the new Contact Centre, which began operations in November 2023.

To enhance member convenience, Ariza opened its newest branch in Grand Anse in November 2023. Sis. James stated that this strategic move was well-received by both members and non-members, as it alleviated congestion at the St. George's branch. Additionally, the Grenville branch was expanded to improve service accessibility for members in the northern part of the island, and the Credit Union House on Church Street was renovated to accommodate relocating employees.

The report informed that the implementation of the new organizational structure and the opening of the new branch led to an increase in staff and the creation of new positions. A total of 33 new employees joined Ariza in the past year, increasing the staff count to 127.

Further, Sis. James indicated that in addition to onboarding new talent, existing staff participated in numerous in-house and external training programs and conferences to enhance their skills and knowledge. Directors and committee members also benefited from some of these training sessions. To improve the overall employee experience, an engagement survey was conducted by an external consultant, and the results were utilized to enhance staff benefits, finalize the reward and recognition programs, and update the staff education policy. The drafting of a compensation policy was also initiated.

Sis. James noted that a leader among local and regional credit unions, the Board continually re-examined and redefined its strategic approach. Strategic planning sessions were held with employees, management, and directors to align the credit union's focus on achieving our long-term vision of financial freedom and improving our members' lives. This resulted in the establishment of our 2024 Priority Objectives and strategic goals.

Sis. James remarked that throughout the year, the credit union offered a diversified range of financial solutions tailored to our members' needs. Despite the ongoing challenges posed by COVID-19, she recognised the commendable growth achieved. Very importantly, she further mentioned that in 2023, Ariza strengthened its market position concerning deposits, loans, and membership, while our delinquency ratio improved, closing the year at 6.45%, which was below the target. Our Credit Union enhanced its outstanding performance in 2022. She noted the impact of the credit union's positive performance on its profitability in 2023. Sis. James echoed the credit union's commitment to protecting its members' assets, which led to key initiatives taken to strengthen its AML/CFT and compliance posture, including training for directors, committee members, and staff. Several policies were approved, including a streamlined approval process for new members. She reported that following the strategy introduced in 2022, our marketing efforts in Ridgeway resulted in the sale of 3 properties, with one additional property under construction.

The report highlighted Ariza's role as a good corporate citizen, providing sponsorships and donations to schools, churches, as well as cultural and sporting activities. It stated the launch of the Ariza Network Ambassadors initiative in 2023, enlisting over forty members to assist with marketing and member care. Sis. James emphasized Ariza's commitment to giving back to show appreciation for our members' support. Throughout the year, fourteen members received assistance primarily for medical expenses and to improve their living conditions through the Provident Fund. Moreover, nine young individuals were awarded scholarships to support their secondary and tertiary education.

Finally, the report noted the loss of 83 members in 2023, and we extended our condolences to their families and loved ones.

AGM 24/11 The Credit Committee Report

The Credit Committee report was presented by Sis. Portia Fraser, on behalf of the outgoing chairman, Bro. Brian Pascal. She noted that in 2023, the Credit Committee met weekly, supported by the staff of the Loans and Credit Administration Department. She expressed appreciation to them for their trust and support, and affirmed theCredit Committee remains committed to the credit union members to ensure responsible lending practices.

The 2023 Credit Committee comprised Bro. Brian Pascal, Sis. Deshon Harris, Sis. Judy Pivotte, Sis. Desiree Stephen and Sis. Portia Fraser. Sis. Stephen and Sis. Pivotte replaced Bro. Justin Hazzard and Sis. Ann Isaac, who previously served for 6 years.

The Credit Union lending performance returned to pre-COVID levels. Worthy of note was that the loan portfolio increased to $487 million, with the growth recorded over the period from 2019 to 2023.

Sis. Fraser noted that the credit union loan value consistently increased from 2019, despite slight fluctuations, the growth rate trended upwards, particularly in 2023. This trend underscored the credit union's strong lending performance during the period and reflected the members' trust and confidence in this noble institution.

Sis. Fraser highlighted that the delinquency ratio greatly improved in 2023, and the efforts intensified when the moratorium loans were reintegrated. She reported that there were no loans under moratorium. The introduction of a robust strategy to reduce delinquency was commended. The credit union remains committed to unemployed members or those facing challenges in meeting their obligations.

