St. Mary's
Cooperative Credit Union Ltd.

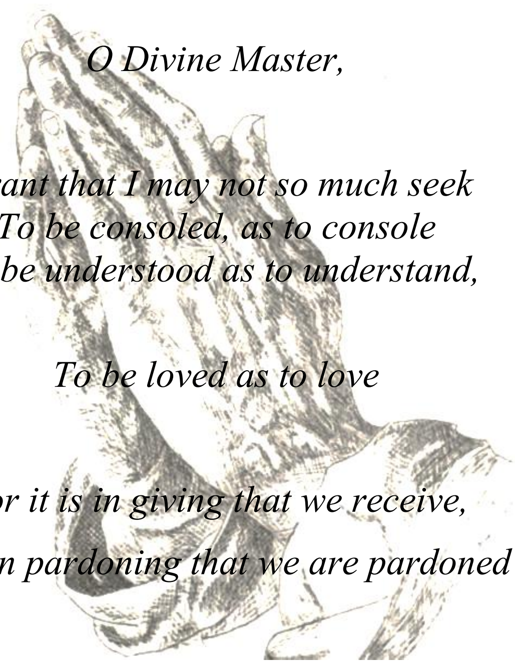
2025 ANNUAL REPORT

*"PEOPLE **HELPING** PEOPLE"*

Credit Union Prayer

Lord, make me an instrument of thy peace
Where there is hatred, let me sow love;

Where there is injury, Pardon
Where there is doubt, Faith
Where there is despair, Hope
Where there is darkness, Light
And where there is sadness, Joy



O Divine Master,

Grant that I may not so much seek
To be consoled, as to console
To be understood as to understand,

To be loved as to love

For it is in giving that we receive,

It is in pardoning that we are pardoned

And it is in dying

That we are born to eternal life.

Prayer By St. Francis Assissi

The Seven Co-operative Principles

Voluntary Membership

Credit unions are voluntary co-operative organizations, offering services to all who are willing to accept the responsibilities and benefits of membership — without gender, social, political, or religious discrimination.
They operate as not-for-profit institutions, led by a volunteer Board of Directors and committees drawn from the membership itself.

Democratic Member Control

Co-operatives are democratic organizations owned and controlled by their members. The principle is simple and unwavering — one member, one vote — with equal opportunity for every member to participate in setting policies and making decisions.

Members' Economic Participation

Members are the owners. As such, they contribute to and democratically control the capital of the co-operative, and benefits flow in proportion to their transactions rather than to the capital invested.
Because credit unions typically offer better rates, fees, and service than for-profit institutions, members see the rewards grow in line with their financial activity and everyday use.

Autonomy & Independence

Co-operatives are autonomous, self-help organizations controlled by their members. When a co-operative enters into agreements with other organizations or raises capital from outside sources, it does so on terms that preserve democratic member control and safeguard its co-operative autonomy.

Education, Training & Information

Co-operatives provide education and training for members, elected representatives, managers, and employees, so each can contribute effectively to the co-operative's development.
Credit unions place particular value on developing their volunteer directors and on financial education for members and the public — especially the nation's youth — while keeping the public and policymakers well informed about the nature, structure, and benefits of co-operatives.

Co-operation Among Co-operatives

Co-operatives serve their members most effectively and strengthen the wider movement by working together through local, national, regional, and international structures. By sharing resources, collaborating on operations, and supporting one another, credit unions extend their reach and deliver greater value to the members and communities they serve.

Concern for Community

While focusing on the needs of their members, co-operatives work for the sustainable development of their communities — including people of modest means — through policies developed and accepted by the members themselves.

People helping people.

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PARLIAMENTARY RULES/ STANDING ORDER

Guidelines for orderly, respectful, and effective participation during the Annual General Meeting

Members are encouraged to observe these rules to ensure fairness, clarity, and respect throughout the meeting proceedings.

No.	Rule Area	Standing Order
1	Addressing the Chair	a) A member should stand when addressing the Chair. b) Speeches should be clear and relevant to the subject before the meeting.
2	Speaking when recognized	A member shall address the meeting only when called upon by the Chairman, after which the member shall immediately take his or her seat.
3	Speaking through the Chairman	No member shall address the meeting except through the Chairman.
4	Speaking twice on the same subject	a) A member may not speak twice on the same subject except where the member is the mover of a motion and has the right of reply. b) A member may also rise to object or to explain, with the permission of the Chair.
5	Procedural motions	The mover of a procedural motion, including adjournment, lay on the table, or motion to postpone, shall have no right of reply.
6	After the question is put.	No speeches shall be made after the question has been put and carried or negated.
7	Point of Order	a) A member rising on a Point of Order shall state the point clearly and concisely. A Point of Order must have relevance to the Standing Order. b) A member shall not call another member to order, but may draw the attention of the Chair to a breach of order. c) In no event can a member call the Chair to order.
8	Putting a question to vote	A question shall not be put to the vote if a member desires to speak on it or move an amendment to it, except in the case of a procedural motion such as the Previous Question, Proceed to the Next Business, or the closure motion that the question be now put, which may be moved at any time.
9	Amendments	Only one amendment should be before the meeting at one and the same time.
10	Withdrawal of motion	When a motion is withdrawn, any amendment to it fails.
11	Casting vote	The Chairman shall have the right to a casting vote.
12	Equality of votes	If there is equality of voting on an amendment, and if the Chairman does not exercise the casting vote, the amendment is lost.
13	Protection from personal abuse	Provision shall be made for protection by the Chairman from vilification or personal abuse.
14	Improper motives	No member shall impute improper motives against another member.

NOTICE TO ATTEND
69TH ANNUAL GENERAL MEETING

Date	Time	Venue
Tuesday, June 30, 2026	**5:00 p.m.**	**Community Centre, Giraudel**

Notice is hereby given that the 69th Annual General Meeting of St. Mary's Co-operative Credit Union Limited will be convened at the Community Centre in Giraudel on Tuesday, June 30, 2026, at 5:00 p.m. Members are invited to attend and participate in the proceedings of the Society.

AGENDA

1. Ascertainment of quorum
2. Call to order
3. Prayer
4. Welcome Speech
5. Apologies for Absence
6. Adoption of Agenda
7. Confirmation of minutes of 68th Annual General Meeting
8. Matter Arising from Minutes of 68th Annual General Meeting
9. Reports:
   - Board of Directors
   - Auditor
   - Treasurer
   - Credit Committee
   - Supervisory and Compliance Committee
   - Nomination Committee Report
10. Election of Officers:
    - Board of Directors
    - Credit Committee
    - Supervisory and Compliance Committee
11. New Business
    - Dividend - 2025
    - Appointment of Auditor
12. Other Business
13. Prizes
14. Vote of Thanks
15. Adjournment

Jonell Charles (Mrs.)
Secretary
For and on behalf of the Board of Directors

Board of Directors' Report

TO THE 69TH ANNUAL GENERAL MEETING

Reporting Period	AGM	Motto
Jan. 1 – Dec. 31, 2025	**69th Annual General Meeting**	**People helping people**

On behalf of the Board of Directors of St. Mary's Co-operative Credit Union Limited, I am pleased to present the Annual Report for the fiscal period January 1, 2025, to December 31, 2025. This report provides a general review of the Credit Union's achievements, operational highlights, community involvement, and strategic direction during the year under review.

Welcome and Service Commitment. Ladies and gentlemen, I extend a special welcome to you as we gather for our 69th Annual General Meeting. This year, we reaffirm our commitment to operating under the Credit Union motto: "People helping people, not for charity, not for profit, but for service." It remains our privilege to serve you, our valued members.

The economic climate continues to be challenging, particularly within a small and competitive market. Nevertheless, your Credit Union has remained steady. Your continued loyalty, support, and interest in the Society have helped us persevere through these challenges.

Operational Focus. During the year, the Board remained focused on prudent cost management, reducing delinquency, increasing revenue, and reviewing interest rates to support portfolio growth. We are also proud of our continued online presence and encourage members to make full use of this technology.

Members can conveniently check balances, transfer funds, and request loans and statements online, among other services. Members who are not familiar with online banking are encouraged to make an appointment and visit the office, where trained and courteous staff will be available to assist.

Composition of The Board of Directors

For the Year Ended December 31, 2025

The Board of Directors is structured in accordance with sections 53 and 54 of the Co-operative Societies Act, 2011. The composition of the Board before and following the Annual General Meeting is presented below.

During the calendar year, the Board held eight (8) meetings. Five (5) meetings were cancelled due to lack of quorum. Ms. Matina Popo resigned from the Board, and Mrs. Jonell Charles was co-opted to serve on the Board.

Before Annual General Meeting		Following Annual General Meeting	
Position	**Officer**	**Position**	**Officer**
President	Ms. Augustina Ambrose-Popo	**President**	Mrs. Connie Matthew
Vice-President	Mrs. Connie Matthew	**Vice-President**	Mr. Lester Guye
Treasurer	Mr. Mervin Alexander	**Treasurer**	Mr. Mervin Alexander
Assistant Treasurer	Mr. Lester Guye	**Secretary**	Mrs. Jonell Charles
Secretary	Mrs. Jennifer Reid-Giraudel	**Assistant Secretary**	Ms. Yolande Letang
Assistant Secretary	Ms. Yolande Letang	**Member**	Mr. Damien Desiree
Member	Ms. Curlysia Walsh	**Member**	Ms. Agnes Pierre

Attendance of Directors

For the Year Ended December 31, 2025

Name of Director	Scheduled	Attended	Absent / Excused
Augustina Ambrose-Popo	4	4	0
Mervin Alexander	8	5	3
Connie Matthew	8	7	1
Lester Guye	8	6	2
Yolande Letang-Jones	8	5	3
Curlysia Walsh	4	1	3
Jennifer Giraudel	4	4	0
Jonell Charles	3	2	1
Damien Desiree	4	4	0
Matina Popo	1	1	0
Agnes Pierre	4	3	1

Membership, Loans & Member Retirement Account

Operational Highlights for the Year Ended December 31, 2025

Membership

In 2025, thirty-two (32) new accounts were opened. Membership increased by 32 accounts; however, this was offset by twelve (12) accounts lost due to death and three (3) accounts terminated. As a result, membership now stands at 723, representing a net increase of 17 members for the year.

In Memoriam

We extend sincere condolences to the families and relatives of the members we lost in 2025. We are thankful for their contribution to the Society and pause to honor their memory.

1. Mr. Addison Theophille	**2.** Ms. Annette Nicholas
3. Mr. Denis Chaseau	**4.** Mr. Peterson Austrie
5. Mr. Leroy Remie	**6.** Mrs. Cornelia Theophille
7. Mrs. Mary Walsh	**8.** Mr. Phillip Harve
9. Mr. Sylvester Olive	**10.** Mr. Message Barreau
11. Mrs. Josian Thomas	**12.** Mr. Jerry Alfred

Loans

Loan interest remains the Society's primary source of income. The Board continues to review interest rates with the dual objective of maintaining the financial stability of St. Mary's Co-operative Credit Union while supporting the well-being of members.

Quick Access

- Short Term EZ Loan
- Pay Day Loan
- Christmas Special

Flexible & Secured

- Savings Covered
- Open-Ended Top-up
- Loan Consolidation

Home & Personal

- Home Improvement / Vehicle
- Domestic
- Land

Growth & Well-being

- Agriculture
- Education
- Medical
- Business

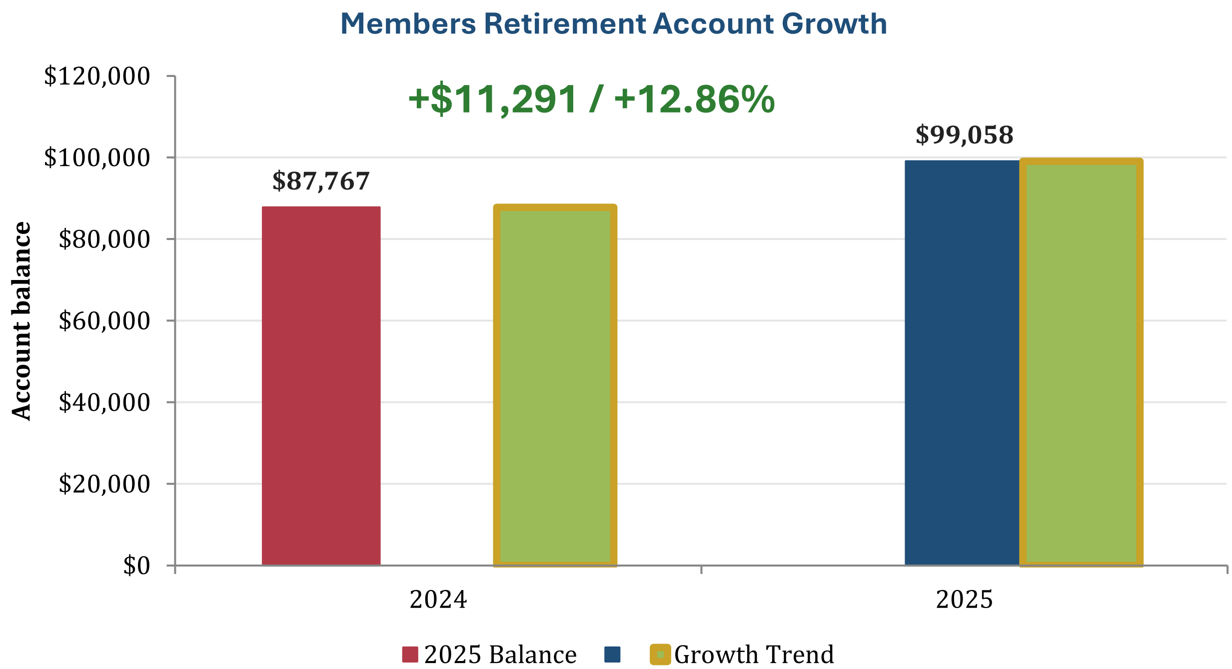
Our loan portfolio is designed to meet members' everyday needs, major life goals, seasonal expenses, and productive investment opportunities. Members are encouraged to speak with our staff to identify the loan facility best suited to their needs and repayment capacity.

Member Retirement Account

A practical savings bridge between early retirement needs and social security eligibility

The Members Retirement Account continues to provide members with an important layer of financial security. **It helps place cash in members' hands from as early as age 55 without penalty,** and also supports members who wish to bridge the income gap before social security retirement benefits become available at age 65.

At the end of the reporting period, the account stood at **$99,058**, representing an increase of **$11,291** over the previous year. During the period under review, three members received payments from this facility.



Eligible members are encouraged to take advantage of this valuable facility. Monthly savings can start from as low as $25 and may be increased up to $1,000, while earning interest at 5% per annum.

Future Outlook, Conclusion & Acknowledgment

Income Growth Explore innovative revenue opportunities	**Delinquency Control** Strengthen repayment discipline	**Financial Literacy** Support prudent member decisions	**Community Outreach** Continue local partnership initiatives

Future OutLook

As we look to the future with anticipation, the Board remains committed to strengthening the Credit Union by exploring innovative and practical ways to generate income, improve operational resilience, and reduce delinquency.

We will continue to engage our members through training opportunities, with special emphasis on financial literacy. Through these initiatives, members will be better positioned to make prudent spending decisions, build stronger savings habits, and service their loans on time.

The Credit Union will also continue to partner with and support our communities through outreach programmes and local initiatives.

Although we are small when compared with other credit unions, the continued patronage, loyalty, and confidence of our members give us the strength to face the challenges ahead. Together, we can keep St. Mary's alive and thriving for our children, their children, and generations beyond.

"Help us help you keep St. Mary's alive for our children's children and beyond."

CONCLUSION

The Board of Directors encourages every member and prospective member to make full use of the attractive products and services offered by St. Mary's Co-operative Credit Union. We also invite new volunteers to serve on the various committees. Your contribution can make a meaningful difference. Members who have ideas or suggestions are encouraged to share them with us, as all ideas are welcomed and will be reviewed.

> **Call to Members:** Use our products, volunteer on committees, and share ideas that can help strengthen the Credit Union.

ACKNOWLEDGMENT

We express sincere gratitude and appreciation to Management and staff for their excellent service and high level of professionalism shown to members each day. This dedication is one of the reasons members continue to do business with our Credit Union. To our loyal members, thank you for making St. Mary's the Credit Union of your choice. Without you, we would cease to exist. Once again, thank you to everyone, and may God continue to bless us and St. Mary's Co-operative Credit Union.

Connie Matthew (Mrs.)
President
For and on behalf of the Board of Directors

TREASURER'S REPORT
TO THE 69TH ANNUAL GENERAL MEETING

FOR THE YEAR ENDED DECEMBER 31, 2025

Assets Growth	Delinquency Control	Member & Community Empowerment
Steady increase over previous year	Strengthen repayment discipline	Support prudent member decisions