Sis. Fraser mentioned that the 2023 reporting year had been extraordinary, despite the challenges posed by the pandemic, unemployment, reduced income, and increased delinquency. The loan portfolio experienced remarkable growth of 11.50%. This growth was attributed to heightened economic activity, amplified outreach across the island, sanctioned credit policies to guide prudent lending standards, the hard work, dedication, and teamwork of the management and staff of the Loans and Credit Administration Department, and the unwavering trust that members placed in Ariza Credit Union. Notably, the overall delinquency portfolio witnesses a 2% point reduction, signifying substantial progress. Ariza Credit Union proactively implemented innovative and reliable strategies to manage the loan portfolio by keeping delinquency at a minimum.

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

Questions:

A member questioned the Credit Union's strategy to increase the loan pre-mature closure fee from 2% to 5% of the original loan amount in light of the Credit union's mission to improve members' well-being, especially in the context of current economic challenges. The justification for the increase was to ensure members' investments and business remain at Ariza Credit Union, therefore, it serves as a deterrent for members to move. Sis. Sonia Murray inquired about the factors that contribute to a person leaving to go somewhere else. In response, it was stated that many factors can influence a person's decision to leave, however, the improvement in service delivery was highlighted so that members' satisfaction can be achieved, resulting in little desire to transfer business. Sis. Murray suggests that the reports should contain some visual aids, such as pie charts, that will help people follow the presentations better.

Bro. Dexter Best expressed a desire for more tolerance and understanding to be employed by the Credit Committee in their deliberation of members' loans.

Additionally, he expressed dissatisfaction over preferential treatment given to the NIS with the write-off of a $25 million loan and also the writing off of a $250,000 loan to a member from the Bahamas.

Bro. Kippling Charles, Executive Manager: Finance, rose to correct the statement made by Bro. Best pertaining to the two loans he referenced, to assure members that the statements were grossly inaccurate.

Bro. Royston Cumberbatch inquired about the average loan per member and the ratio between males and females. The response was that the average loan to members is $56.9 thousand.

Bro. Rene Parke stated that he had made two attempts to move from Ariza. He stated that he had submitted two requests to meet with the CEO and Loans Manager, but he had not gotten any response. He spoke of the difficult approach of some staff members in the Loans Department, which may turn some people off.

Sis. Sonia Murray inquired whether the credit union allows outsiders (non-members) to take loans in the Credit Union. The response was no; all of our loans are given to members.

Bro. Royston Cumberbatch inquired about the single biggest loan to any member. The response was the single largest loan is just over $8 million.

A motion was moved to adopt the Credit Committee Report by Sis. Carla Ross and seconded by Bro. Kevon Gibson.

AGM 24/12 Supervisory and Compliance Committee Report

Bro. Adrian Strachan presented the report on behalf of the Supervisory & Compliance Committee. He stated that the 2023 committee consisted of the following members: Bro. Adrian Strachan, Bro. Allan Francis, Bro. Francis Robertson, Bro. Davon Baker and Bro. Terrance Victor. He stated that following the 75th anniversary in 2022, Ariza continued its role as a leader in the movement. The committee carried out its various tasks through in-person and virtual meetings, and its observations and recommendations form the basis of this report.

The review of management accounts and ratios for the evaluation of monthly reports noted the following:

a. A possible negative impact on the growth rate of loans to members and the net loans-to-asset ratio due to measures aimed at curbing delinquency.
b. The internal goals for ratios may require revision as they might not always be achievable, particularly regarding membership growth.
c. The necessity for collaboration with the credit union sector to address loan delinquency and other challenges.

The Committee commended management for improvements in delinquency, noting that the reduction of loans past due for 90 days decreased from 8.47% in 2022 to 6.45% in 2023. The report noted that to strengthen Ariza's Human Resources, an engagement survey was conducted in the second quarter of 2023, in collaboration with UWI's Arthur Lok Jack Global School of Business. Following the survey, the Board mandated management to pursue the findings and recommendations. The SCC expressed confidence that a review of the results and recommendations will significantly contribute to making Ariza an employer of choice.

The SCC reviewed several reports in 2023, including the Enterprise-wide Risk Assessment report, its response plan, and the Risk Register. They noted improvements in reporting, non-earning assets, membership growth, Board self-assessment, and governance risk. Due to its importance, the committee included monitoring of this report in its 2024 work plan.

Following the AML onsite inspection in 2022, the SCC reviewed and monitored Ariza's implementation of the examiner's recommendations. The committee was reassured that many of the recommended actions would be accomplished through the AML/CFT risk assessment conducted in 2023.