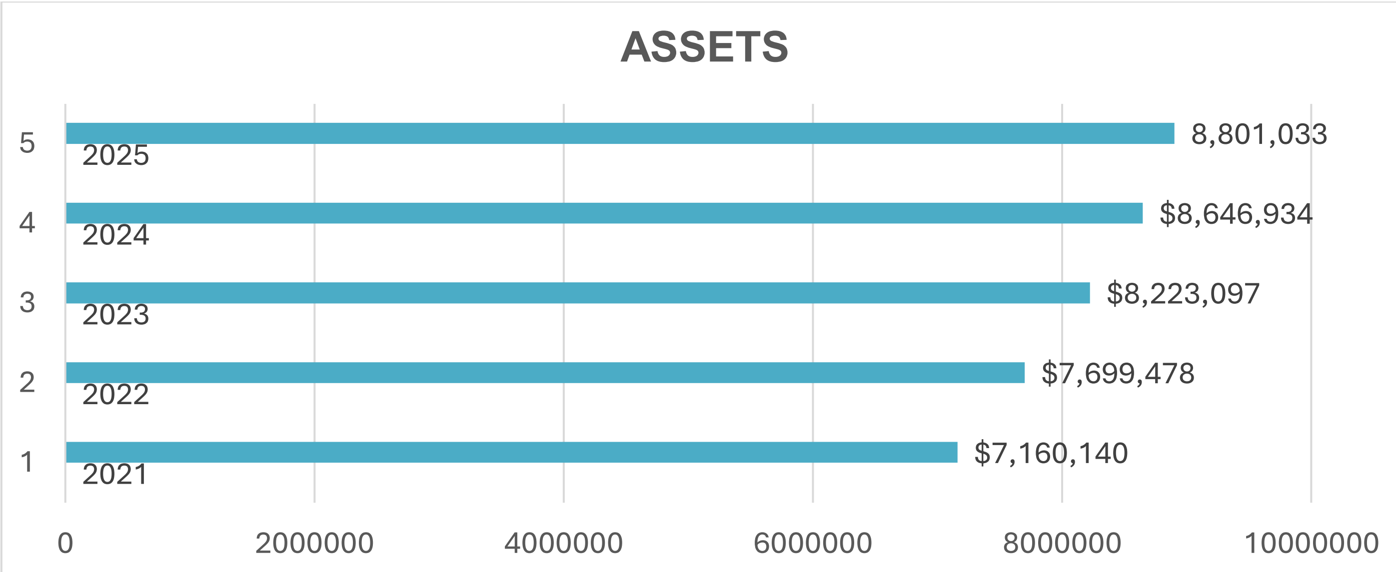
Fellow Members, it is once again my privilege to present the report on the financial operations of the St. Mary's Co-operative Credit Union Ltd. for the fiscal year ending December 31, 2025. Despite the economic challenges confronting Dominica as a result of global developments, including armed conflicts and climate change, your Credit Union—though modest in size—can proudly report another successful year of operations. During the year under review, total assets increased by $154,102, representing growth of 1.78% over 2024. This expansion was driven in large part by higher cash holdings and bank balances, which contributed significantly to the overall increase.

PERFORMANCE INDICATORS

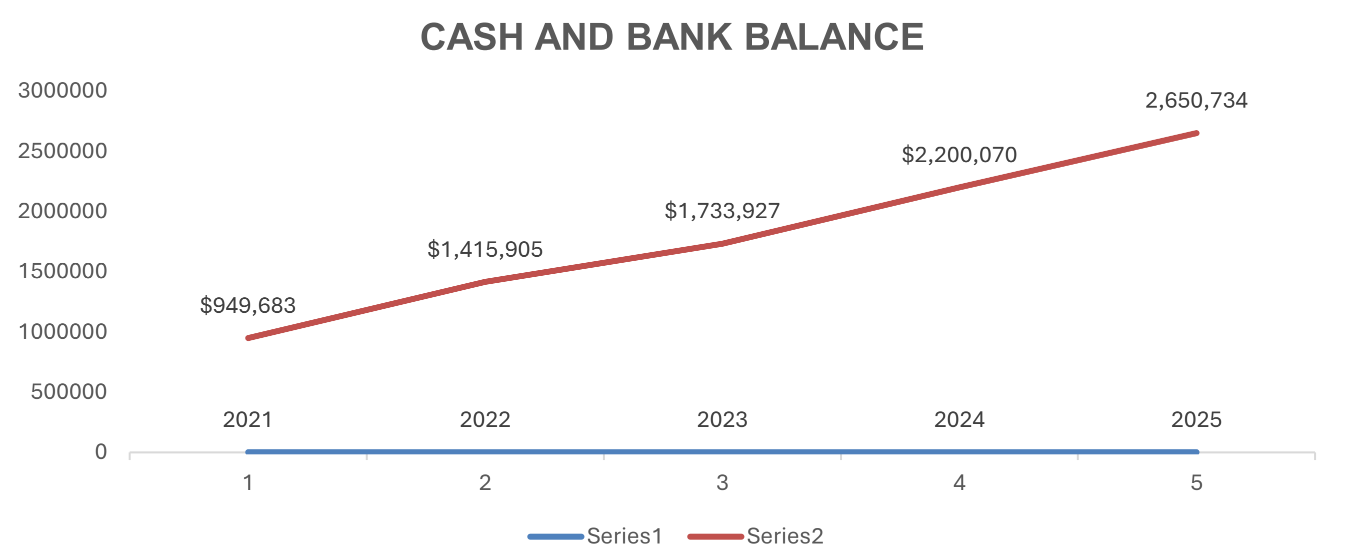
INDICATORS	2025	2024	Increase/Decrease	
	$	$	$	%
Assets				
Total Assets	8,801,033	8,646,934	154,099	1.78
Cash and Bank Balances	2,650,734	2,200,070	450,664	20.48
Originated Loans	5,526,087	5,719,821	(193,734)	-3.39
Investments	206,046	303,708	(97,662)	-32.16
Liabilities				
Total Liabilities	7,741,663	7,497,885	243,778	3.25
Members Savings	6,098,571	5,815,839	282,732	4.86
Deposits	1,491,039	1,550,104	(59,065)	-3.81
Members' Retirement Fund	99,058	87,767	11,291	12.86
Equity				
Total Equity	1,059,370	1,149,049	-89,679	-7.80
Members' Capital	92,400	83,650	8,750	10.46
Return Earnings	283,191	372,733	89,542	-24.02
Income				
Total Income	562,211	571,602	(9,391)	-1.64
Interest Income	550,080	555,036	(4,956)	-0.89
Expenditure	545,641	542,464	3,177	0.59%

> ***Another year of steady growth — a testament to prudent stewardship and member loyalty.***

Asset Growth In The Last 5 Years

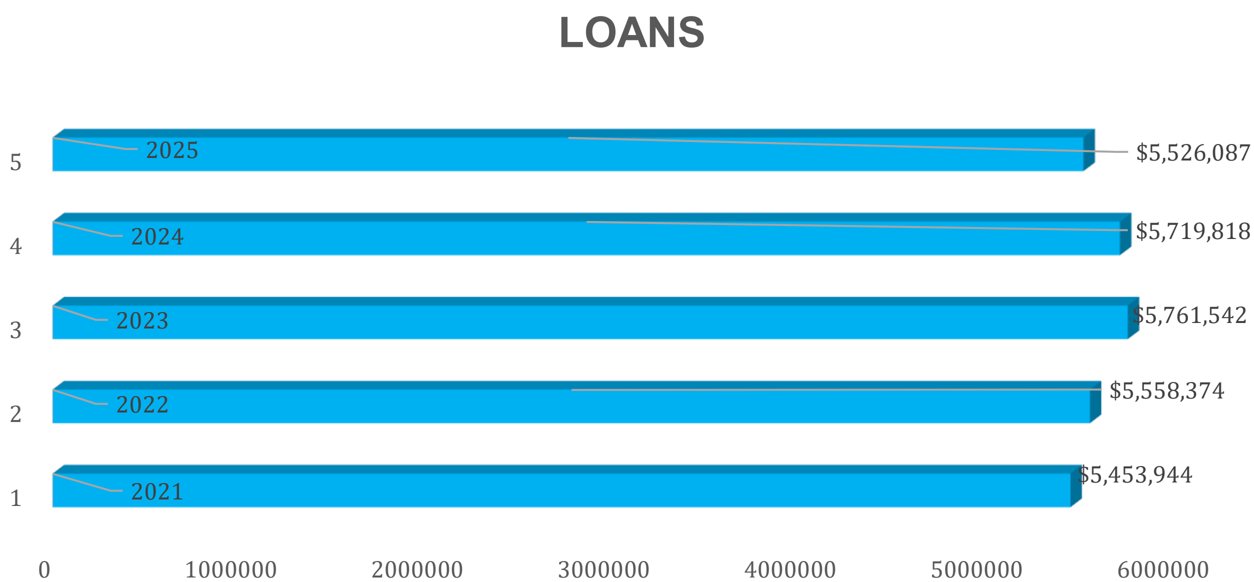


Cash And Bank Balances over The Last 5 Years



Loan Balances Over The Last 5 Years

The Loan Portfolio decreased by $193,734 from $5,719,821 in 2024 to $5,526,087 at the end of 2025.