The review of the 2022 Audit Management Letter was conducted, noting items that were reported, including accumulated vacation leave and bank reconciliation, as these issues had recurred from previous management letters.

The GARFIN onsite inspection report was also reviewed, and the committee noted the comments raised regarding delinquency and governance..

The committee reviewed the minutes and papers of Board meetings to monitor the governance of the Credit Union and to ensure that the decisions and actions complied with the Cooperative Societies Act and Regulations, as well as the Credit Union Bylaws, Policies, and Standards.

The SCC proposed key recommendations for the Board's consideration, which included

- Strengthening Ariza's HR function, employee and job satisfaction, and equity.
- Preparing a case study to be used as a teaching tool in underwriting large loans.
- Analyzing new membership data to drive marketing initiatives aimed at attracting and retaining younger members.

The SCC reviewed three policies: Collateral Securities, Recoveries, and Compensation policies. The Collateral Securities and Recoveries policies were examined in depth, while the Compensation policy was found to be somewhat generic.

The SCC believes that increased effort should be directed towards succession planning for the organization.

The committee noted the use of technology for voting at the AGM. However, it was the committee's opinion that members should be better informed about the actions of the Credit Union to be more equipped to contribute to Ariza's development.

Matters raised at the previous AGM were addressed and investigated by the SCC or taken up with Management and the Board of Directors. In 2023, members of the SCC attended AML/CFT training and the OECS Credit Union Summit held in Grenada.

The committee expressed gratitude for the support of the Regulators, Consultants, Board of Directors, Management, and staff, and the general membership of the Credit Union. Special thanks are extended to all those who assisted in facilitating requests for working sessions and meetings.

The Committee acknowledged Bro. Francis Robertson for completing his second term, during which he served as Chairman for four years of his 6-year tenure. Bro. Davon Baker was reappointed for a second term, and Sis. Jodie Anne Johnson was welcomed to the committee.

A motion to adopt the Supervisory & Compliance Committee Report was moved by Sis. Donna Stafford, and seconded by Sis. Tisha Matthews.

AGM 24/13 Auditors' Report

The Auditor's Report was presented by Mr. Khalid Steele from PKF Accounting Firm. He provided the opinion paragraph, which was found on page 47 of the AGM Booklet.

"PKF has audited the financial statements of Ariza Credit Union, which include the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Members' Equity, and Statement of Cash Flows for the year ended December 31, 2023, along with notes detailing the financial statements, a summary of significant accounting policies, and other explanatory information."

The following was the Auditor's opinion: the accompanying financial statements fairly represent, in all material respects, the financial position of the Credit Union as of 31 December 2023, as well as its financial performance and cash flows for the year, in accordance with International Financial Reporting Standards. The report was dated 12 July 2024.

A motion to adopt the Auditor's Report was moved by Sis. Rhonda Hayling and seconded by Bro. Paul S. Thomas.

AGM 24/14 Treasurer's Report

The Treasurer's Report was presented by Sis. Tricia Melville. She highlighted that 2023 has yielded impressive results for Ariza, focusing on five major categories.

Income and Loan Growth

In 2023, member loans increased by 11.5%, amounting to $50.3 million, which led to an 11% rise in interest income, totaling $3.4 million. Additionally, lifetime savings grew by 7.5%, or $20.5 million. These savings serve as the primary security backing our members' loans.

Costs

To support income growth, operating expenses rose by 8.5%, equivalent to $1.1 million. This increase was primarily driven by higher salaries due to the implementation of a new organizational chart and staffing for the new Grand Anse branch. In 2023, the staff count expanded by thirty-three (33) employees.

Surplus

The total operating surplus achieved was $12.7 million, marking the highest surplus in Ariza's history. This represented a 28.8% increase of $2.8 million compared to 2022. This result was driven by a significant increase in loan interest of $3.4 million and a reduction of $3 million in the allowance for Expected Credit Losses (ECL), due to recoveries from loans that were previously impaired.

Ratios

Ariza generally met the benchmark for most financial ratios; however, a few noteworthy points were mentioned:

- The balance of delinquent loans over 90 days as a percentage of the gross loan portfolio stood at 6.45% at the end of December 2023, while the benchmark was 5% or less. This figure improved from 8.3% the previous year, indicating progress toward the 5% benchmark. Management continued to closely monitor and manage the loan portfolio with a view to reaching the benchmark by 2025.
- The ratio of liquid assets to total assets was 17.92% at the end of December 2023, surpassing the minimum benchmark of

15%. However, this was down from 24.32% the previous year. In 2023, there was a 42% reduction, amounting to $27.9 million, in cash or cash equivalents due to the issuance of loans and investments in financial instruments, aiming to minimize idle cash.

- The ratio of non-earning assets to total assets stood at 12.73% at the end of December 2023, with the previous year's figure being 17.11%. These results were also heading in a positive direction.

Significant Movement

Accounts receivable increased by $7.1 million, largely due to an amount received from the Grenada Co-operative Bank, totaling $8.8 million, related to delayed payments during reconciliation.

In conclusion, the results for 2023 demonstrate strong and exceptional financial performance, with significant increases in income, profitability, loans, and effective cost management strategies.

A motion to adopt the Treasurer's Report was moved by Sis. Angela Humphrey and seconded by Sis. Rhonda Hayling.

AGM 24/15 Resolution for approval of 2024/2025 Budget

Sis. Tricia Melville presented the budget as follows:

		2024	2025
	Gross Loans	$ 538M	$ 588M
	Total Earning Assets	$ 599M	$ 655M
	Members' Lifetime Savings	$ 321M	$ 344M
Equity, Qualifying Shares & Institutional Capital		$ 43M	$ 47M
	Total Income	$ 43M	$ 47M
	Operating Expenses	$ 18.2M	$ 19.7M
	Operating Surplus	$ 11.7M	$ 13.7M
Capital Budget			
	Computer Hardware	$ 1.5M	$ 1M
	Computer Software	$ 500K	$ 500K
	Furniture & Equipment	$ 450K	$ 400K
	Morne Jaloux project	$ 2.5M	$ 2.5M
	Cash Recycler	$ 300K	
	Church Street project	$ 301K	$ 1.3M
Total Capital Budget		**$ 5.655M**	**$ 5.8M**

Questions:

Sis. Angela Humphrey requested clarification on the capital budget, specifically regarding the furniture and equipment allocation. The response clarified that the budget is intended for the expansion and refurbishment of the Church Street Office, as well as any additional furniture needs throughout the year.

Furthermore, the 2025 budget included an advance allocation for the Grand Anse project.

Sis. Carla Ross inquired about the percentage quoted for expenses. The response indicated that the increase is attributed to staff costs and efforts to enhance the credit union's cybersecurity measures.

Sis. Sonia Murray recommended educating members about phishing and suggested organizing classes on cybersecurity. She also raised concerns about the Morne Jaloux project, which has been a recurring topic at each Annual General Meeting and required serious attention.

RESOLUTIONS:

The following resolutions were presented and approved:

1. ALLOCATION OF SURPLUS

WHEREAS the Credit Union paid interest of 2.75% on Lifetime Savings amounting to $7,853,855.

AND WHEREAS the Credit Union earned a surplus of $12,422,976 for the year ended December 31st, 2023, and a balance of $8,074,935 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 Cooperative Societies Act and Regulations is 5%.

AND WHEREAS the Board approved a rebate payment on LOAN INTEREST of 3%, amounting to $1,002,522 to be paid to members.

BE IT RESOLVED that a dividend payment on EQUITY and QUALIFYING SHARES of 5%, amounting to $1,183,225, is paid to Members.

Allocation of Surplus

Yes – 134

No – 1

The resolution for the allocation of surplus was approved by the membership

2. APPOINTMENT OF AUDITORS – 2024

WHEREAS the Annual General Meeting of 2022 approved the firm of PKF Accountant and Business Advisors as the Credit Union's Auditor.

AND WHEREAS the firm provided satisfactory service to the Credit Union.

BE IT RESOLVED that the firm of Pannell Kerr Foster be appointed as the Credit Union's auditors for the year 2024.

Appointment of Auditors
Yes – 104
No – 2

The resolution for the appointment of PKF auditors for the year 2024 was approved by the membership.

3. 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 108 – 110 of the Annual Report and is highlighted as follows:

	2024	2025
Total Assets	$ 674.0M	$ 719.90M
Net Loans	$ 517.25M	$ 656.75M
Total Income	$ 43.25M	$ 47.88M
Total Expenses	$ 31.5M	$ 34.0M
Surplus	$ 9.58M	$ 11.58M
Capital Expenditures	$ 5.66M	$ 5.85M

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

Approval of the Budget
Yes – 73
No – 1

The resolution for the approval of the budget was approved by the membership.