Liabilities over the last 5 years

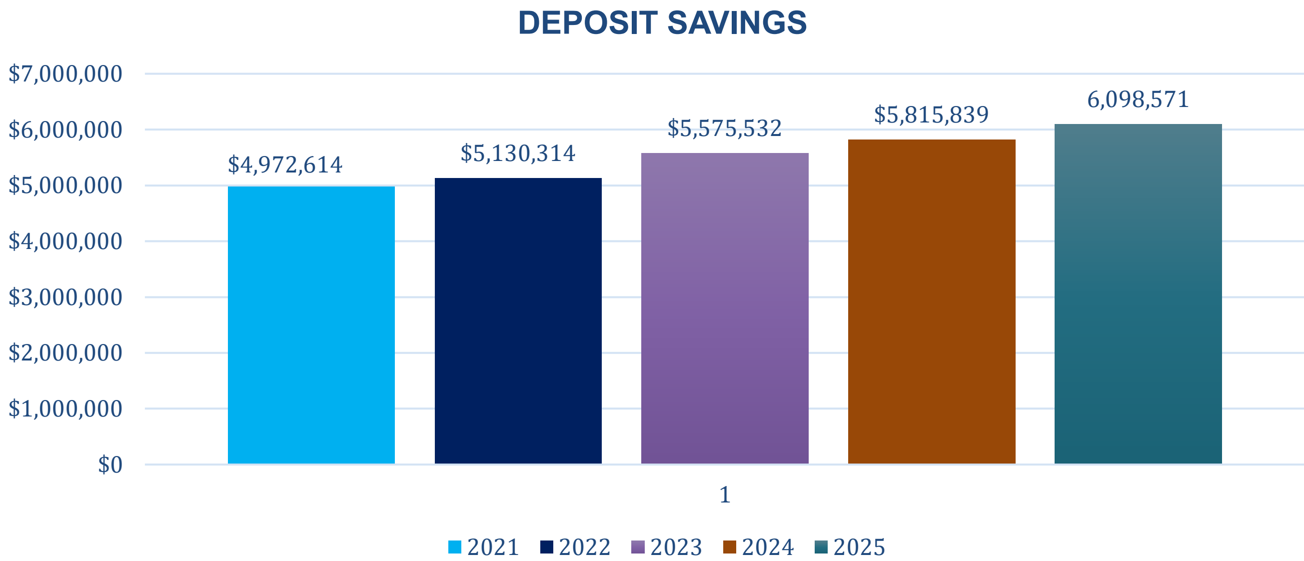
Liabilities increased by $243,778 or 3.25% from $7,497,885 in 2024 to $7,741,663 in 2025.

Member savings And Ordinary Deposits

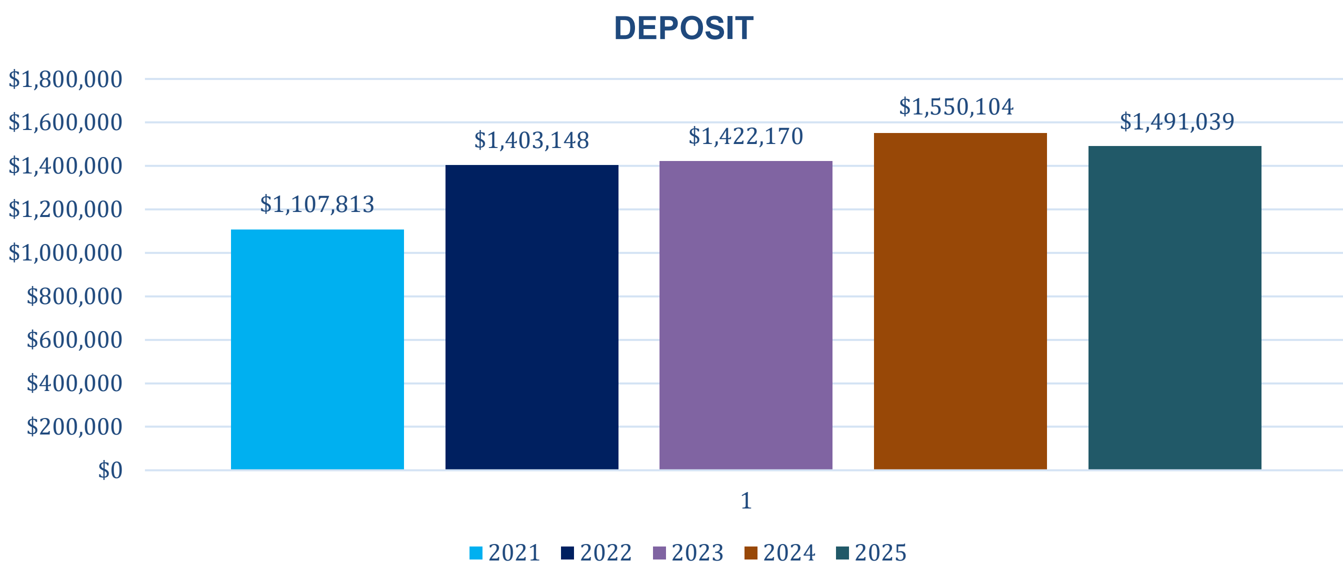
Members' savings saw an increase of $282,732 or 4.86% over that of the 2024 figure. Savings moved from $5,815,839 in 2024 to $6,098,571 at the end of 2025.

Deposits decreased by $59,065 or 3.81%; from $1,550,104 in 2024 to $1,491,039 at the end of 2025.

Deposit Savings over the last 5 Years



Deposits over the Last 5 Years



Equity

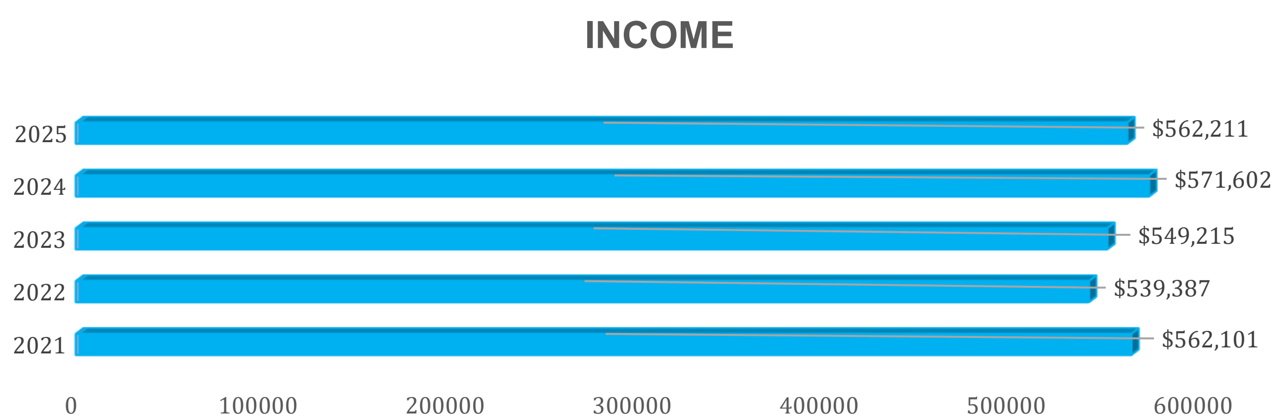
Members Equity decreased by $89,679, moving from $1,149,049 in 2024 to $1,059,370 in 2025.
On October 1st 2025 the Dominica Cooperative Societies League was placed under administrative Supervision. An Audit of the DCSLL was conducted and the results show that only 0.24 % of total investment ($132,868) at the League can be recovered. Based on regulations the Credit union has provided 0.76% (100,980) of that investment. Hence the reason for the decline in Equity.

Share Capital

Share Capital grew from $83,650 to $92,400, an increase of $8,750. Shares are aligned to loans, meaning members purchase shares proportional to their loan amount. Members are encouraged to purchase more shares to strengthen the institution.

Income

Gross income for 2025 was $562,211 as compared to $571,602 the previous year, representing a negative growth of ($9,391) or 1.64%. The Society realised a deficit before appropriation of $85,407 for the Financial Year ended December 31, 2025, as compared to a surplus of $29,137 in 2024. A decrease from that of last year as a result of impairment on League balances. Some members who were affected by health issues or those who faced with destitute situations due to lack of employment were granted moratoriums throughout the year. Interest on loans remain the main income earner amounting to $550,080 or 97.84%.



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Expenditure

Operating expenses incurred during 2025 totaled $448,754. This represents an increase of $,4,486 or 1.01% when compared to that at the end of the 2024 figure of $444,268.

I must report that, in spite of the inflation the society finances were managed quite efficiently.

CONCLUSION

The Board of Directors remains committed to doing its utmost best to ensure that your Credit Union remains viable. Again, I say to you, do not hesitate to share with the Society any complaints, difficulties or ideas you may have on the way forward. Keeping quiet does not help anyone.

Our aim is to make life better for you and our community. Your Credit Union has tried its best to remain true to the basic principles of the movement, “People Helping People.” Credit Unions came out of a need, whereby poor people could get access to money and over the years St. Mary’s Cooperative Credit Union Ltd has encouraged people to be thrift and prudent, hence the reason why we can boast of 68 years of existence using its own funds not only to grant loans to its members, but also to assist them in times of need.

You must give yourself a big pat on the shoulder for you are the only small community in Dominica that has been able to achieve such especially given the close proximity to the capital city. The Board will continue in its endeavor to offer you the personal service that is second to none. Again, I urge you to be vigilant. While other larger institution may offer you attractive incentives open your ears and eyes for there is always, “terms and conditions apply.” And besides, this is in your community and is helping to develop your community.

To the youth, again I say get involve in your Credit Union, become a member, become a volunteer – the experience gained is very rewarding. Our pioneers left a legacy for us, let us keep it alive!

I once again want to encourage members to be cognizant of the troubles in the world, such as wars and climate change and rising cost of living. Dominica is part of the world and is therefore not immune to these challenges these calamities bring forth. Therefore, I urge you to be very careful how you spend. Too many people overstretched their little income and are unable to meet their commitments. Try your very best to focus on needs rather than wants. While your Credit Union is very understanding, you must understand that whenever you take out a loan, you have a responsibility to repay.

Allow me to take this opportunity to thank you the members for electing me to serve on the Board of Directors for over forty years. These have been years of personal growth for me as a person, having learnt quite a lot while serving. The experience gained here has allowed me to serve on national bodies in leadership positions and on regional bodies.

As I take my leave off the Board since the term of service has come to an end, I want to wish the new Board and other committees’ success in their undertakings and encourage them to give off their best to the institution. This, I can guarantee you will not regret.

In closing, allow me to thank:

- The Manager and Staff for their dedicated service to our Credit Union. We are very privileged to have such a wonderful staff.
- The Supervisory and Compliance Committee and the Credit Committee.
- And most importantly, you the esteem members who have remained loyal to this remarkable institution which has served our twin communities well. Remember this institution is owned by you and its success or failure depends on you.

Respectfully submitted to the 69th Annual General Meeting, this 30th day of June, 2026

JAlexander

Mervin Alexander (Mr.)
Treasurer
The Board of Director

NAVIGANT CONSULTING SERVICES

MICHEL D. WILLIAMS,
CPA, CGA, FCCA, CM& AA, C. Dir, M .C I o D
CHARTERED ACCOUNTANT

1 767 235 0965 mwilliams@navigantcs.com
Maxwell House, 30 Independence Street, Roseau

AUDITOR'S REPORT

TO: THE MEMBERS OF ST. MARY'S CO-OPERATIVE CREDIT UNION LIMITED

Opinion

We have audited the financial statements of St. Mary's Co-operative Credit Union Limited (the

Society), which comprise the statement of financial position as at December 31, 2025, the statement of income and appropriation, the statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the St. Mary's Co-operative Credit Union Limited as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and comply with the Co-operative Societies Act No. 2 of 2011 and the Co-operative Societies Regulations S.R.O 26 of 2001 of the laws of the Commonwealth of Dominica.

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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to the audit of the financial statements in Dominica, and we have fulfilled our other responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of the financial statements in accordance with IFRS 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society'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 Society to cease to continue as a going concern.

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

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

Other Information

Management is responsible for the other information. The other information comprises the content of the Society's Annual Report except for the financial statements and our Auditor's Report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information appears to be materially misstated or inconsistent with the financial statements. If, based on the work we have performed, we conclude that there is a material misstatement in the other information, then we are required to report that fact. We have nothing to report in this regard.

Other Matters

This report is made solely to the Members of the St. Mary's Co-operative Credit Union Limited as a body, in accordance with Section 130 of the Co-operative Societies Act No. 2 of 2011 of the Laws of the Commonwealth of Dominica. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and its Members as a body, for our audit work, for this report, or for the opinion we have formed.

Navigant Consulting Services

Roseau, DOMINICA
May 21, 2026

STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Notes	2025	2024
		$	$
ASSETS			
Cash and bank balances	5	2,650,734	2,200,070
Financial assets at fair value through other comprehensive income	6	206,046	303,708
Financial assets at fair value through profit or loss	6	19,340	19,340
Financial assets at amortised cost	7	5,526,087	5,719,821
Other assets	8	9,197	9,270
Property plant and equipment	9	389,629	394,725
TOTAL ASSETS		**8,801,033**	**8,646,934**
LIABILITIES			
Members Savings/Ordinary Deposits	10	7,589,610	7,365,943
Members' Retirement Account	11	99,058	87,768
Accounts payable and provision	12	50,240	40,867
Deferred Revenue (Special Reserve Grant)	13	2,756	3,307
TOTAL LIABILITY		**7,741,663**	**7,497,885**
MEMBERS EQUITY			
Share Capital	14	92,400	83,650
Statutory reserve	15	392,472	392,282
Education fund	16	14,358	14,588
Building fund	17	1,626	10,474
Medical Fund	18	14,443	14,443
Development Fund	19	25,368	25,368
Revaluation Surplus	21	235,511	235,511
Accumulated Surplus	22	283,191	372,733
TOTAL MEMBERS EQUITY:		**1,059,370**	**1,149,049**
TOTAL LIABILITIES AND MEMBERS EQUITY		**8,801,033**	**8,646,934**

The accompanying notes form an integral part of these financial statements.

Approved by The Board on 21st May 2026 and signed on behalf of the Board of Directo

MRS. CONNIE MATTHEW
PRESIDENT

MR. MERVIN ALEXANDER
TREASURER

ST. MARY'S CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2025

	Member Shares	Statutory Reserve	Fair Value Reserve	Education Fund	Building Fund	Development Fund	Medical Fund	Revaluation Surplus	Accumulated Surplus	Total
Balance as at 31/12/23	72,050	386,235	-	13,131	9,770	23,911	15,486	235,511	358,180	1,114,274
Appropriation	-	5,827	-	1,457	874	1,457	1,457	-	-	11,072
Net surplus	-	-	-	-	-	-	-	-	18,066	18,066
Shares Issued	11,600	-	-	-	-	-	-	-	-	11,600
Payments	-	-	-	-	(170)	-	(2,500)	-	-	(2,670)
Entrance fees	-	220	-	-	-	-	-	-	-	220
Fair Value adjustment	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	(3,513)	(3,513)
Adjustment /prior year etc.	-	-	-	-	-	-	-	-	-	-
Balance as at 31/12/24	**83,650**	**392,282**	**-**	**14,588**	**10,474**	**25,368**	**14,443**	**235,511**	**372,733**	**1,149,049**
Appropriation	-		-					-	-	
Net surplus	-	-	-	-	-	-	-	-	(85,407)	(85,407)
Receipts	8,750	-	-	-	-	-	-	-	-	8,750
Entrance fees	-	190	-	-	-	-	-	-	-	190
Dividend	-	-	-	-	-	-	-	-	(4,135)	(4,135)
Payments	-	-	-	(230)	(8,848)	-	-	-	-	(9,078)
Adjustment /prior year etc.	-	-	-	-	-	-	-	-	-	-
Balance as at 31/12/25	**92,400**	**392,472**		**14,358**	**1,626**	**25,368**	**14,443**	**235,511**	**283,191**	**1,059,369**

The accompanying notes form an integral part of these financial statements.

ST. MARY'S CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF INCOME AND APPROPRIATION
FOR YEAR ENDED DECEMBER 31, 2025

	Notes	2025	2024
		$	$
Interest & Investment Income	23	550,080	555,036
Interest expense	23	(70,648)	(72,021)
Net interest income		**479,432**	**483,015**
Other income	24	9,086	9,722
Operating income		**488,517**	**492,737**
Operating cost	25	(448,754)	(444,268)
Interest Receivable (IFRS9)		(781)	-
Expected Credit Losses-Loans	8(b)	2,308	3,086
Bad debt recovered		186	3,207
Amortization	13	551	551
Depreciation	9	(25,458)	(26,175)
Surplus Before other Comprehensive Income		**16,569**	**29,138**
Expected Credit Loss-M Lajan		(996)	
Expected Credit Loss-DCSLL		(100,980)	-
Surplus before appropriation		**(85,407)**	**29,138**
Appropriations			
Transfer to statutory reserve	15		(5,827)
Transfer to Education Fund	16		(1,457)
Transfer to Medical Fund	18		(1,457)
Transfer to Development fund	19		(1,457)
Transfer to Building Fund	17		(874)
Net surplus for the year		(85,407)	**18,066**

The accompanying notes form an integral part of these financial statements

ST. MARY'S CO-OPERATIVE CREDIT UNION LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	2025	2024
	$	**$**
Cash flows from operating activities		
Surplus before appropriation	(85,407)	29,138
Adjustments for:		
Depreciation	25,458	26,175
Expected Credit losses	(2,308)	(3,086)
Amortization	(551)	(551)
Cash flows before changes in operating assets and liabilities	**(62,808)**	**51,676**
Decrease in financial assets at amortised costs	196,042	44,807
Decrease in other assets	73	623
Increase in members' savings and deposits	223,667	368,241
Increase in members' retirement account	11,290	21,770
Increase in accounts payable and provisions	8,822	(398)
Net Cash from operating activities	**377,085**	**486,719**
Cash flow from investing activities		
Purchase of fixed assets	(20,362)	(22,953)
Purchase of Financial Assets at FVOCI	(3,762)	(3,260)
Decrease in Financial Assets at FVOCI	101,976	-
Net cash from investing activities	**77,852**	**(26,213)**
Cash flow from financing activities		
Member Shares Issued	8,750	11,600
Disbursements	(9,078)	(2,670)
Dividends	(4,135)	(3,513)
Entrance fee	190	220
Net cash from financing activities	**(4,273)**	**5,637**
Net cash flows	**450,664**	**466,143**
Cash and Cash Equivalents at beginning of year	2,200,070	1,733,927
Cash and Cash Equivalents at end of year	**2,650,734**	**2,200,070**

The accompanying notes form an integral part of these financial statements

ST. MARY'S CO-OPERATIVE CREDIT UNION LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

1. General Information

The St. Mary's Co-operative Credit Union Limited (SMCCU) was registered under the Co-operatives Societies Act No. 15 of 1996 of the Laws of the Commonwealth of Dominica, which has been replaced by Act No. 2 of 2011.