AGM 24/16 ANY OTHER BUSINESS

AGM 24/17 CLOSING REMARKS

The Chairman thanked everyone who contributed to the success of the AGM, and he welcomed the new committee and Board members.

AGM 24/18 ADJOURNMENT

The meeting ended at 7:20 pm on a motion moved by Sis. Marina Jessamy and seconded by Bro. Francis.

MINUTES OF SGM 2024

Ariza's Special General Meeting held on 11 January 2024 at Ariza's Training Room B, Bruce Street, St. George's, and via Zoom

SGM 24/01 Call to order and Welcome

The meeting began at 5:50 pm. President Lyndon Bubb opened the meeting, welcomed members, and wished them a Happy New Year. Sis. Lyndonna Hillaire-Marshall led the opening prayer. He thanked Sis. Gemma Bain-Thomas for her work on the amended bylaws.

SGM 24/02 Tributes

A minute of silence was held in honor of all our departed members.

SGM 24/03 Apologies for Absence

No apologies were submitted.

SGM 24/04 Business Session

Bro. Bubb explained the voting process to both in-person and Zoom attendees before inviting Sis. Gemma Bain-Thomas to present the proposed amendments.

Presentation of Proposed Amendments

Sis. Gemma Bain-Thomas clarified that her intention was not to cover the entire document but to highlight key areas, including the approved 2021 Bylaws and GARFIN's revisions. Sis. Bain-Thomas pointed out that Ariza has been consistently working on updating its bylaws to adapt to changes and avoid stagnation, mentioning the historical context of approvals dating back to 2007 and 2015.

She noted specific amendments, such as changes in how meeting notices are communicated and a new quorum requirement for the Annual General Meeting, marking a shift to electronic notifications. Following her presentation, she emphasized that amending the bylaws aligns with Ariza's vision to maintain leadership in the Credit Union sector.

Sis. Bain-Thomas outlined the purpose and context of the amendments, emphasizing the importance of aligning bylaws with current regulations and management practices. Key amendments discussed included:

- Meeting Notices: Notices can now be communicated electronically in addition to newspaper announcements.

- Quorum: For Annual General Meetings, the quorum is now defined as one-fifth of the membership or a minimum of 300 members.

At the end of her presentation, members present were invited to consider the revised bylaws. She stated that amending the bylaws aligns with Ariza's vision to maintain leadership in the Credit Union sector. Bylaws, she noted, create and maintain consistency in the running of the business, and are used to communicate organizational rules and avoid conflict. She further stated that the amendment to the existing bylaws was timely and should be approved.

Discussion

Bro. Bubb opened the floor for questions from the members.

When discussions opened, members asked questions for clarification. One member inquired about the removal of newspapers as a notification method, to which it was clarified that electronic methods had been added, but newspapers were not eliminated.

Bro. Ambrose Phillip raised several questions that were addressed at the General meeting, one of which was the effective abolishment of the joint committee, which was an oversight committee that met when there were issues of conflict of interest. The response is that GARFIN believes that the Supervisory and Compliance Committee should be able to supply that role. Bro. Ambrose Phillip raised concerns regarding the oversight of the joint committee, expressing doubt about the Supervisory and Compliance Committee's ability to regulate itself; he highlighted the original purpose of the joint committee.

Another question posed by Bro. Phillip was what is meant by the term 'fit and proper.' The response given was that the fit and proper criteria are part of the harmonized regulations that are currently under review.

Clarification was sought regarding the term 'legal entities', and a question was asked whether the current bylaws make room for companies to be members of the credit union. The response given was no, Companies are not allowed to become members of the Credit Union. There is no provision in the amended bylaws for companies to be members of the Credit Union.

Sis. Renae Samuel sought clarification on maintaining confidentiality among Board and Committee members using digital platforms. The response indicated that breaches would fall under the Electronic Crimes Act and that digital platforms applied only to notifications for meetings.

Bro. Chikarl Courtney inquired about safeguards against illicit sources of funds as the Credit Union opened membership to individuals from other jurisdictions. The answer confirmed that all substantial deposits over XCD 10,000 must include a source of funds declaration.

Bro, Learie Barry rose to agree with Bro. Phillip, on the issue of the joint committee, he believes that GARFIN made a mistake by treating the joint committee so flippantly. He has, however, given his approval to the workaround proposed by Bro. Lord, where management can operationalize the function of the same committee without using the same name.

He then asked if a CBI citizen is eligible to become a member of the Credit Union, and the response was in the affirmative. He then asked if that individual makes several deposits of just under the threshold in sequence, would it trigger a red flag.