The Society is located at Giraudel, Commonwealth of Dominica. The Society operates as credit union, accepting deposits, granting loans and offering financial counselling to its members.

2. Material Accounting Policy Information

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with IFRS

The financial statements of the Society have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities, certain classes of property, plant and equipment - measured at fair value

(iii) Going Concern

These financial statements have been prepared on the going concern basis, which assumes that the Society will continue in operation for the foreseeable future. They do not purport to give effect to adjustments, if any, that may be necessary should the Society be unable to realize its assets and discharge its liabilities in other than the ordinary course of business.

(iv) Adoption of New or Revised Standards, Amendments to Standards and Interpretations

There are no new or adopted accounting standards, interpretations and amendments effective for accounting periods beginning on or after January 1, 2024 impacting the Society's financial statements.

b) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

c) Financial assets and liabilities

Measurement methods

Amortised cost and effective interest rate

The 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 (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

When the Society revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets, except for financial assets that have subsequently become credit impaired (or 'stage 3'), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Society becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Society commits to purchase or sell the asset.

At initial recognition, the Society measures a financial asset or financial liability at its fair value 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 incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

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

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognises the difference as follows:

- When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- In all other cases, the difference is deferred, and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

Financial assets

(i) Classification and subsequent measurement

The Society classifies its financial assets in the following measurement categories:

- Fair value through profit or loss (FVPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost

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

Debt instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as loans, government and corporate bonds and trade receivables purchased from clients in factoring arrangements without recourse. Classification and subsequent measurement of debt instruments depend on:

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

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

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'Interest Income' using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Net Investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within 'Net trading income' in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately in 'Net investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

Business model: the business model reflects how the Society manages the assets in order to generate cash flows. That is, whether the Society's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Society in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. For example, the Society's business model for the mortgage loan book is to hold to collect contractual cash flows.

Another example is the liquidity portfolio of assets, which is held by the Society as part of liquidity management and is generally classified within the hold to collect and sell business model. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVPL.

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

Equity instruments

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

The Society subsequently measures all equity investments at fair value through profit or loss, except where the Society's management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Society's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Society's right to receive payments is established.

Gains and losses on equity investments at FVPL are included in the 'Other Income' line in the statement of profit or loss.

(ii) Impairment

The Society assesses on a forward-looking basis the expected credit loss ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The Society recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- 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.

Note 4 (a) provides more detail of how the expected credit loss allowance is measured.

(iii) Modification of loans

The Society sometimes renegotiates or otherwise modifies the contractual cash flows of loans to members. When this happens, the Society assesses whether or not the new terms are substantially different to the original terms. The Society does this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest rate.
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan.

If the terms are substantially different, the Society derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Society also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Society recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in profit or loss. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The impact of modifications of financial assets on the expected credit loss calculation is discussed in note 4 (a).

(iv) Derecognition other than on a modification

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Society transfers substantially all the risks and rewards of ownership, or (ii) the Society neither transfers nor retains substantially all the risks and rewards of ownership and the Society has not retained control.

The Society enters into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to other entities and transfers substantially all of the risks and rewards. These transactions are accounted for as 'pass through' transfers that result in derecognition if the Society:

- (i) Has no obligation to make payments unless it collects equivalent amounts from the assets;
- (ii) Is prohibited from selling or pledging the assets; and
- (iii) Has an obligation to remit any cash it collects from the assets without material delay.

Collateral (shares and bonds) furnished by the Society under standard repurchase agreements and securities lending and borrowing transactions are not derecognised because the Society retains substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met. This also applies to certain securitisation transactions in which the Society retains a subordinated residual interest.

Financial liabilities

(i) Classification and subsequent measurement

In both the current and prior period, financial liabilities are classified as subsequently measured at amortised cost, except for:

- Financial liabilities at fair value through profit or loss: this classification is applied to financial liabilities designated as such at initial recognition. Gains or losses on financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the credit risk of the liability are also presented in profit or loss;
- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer. In subsequent periods, the Society recognises any expense incurred on the financial liability; and
- Financial guarantee contracts and loan commitments – Note 2 (d).

(ii) Derecognition

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

The exchange between the Society and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

d) Financial guarantee contracts and loan commitments

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of members to secure loans, overdrafts and other banking facilities.

Financial guarantee contracts are initially measured at fair value and subsequently measured at the higher of:

- The amount of the loss allowance; and
- The premium received on initial recognition less income recognised in accordance with the principles of IFRS 15.

Loan commitments provided by the Society are measured as the amount of the loss allowance. The Society has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For loan commitments and financial guarantee contracts, the loss allowance is recognised as a provision. However, for contracts that include both a loan and an undrawn commitment and the Society cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

e) Functional and presentation currency

(i) Functional and Presentation Currency

Items included in the financial statements of the Society are measured using the currency of the primary economic environment in which the Society operates (‘the functional currency’). The financial statements are presented in Eastern Caribbean Dollars, which is the Society’s functional and presentation currency.

(ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

f) Property, plant and equipment

Land and building are stated at valuations carried out in 2012 and 2013 with subsequent additions at cost, less subsequent depreciation for building. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation and amortization are calculated on the straight-line method to write down the cost of such assets to their residual value over their estimated useful lives as follows:

Building	2.5%
Furniture fixtures and equipment	15%
Computer Systems	20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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 amount. These are included in profit or loss. When revalued assets are sold, it is Society policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

g) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

h) Payables

These amounts represent liabilities for goods and services provided to the Society prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within thirty (30) days of recognition.

i) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

j) Dividends

Dividends on shares are recognized in equity in the period in which they are declared. Section 5 of the Regulations to the Co-operative Societies Act authorizes the Society to pay a dividend on its shares at a rate which is not greater than three percent above savings rate set by the Eastern Caribbean Central Bank (ECCB). As at December 31, 2025 the ECCB savings rate was two percent.

Under section 129 of the Co-operative Societies Act No. 2 of 2011, a Society must pay a dividend to its members in proportion to their business with the Society at such rates as may be prescribed by its By-laws. Unrealized gains or gains arising from asset revaluation are not considered in determining income for the distribution of dividends.

Fair value gains on investment securities available-for-sale are not considered in determining income for the distribution of dividends.

k) Revenue recognition

Interest income and expense

Interest income and expense are recognized in the income statement for all interest-bearing instruments on an accrual basis using effective interest rates. Interest income includes income on fixed investments.

When the collectability of loans becomes doubtful, they would be written down to their recoverable amounts and interest income is thereafter recognized based on the rate of interest used to discount the future cash flows for the purpose of measuring the recoverable amount.

Dividend and other income

Dividend income and other income are recognized when received.

l) Provisions

Provisions for legal claims and make good obligations are recognised when the Society has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

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. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

m) Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The Society also has liabilities for staff retirement that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the Society does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

n) Taxation

The Society's income is exempt from taxation under section 25 (m) of the Income Tax Act Chapter 67:01 of the Laws of the Commonwealth of Dominica.

o) Comparatives

Where necessary, comparatives figures have been adjusted to conform to changes in presentation in the current year.

p) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest EC dollar unless otherwise stated.

3. Critical accounting estimates and judgement

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Society's accounting policies.

This note provides an overview of the areas that involve a higher degree of judgement or complexity, and major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year. Detailed information about each of these estimates and judgements is included in the related notes together with information about the basis of calculation for each affected line item in the financial statements.

Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of members defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 4 (a), which also sets out key sensitivities of the ECL to changes in these elements.

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

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

Detailed information about the judgements and estimates made by the Society in the above areas is set out in note 4 (a).

4. Financial Risk Management

This note explains the Society’s exposure to financial risks and how these risks could affect the Society’s future financial performance.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, debt investments and contract assets	Aging analysis; Credit ratings	Diversification of bank deposits, credit limits, investment guidelines for debt investments
Market risk – security prices	Investments in equity securities	Sensitivity analysis	Portfolio diversification
Currency risk	Recognised financial assets and liabilities not denominated in Eastern Caribbean Dollars (XCD)	Cash flow forecasting	Strict guidelines for conducting foreign currency transactions
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

a) Credit risk

Credit risk is the risk of suffering financial loss, should any of the Society's members, clients or market counterparties fail to fulfil their contractual obligations to the Society. Credit risk arises mainly from interbank, commercial and member loans and advances, and loan commitments arising from such lending activities, but can also arise from credit enhancement provided, financial guarantees, letters of credit, endorsements and acceptances.

Credit risk is the single largest risk for the Society's operations; management therefore carefully manages its exposure to credit risk. The credit risk management and control are centralised in a credit risk management team which reports regularly to the Board of Directors.

Maximum Exposure to credit risk

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

	2025	2024
	$	**$**
On-Balance Sheet		
Cash and bank balances	2,650,734	2,200,070
Investments	225,386	323,048
Loans and Advances to members	5,526,087	5,719,821
Other Assets (receivables)	9,197	9,270
	8,411,404	**8,252,209**
Off-Balance Sheet		
Loan commitments	103,010	336,767
	103,010	**336,767**

Credit risk measurement

Loans and advances (incl. loan commitments and guarantees)

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

Credit risk grading

The Society uses internal credit risk gradings that reflect its assessment of the probability of default of individual counterparties. The Society use internal rating models tailored to the various categories of counterparty. Borrower and loan specific information collected at the time of application (such as disposable income, and level of collateral for retail exposures) is fed into this rating model. This allows for considerations which may not be captured as part of the other data inputs into the model. The credit grades are calibrated such that the risk of default increases exponentially at each higher risk grade.