Bro. Barry then asked about the age range for the proposed Junior Credit Union, stating that he was told that it was from 0 -13 years old. The response was that it is up to the age of 16.

Bro. Alan Francis rose to agree with Bro. Phillip, and to provide some clarification on the decision taken by GARFIN to remove the joint committee. GARFIN was not in agreement with the construct and mandate of the Joint Committee; however, he noted that Section 69 of 2015 mentions the Extraordinary Committee and that its oversight of the committees should remain.

Sis. Renae Samuel asked if the committee meetings are held online or in-house. The response given that it was held via both media, she suggested that the information stated under the conflict of interest section about family members should also be stated under the area of confidentiality pertaining to family members.

Sis. Samuel asked for clarity on the issue of remuneration for Board members. The response given was that the provision for remuneration is not stated in the Co-operative Societies Act, but provides for reimbursement for Directors.

Sis. Alonda Findley asked concerning the electronic signature, what would happen in the event there are internet issues or systems failures, and what would be used as the real-time signature to conduct transactions. Is there a backup program in place, are there physical specimen cards for customers, or would transactions be put on hold until the systems are back online. The response given was that the provision of the electronic signature in the bylaws is the first step. The Board would then have to make policy decisions to address what would be done in the event of system failure.

Sis. Deborah Cameron raised her concern about the screening of members who want to serve on the Board or Committees, since, according to the recommendations of the new bylaws, the credit union is seeking persons of the highest standard. Wouldn't it be too discriminatory for members who are nominated from the floor and do not have what is perceived to be high standards? The response given was that, at the end of the day, the membership votes. Members are free to nominate and elect someone of their choice.

Sis. Katasha Thomas asked about electronic signatures: Are we referring to the signing of documents in person or transactions via email, and if by email, what method would be used to verify those signatures. The response given was that there should be a specimen on file to use for reference.

Bro. Phillip proposed that the amended bylaws be adopted, provided that the original provisions relating to the joint committee remained intact.

Bro. Raymond Lockiby commended Sis. Bain-Thomas on the work done on the amended bylaws, he raised concerns regarding bylaw #34 subsection 3, of the Co-operative Societies Act speaks of a 'compliance officer', however, the Proceeds of Crime Act, and its guidelines speak of 'money laundering officer' also bylaw #35 subsection 4 speaks to AML/CFT training of all members of staff where appropriate, however, no mention is made of training for Board and Committee members, he wants it to be considered in the bylaws as the Proceeds of Crime Act makes provisions for such training. It was drawn to his attention that Bylaw #37 Compliance with Laws states that where any bylaw conflicts with any applicable law or regulation, the applicable law or regulation takes precedence.

Bro. Lockiby proposed two changes to reflect legal and internationally acceptable norms

- An acceptable declaration of the source of funds may be required for deposits over that required by law.
- Ground for termination: A person is innocent until proven guilty; the suggestion is that termination should be effected once convicted.

Bro. Alex Simon asked whether there was any program or initiative to ensure that members are educated about the bylaws, and whether there was a way to simplify the bylaws. The response was that the credit union could create programs that educate the membership about the bylaws.

Sis. Elizabeth Collins-Charles asked about the controls in place to manage the use of electronic signatures. The response given was that the Board would develop policies to manage electronic signatures.

Sis. Kaleesha Lambert asked in the event that you have a joint loan with another member and the primary holder wishes to continue by him/herself in terms of financial increase in salary and meeting the requirements of being in the job for more than two years, was there a document in place for managing that? The response was that the Loan and Credit policy should address that.

Sis. Renisha Noel queried if the Junior Credit Union would be converted to full membership when the child turns sixteen (16) or would need to come in with documentation to move them to full membership. The response was that, given that the Junior Credit Union has not been established, the Board will provide policy guidelines to address this matter.

Sis. Noel also inquired as to whether the change in the qualifying share requirement would affect existing members or if it would only apply to new members. The response was that all members would be affected; however, existing members would have a longer period to acquire them.

A member requested that Ariza consider having two to three consultation sessions before the final approval of the proposed bylaws.. The response was that the meeting to look at the amended bylaws has been going on for over five (5) years.

Some members were of the view that some of the issues raised with the amendments were not completely rectified. Sis. Bain-Thomas stated that a perfect bylaw may not be realistic, but rather, there will always be the need for continuous revisions and updating. And even the repealing of laws. Things are constantly changing, and there will be more opportunities for amendments to the bylaws. She encouraged members to get involved and become a part of the process.

SGM 24/05 Adoption of Changes to Ariza's By-Laws

The resolution to adopt the amended Bylaws of the Ariza Credit Union Limited was read by Bro. Lyndon Bubb, it stated:

WHEREAS the Annual General Meeting (AGM) of the Ariza Credit Union Limited held on 26th August 2021 approved the revised Bylaws, which were subsequently submitted to GARFIN for final approval,

AND WHEREAS, GARFIN, in reviewing the revised Bylaws, recommended several changes, which were accepted by the Board to ensure alignment with the Co-operative Societies Act No. 8 of 2011, and subsequently approved the revised Bylaws with the additional changes on 29th September 2022,

AND WHEREAS, at the AGM held on 29th June 2023, it was agreed that a Special General Meeting will be convened to consider and approve the amended revised bylaws.

AND WHEREAS, the Board of Directors has made available to its members all the changes and the justification for them for their approval and has convened a Special General Meeting and presented to its members the amended revised bylaws of the Ariza Credit Union Limited as approved by GARFIN,

AND WHEREAS the Board of Directors has considered the amended revised bylaws of Ariza Credit Union Limited as approved by GARFIN and approves the revision subject to the amendment of clause 52 (1) (d) and 43 (2) (b) to include "and/or other digital media platforms";

Now, therefore;

BE IT RESOLVED that the members at its Special General Meeting on 11th January 2024 and in accordance with section 13 (4) of the Cooperative Societies Act No. 8 of 2011, adopt the revised bylaws of the Ariza Credit Union Limited subject to the amendment of clause 51(1) (d) and 43 (2) (b).

Following the period of voting, the votes tallied were as follows:

Approved	155
Not Approved	17
Abstained	37
Total Votes	209

The resolution was passed.

SGM 24/06 Any Other Business

Prizes were awarded to members who arrived early, actively participated, or stayed until the end of the meeting. The winners were:

Dinner for 2 at Coyaba Beach Resort – Bro. Kemani Neckles
Full Body Spa at Nirvana – Sis. Mae Paterson
Samsung Ultra S23 phone – Sis. Elizabeth Collins-Charles

Closing Remarks

Sis. Claudette James thanked everyone for attending the Special General Meeting and, in particular, Sis. Gemma Bain-Thomas for her contribution to the document and for ensuring its completion.

Adjournment

The meeting ended at 8:10 pm.

NOMINEES

KIMANII G. DANIEL

NOMINEE: BOARD OF DIRECTORS

Kimanii Daniel holds a Master of Science degree in Computer Science from the Georgia Institute of Technology and a Bachelor's degree in Information Technology from St. George's University. With over 25 years of professional experience, he has led major initiatives in IT infrastructure, digital transformation, analytics, and software development across sectors including finance, education, and telecommunications. His core strengths include leadership, cloud and network systems, database administration, process optimisation, and strategic IT planning. Kimanii previously held the position of Chair of the Committee for Technology-based Teaching and Learning at SGU (CTTL).

Currently, Kimanii serves as a Certified Director on the Board of Ariza Credit Union and chairs the Financial Technology Sub-Committee, where he supports the implementation of digital solutions to enhance member experience. He is also the Vice Chair of the Grenada Coalition of Service Industries, which falls under the Ministry of Foreign Affairs, Trade, and Export Development. He is also involved in international technology consulting and project management, working with global clients in the tech industry.

His background spans project management, risk management, digital transformation, crossfunctional team leadership, and innovation strategy.

BRIAN BONAPARTE

NOMINEE: BOARD OF DIRECTORS

With the experience of helping to spearhead several governmental project initiatives, Mr. Brian Bonaparte has demonstrated his ability as a project manager. One of his most ambitious projects to date is the Climate Resilient Water Sector in Grenada project (G-CREWS), which was developed to increase Grenada's resilience to climatic conditions that will affect its water sector. He has helped ensure that this and other projects meet their designated timelines by continuously monitoring work plans and communicating with various contractors. As a former employee attached to the Ministry of Finance and the Ministry of Economic Development, he was able, through collaboration with other staff members, to help achieve a high project implementation rate on the various Public Sector Investment Projects undertaken.