Expected credit loss measurement

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

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Society.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. The section on 'Forward-looking information incorporated in the ECL models' includes an explanation of how the Society has incorporated this in its ECL models.

Further explanation is also provided of how the Society determines appropriate groupings when ECL is measured on a collective basis. The following table summarises the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):

Stage 1 (Initial recognition)	**Stage 2 (Significant increase in credit risk since initial recognition)**	**Stage 3 (Credit-impaired assets)**
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

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

Significant increase in credit risk (SICR)

Qualitative criteria:

For the loan portfolio, if the borrower meets one or more of the following criteria:

- In short-term forbearance
- Direct debit cancellation
- Extension to the terms granted
- Previous arrears within the last [12] months

For Treasury portfolios, if the borrower meets one or more of the following criteria:

- Significant increase in credit spread
- Significant adverse changes in business, financial and/or economic conditions in which the borrower operates
- Actual or expected forbearance or restructuring
- Actual or expected significant adverse change in operating results of the borrower
- Significant change in collateral value (secured facilities only) which is expected to increase risk of default
- Early signs of cashflow/liquidity problems such as delay in servicing of trade creditors/loans

The assessment of SICR incorporates forward-looking information and is performed on an annual basis at a portfolio level for all financial instruments held by the Society. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

Definition of default and credit-impaired assets

The Society defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

Quantitative criteria

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

Qualitative criteria

The borrower meets the unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

- The borrower is in long-term forbearance
- The borrower is deceased
- The borrower is insolvent
- The borrower is in breach of financial covenant(s)
- An active market for that financial asset has disappeared because of financial difficulties
- Concessions have been made by the lender relating to the borrower's financial difficulty
- It is becoming probable that the borrower will enter bankruptcy
- Financial assets are purchased or originated at a deep discount that reflects the incurred credit losses.

The criteria above have been applied to all financial instruments held by the Society and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Group's expected loss calculations.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

The Expected Credit Loss (ECL) is measured on either a 12-month (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- EAD is based on the amounts the Society expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). For example, for a revolving commitment, the Society includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.
- Loss Given Default (LGD) represents the Society's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

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

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

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.
- For unsecured products, LGD's are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers. These LGD's are influenced by collection strategies, including contracted debt sales and price.

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type. The assumptions underlying the ECL calculation - such as how the maturity profile of the PDs and how collateral values change etc. - are monitored and reviewed on an annual basis.

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

Forward-looking information incorporated in the ECL models

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Society has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Society considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Society's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

Grouping of instruments for losses measured on a collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. In performing this grouping, there must be sufficient information for the group to be statistically credible. Where sufficient information is not available internally, the Society has considered benchmarking internal/external supplementary data to use for modelling purposes. The characteristics and any supplementary data used to determine groupings are outlined below:

Retail - Groupings for collective measurement

- Loan type (e.g. Mortgage, Personal and Education, Vehicles etc.)

The following exposures are assessed individually:

Retail

- Stage 3 loans with current exposure above $100,000
- Properties in repossession proceedings

The appropriateness of groupings is monitored and reviewed on a periodic basis by the Credit Risk team.

Loss allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL;
- Additional allowances for new financial instruments recognised during the period, as well as releases for financial instruments de-recognised in the period;
- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;
- Impacts on the measurement of ECL due to changes made to models and assumptions;
- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis;
- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

	Gross Amount	**ECL**
	$	**$**
Stage 1	4,751,923	70,997
Stage 2	393,061	1,000
Stage 3	453,100	0
As At December 31, 2025	**5,598,084**	**71,997**
As At December 31, 2024	**5,794,126**	**74,305**

(Net amounts: Stage 1 – $4,680,926; Stage 2 – $392,061; Stage 3 – $453,100; Total 2025 – $5,526,087; Total 2024 – $5,719,821.)

Write-off policy

The Society writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include (i) ceasing enforcement activity and (ii) where the Society's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Society may write-off financial assets that are still subject to enforcement activity. The Society still seeks to recover amounts it is legally owed in full, but which have been partially written off due to no reasonable expectation of full recovery.

Modification of financial assets

The Society sometimes modifies the terms of loans provided to members due to commercial renegotiations, or for distressed loans, with a view to maximising recovery. Such restructuring activities include extended payment term arrangements, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset. The Society monitors the subsequent performance of modified assets. The Society may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for six consecutive months or more.

The Society continues to monitor if there is a subsequent significant increase in credit risk in relation to such assets through the use of specific models for modified assets.

b) Market risk

The Society is exposed to market risks on a daily basis. Investments have been diversified to reduce the impact of market risk.

c) Currency risk

The Society’s exposure to currency risk is minimal since the Society’s assets and liabilities are held in the functional currency, which is the Eastern Caribbean Dollar. Management has issued strict guidelines to staff for processing foreign currency transactions.

d) Liquidity risk

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability but can also increase the risk of losses.

The Society seeks to maintain sufficient available cash and committed credit lines and borrowing facilities to meet the demands of its members. To manage and reduce liquidity risk the Society’s management actively seeks to match cash inflows with liability requirements.

Maturities of Financial Assets and Liabilities

	Up to 1 Year	1 to 5 years	Over 5 Years	Total
	$	**$**	**$**	**$**
As at December 31, 2025				
Assets				
Cash and Balances	2,650,734	-	-	2,650,734
Investments	-	206,046	19,340	225,386
Loans and advances to members (Gross)	884,174	1,215,739	3,426,174	5,526,087
Other assets	9,197	-	-	9,197
Total Financial Assets	**3,544,105**	**1,421,785**	**3,445,514**	**8,411,404**
Liabilities				
Members' savings /ordinary deposits	5,726,835	1,403,801	458,974	7,589,610
Member retirement Account	-	9,906	89,152	99,058
Other Liabilities	50,240	2,756	-	52,996
Total Financial Liabilities	**5,777,074**	**1,416,463**	**548,125**	**7,741,663**
Liquidity Gap	**(2,232,969)**	**5,322**	**2,897,388**	**669,741**
As at December 31, 2024				
Total Financial Assets	**2,772,052**	**1,562,069**	**3,451,233**	**7,785,353**
Total Financial Liabilities	**5,623,414**	**1,349,619**	**524,852**	**7,497,885**
Liquidity Gap	**(2,851,362)**	**212,449**	**2,926,381**	**287,468**

e) Operational Risk

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

The primary responsibility for the development and implementation of controls to address operational risk is assigned to the Board of Directors. This responsibility is supported by the development of overall Credit Union's standards for the management of operational risk.

5. Cash and Bank Balances

This comprises as follows:

	2025	2024
	$	$
Cash on hand	63,941	33,677
Current account	512,197	406,153
Saving account	2,074,596	1,760,240
	2,650,734	**2,200,070**

6. Investment Securities

	2025	2024
	$	$
Investment Securities measured at FVTPL (a)	19,340	19,340
Investment Securities measured at FVOCI (b)	206,046	303,708
	225,386	**323,048**

Investment securities measured at FVTPL (a)

	2025	2024
	$	$
DOMLEC shares at fair value	19,340	19,340
shares at $4.25 per share	19,340	19,340

Investment securities measured at FVOCI (b)

	2025	2024
	$	$
Equity Investments		
Shares at Dominica Co-op. Societies League Ltd	5,000	5,000
Debt investments		
Statutory Reserve Deposit at D/ca Co-operative Societies League Ltd	132,868	132,868
Impairment loss on Statutory Reserve Deposit	(100,980)	-
	31,888	132,868
At Other Credit Unions	169,157	165,840
	201,046	298,708
Total Financial Assets at Fair Value Through Other Comprehensive Income	**206,046**	**303,708**

6 (b) 1 - Investment in Dominica Co-operative Societies Ltd

The Office of the Registrar for Cooperatives placed the Dominica Cooperative Societies League Limited (DCSLL) under administrative supervision effective October 1, 2025. This was presented as a measure to "ensure the stability of the League and to facilitate a review of its operations."

The Registrar acted under powers in the Co-operative Societies legislation that permit the Registrar to appoint examiners or place a society under administrative supervision. (Those powers and related provisions are set out in the Co-operative Societies Act.) The outcome of the Registrar's examination determined that the League had significant solvency challenges which required immediate action from the shareholders. The solvency report indicated that the league was only able to cover $0.24 on every $1.00. A new Board was constituted, and the Regulator handed the League over to the newly constituted board. As of the audit report date, no viable plan has been presented to the shareholders and investors on the recovery and stabilization of the league.

6 (b) 2 - Provision for Impairment

The provision for impairment constitutes 100% impairment of investments in British American Insurance Company (BAICO), both of which are insolvent. The provision for Dominica Co-operative Society Ltd constitutes 76% impairment based on regulator solvency assessment of $0.24/$1.00. Should a recovery plan be forthcoming for the league and is accepted by the Credit Union owners this impairment may be reversed at the time when recovery is evident.