Mr. Bonaparte received his Bachelor's in International Business and Management at St. George's University, Grenada. He then continued to receive a Master of Engineering in Project Management from Yunnan University of Science and Economics in Kunming, China. Upon graduation Mr. Bonaparte started working with the Ministry of finance at the Department of Economic and Technical cooperation (DETC) and carried out various project management tasks which includes among others; the Facilitation the implementation of Public Sector Investment projects, the updating of the Capital Expenditure template for various projects under all ministries and assisting DETC where appropriate, the management of the project budget in accordance with the agreed work plan and verifying disbursal of project funds taking into account the decisions of project committees. His tasks also included having a general oversight of funding proposals and the implementation of a comprehensive risk management framework that assesses different projects and governmental initiatives.

Mr. Bonaparte is currently attached to St. George's University as the Senior Project Manager for that institution.

FRANCIS A. ROBERTSON

NOMINEE: BOARD OF DIRECTORS

Mr. Robertson has a diverse background across the private, quasi-public, civil society, and public sectors. Trained by the Caribbean Development Bank in project preparation, appraisal, implementation, and management. Additionally, he pursued the Project Management Associate (PMA) certification with the Inter-American Development Bank (IDB). He has developed skills and competencies through experience working on numerous projects as a counterpart to Investment Specialists and as a Project Coordinator/ Project Manager for projects funded by the World Bank, Caribbean Development Bank, and the Canadian International Development Agency. He has also served on several evaluation panels responsible for selecting individuals and firms. His extensive travel has allowed him to build a professional network across various countries and regions. He has gained first-hand exposure to tourism product development through specialized engagements in the Caribbean, Malta, Japan, the People's Republic of China, and South Korea. Furthermore, he possesses in-depth knowledge of government operations through several senior management positions within the Public Service of Grenada. He has been a member of Ariza Credit Union since 2009 and served on the Supervisory and Compliance Committee for six years, including four years as Chairman. His prior positions in development financing complement his personal and professional interests in individual and rural development. He holds an MBA from St. George's University and a B.Sc. in Agronomy from the University of the West Indies (UWI).

RENNIE HENRY

NOMINEE: SUPERVISORY AND COMPLIANCE COMMITTEE

With a strong foundation in accounting and finance, evidenced by his CPA certification and a B.A. from Howard University, Rennie Henry offers significant expertise to the Ariza board. Rennie began his career at Ariza as a customer service representative/ teller. His career includes managing projects with annual revenues of $4 million and leading teams of over 15 individuals across diverse industries, both locally and internationally. A long-time Ariza member since 2000, Rennie's current experience managing a local business and his passion for development make him a valuable candidate dedicated to supporting the Credit Union's continued success.

TARISSA GRENADE

NOMINEE: SUPERVISORY AND COMPLIANCE COMMITTEE

Mrs. Grenade has dedicated the past eighteen years to the field of Education and currently serves as the impactful Lifelong Learning Coordinator at the Ministry of Education, where she spearheads national initiatives to foster continuous learning and skills development. Demonstrating her commitment to community empowerment, she also volunteers as Programme Coordinator for the St David's Community Skills Training Programme, overseeing vital vocational training opportunities. Her academic foundation includes a Bachelor of Business Administration and a Master of Science in Educational Leadership and Administration, and she is currently pursuing a Doctor of Business Administration with a focus on Human Resource Management, further enhancing her expertise in organizational development.

KISHONA HYPOLITE

NOMINEE: SUPERVISORY AND COMPLIANCE COMMITTEE

Kishona Hypolite is an experienced Accountant with over seven years in the field. As an ACCA Affiliate with expertise in Advanced Performance Management, Audit and Assurance, and Financial Management, she has provided accounting services across diverse sectors including medical, consultancy, construction, retail, legal, and investment migration for numerous small and medium-sized enterprises (SMEs) and individuals.

Currently serving as Accounts Manager at IMA Grenada, the agency responsible for managing Grenada's Citizenship by Investment Programme, Kishona plays a crucial role in overseeing the agency's financial operations and the development and implementation of the organisation's strategic plan.

She's also an Investment Migration Certified Member, well-equipped with knowledge and skills to navigate through the complex global investment migration industry.

Guided by her philosophy, "Getting the balance just right between humanity and productivity," she strives to implement tools that boost efficiency and promote work-life balance, aiming to prevent team burnout while maintaining high performance. Her strategic focus includes performance measurement systems, corporate failure prevention, and aligning financial management with long-term organisational goals.

A skilled communicator and key decision-maker, she continues to drive financial success while ensuring operational sustainability within her organisation.

Ariza
Credit Union

www.ariza.com
arizacreditunion
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arizacu