7. Financial Assets at Amortised Cost

The Society classifies its originated loans at amortised cost where both of the following criteria are met:

- the loan is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Originated loans at amortised cost include the following:

(a) Loans and advances to Members

	2025	**2024**
	$	**$**
Member Loans	4,499,327	4,472,504
Loans to related parties (see note 27)	1,098,756	1,321,622
	5,598,084	5,794,126
Less: Allowance for Expected Credit Losses	(71,997)	(74,305)
	5,526,087	**5,719,821**
Current portion	276,304	285,991
Non-Current portion	5,249,782	5,433,830
	5,526,087	**5,719,821**

(b) Allowance for Expected Credit Losses

	2025	2024
	$	$
Provision at beginning of year	74,305	77,391
Bad debts recovered	-	-
Bad debts Written Off	-	-
	74,305	77,391
Expected credit loss	(2,308)	(3,086)
Closing Allowance for Expected Credit Losses	**71,997**	**74,305**

(c) Originated Loans - Sectoral Analysis

	2025	2024
	$	$
Ordinary	2,749,739	2,846,034
Open Ended	794,585	822,411
Home improvement/Mortgage	2,053,759	2,125,681
Agriculture	-	-
	5,598,084	**5,794,126**

8. Other Assets

	2025	2024
	$	$
Interest on Statutory reserve invested at the League	5,729	3,255
Sundry Members' Legal Fees	1,714	2,758
Deposit-DOMLEC	-	50
Utility commission	-	1,522
Pay As U Go	1,440	426
Other	314	1,259
	9,197	**9,270**

9. Property and equipment

	Land	Building	Computer Systems	Furniture & Equipment	Total
Cost/Valuation					
BALANCE – 31/12/2023	8,112	351,746	129,834	176,977	666,669
Elimination of Accu. Depre	-	-			
Additions for the year	-	21,803		1,150	22,953
Disposal	-	-		-	
BALANCE – 31/12/2024	**8,112**	**351,746**	**151,637**	**178,127**	**689,622**
Additions for the year	-	7,200	9,900	3,263	20,362
Disposal	-	-	-	-	-
BALANCE – 31/12/2025	**8,112**	**358,946**	**161,537**	**181,390**	**709,984**
Accumulated Depreciation					
Balance – 31/12/2023	-	40,779	99,034	128,909	268,722
Disposal/Adjustment	-	-	-	-	
Depreciation charge	-	8,793	10,157	7,225	26,175
Balance – 31/12/2024	**-**	**49,572**	**109,191**	**136,134**	**294,897**
Disposal/Adjustment	-	-	-	-	-
Depreciation charge	-	8,974	9,809	6,675	25,458
Balance – 31/12/2025	**-**	**58,546**	**119,000**	**142,809**	**320,355**
NET BOOK VALUE					
Beginning of year	8,112	302,174	42,446	41,993	394,725
End of year	**8,112**	**300,400**	**42,537**	**38,580**	**389,629**

10. Members Savings/Ordinary Deposits

Members' Savings formerly called "members shares" are now recorded as a liability in accordance with International Financial Reporting Standards (IFRS). According to Section 129 of the Co-operative Societies Act No.2 of 2011, the Credit Union may distribute by way of dividend or bonus amongst its members in proportion to their business with the Society at such rate as may be prescribed by its bye-laws. Members' savings and ordinary deposits subject to special terms and conditions are due on demand.

	2025	**2024**
	$	**$**
Ordinary Savings	5,726,834	5,475,214
Member Deposits	1,491,039	1,550,104
Open-Ended Savings	371,736	340,625
	7,589,610	**7,365,943**

11. Member Retirement Account

	2025	**2024**
	$	**$**
Members Retirement Account	**99,058**	**87,768**

12. Accounts Payable and Provisions

	2025	2024
	$	$
AGM Expenses	7,750	13,100
Audit Fee	5,750	5,750
Corp-Eff Premiums	16,459	3,379
Utilities payable	690	1,639
LS/LP Claim	3,358	2,488
FIP Insurance	6,598	6,598
Other accruals	9,635	7,913
	50,240	**40,867**

13. Special Reserve Grant

	2025	2024
	$	$
Balance – beginning of year	3,307	3,858
Less: Amortization	(551)	(551)
	2,756	**3,307**

14. Share Capital

Issued and fully paid shares of $50 (par value) each	**2025**	**2024**
	$	**$**
Beginning of year	83,650	72,050
Issued during the year (net)	8,750	11,600
End of year	**92,400**	**83,650**

The liability of each member is limited to the paid-up shares.

Shares may with the consent of the Board, but not otherwise, be transferred from one member to another. Such transfers shall be in writing in such form as the Registrar may approve and shall be subject to payment by the transferee of such fee for each transfer as the Board of Directors may prescribe. The Board may, in its absolute discretion, purchase shares from a member in case of hardship.

15. Statutory Reserve

The Co-operative Societies Act stipulates that a Society shall credit no less than 20% of its net surplus to a reserve fund; and such Reserve Fund, may subject to the approval of the Commissioner, be used in the business of the Society, for the purposes of an exceptional nature, including unforeseen losses, unexpected shortfalls in liquid cash, capital retention, repair and maintenance and the avoidance of external borrowing.

Movements during the year were as follows:

	2025	2024
	$	**$**
Balance – beginning of year	392,282	386,235
Add: Entrance Fee	190	220
Appropriation from surplus	3,314	5,827
	395,786	**392,282**

16. Education Fund

This represents funds appropriated from surplus for members' education.

	2025	2024
	$	**$**
Balance beginning of the year	14,588	13,131
Appropriation from surplus	828	1,457
Disbursements	(230)	-
Balance end of year	**15,186**	**14,588**

17. Building Fund

	2025	2024
	$	**$**
Balance beginning of the year	10,474	9,770
Appropriation from surplus	497	874
Disbursement	(8,848)	(170)
Balance end of year	**2,123**	**10,474**

18. Medical Fund

	2025	2024
	$	**$**
Balance beginning of the year	14,443	15,486
Appropriation from surplus	828	1,457
Disbursement	-	(2,500)
Balance end of year	**15,271**	**14,443**

19. Development Fund

Section 126 of the Co-operative Societies Act No.2 of 2011, states that every Society shall establish and maintain a Development Fund. Every Society that realises a surplus from its operations as ascertained by the annual audit shall make such annual contribution, not exceeding ten percent of that surplus, and the Co-operative Society shall use the funds for strengthening the capacity and growth of Co-operative Societies and for human development.

	2025	2024
	$	$
Balance beginning of the year	25,368	23,911
Appropriation from surplus	828	1,457
Disbursements	-	-
Balance end of year	**26,196**	**25,368**

20. Fair Value Reserve

	2025	2024
	$	$
Balance beginning of the year	-	-
Appropriation from surplus	-	-
Fair Value through OCI – M Lajan	(995)	-
Fair Value through OCI – D'/ca Co-operatives League	(100,980)	-
Balance end of year	**(101,975)**	**-**

20. Revaluation Surplus

The Society land and building were revalued in November 2018 by QSC Ltd. Quanty Surveyor, in October 2005, in May 2009 and again in October 2013 by Balthazar Watt, Licensed Surveyor. The resulting surplus has been included in members' equity as Revaluation Surplus.

	2025	2024
	$	$
Surplus on 2018 Revaluation Land and Building	235,511	235,511
Balance end of year	**235,511**	**235,511**

21. Accumulated Surplus

	2025	2024
	$	$
Balance beginning of the year	372,733	358,180
Dividends paid	(4,135)	(3,513)
Surplus/(Deficit) for the year	(85,407)	18,066
Balance end of year	**283,191**	**372,733**

22. Net interest and Investment Income

	2025	2024
	$	**$**
Income from Loans	503,153	519,333
Income from liquid investments – Dividend & fixed deposits interest	6,572	6,516
Interest on Saving accounts at other financial institutions	40,355	29,187
	550,080	**555,036**
Interest expense		
Interest on members' savings	54,398	55,325
Interest on deposits	16,250	16,696
	70,648	**72,021**
Net interest and investment income	**479,432**	**483,015**

23. Other income

	2025	2024
	$	**$**
Commission & Dividend Income	3,995	4,702
Sale of passbooks	665	605
Other income	4,426	4,415
	9,086	**9,722**

24. Operating Cost

	2025	2024
	$	$
Employees benefit expenses (see note 26)	246,738	232,570
Governance (Board & Committee expenses)	5,507	5,704
Members' Interest & Protection	39,982	40,537
Annual general meeting	7,058	9,934
Audit fee	5,000	5,750
Occupancy Expenses	19,062	19,568
Building, Public Liability & Infidelity insurance	26,720	21,864
Credit Union Week expenses	4,384	12,081
Scholarship	4,800	6,000
Stationery	11,316	7,558
Staff Travel	5,245	4,055
Office expenses	3,135	3,750
Telephone	6,103	6,073
Donation	4,930	3,502
Marketing	15,448	25,809
League dues	11,822	11,822
Gov't License Fee	10,000	10,000
Education	2,801	1,290
Honorarium	10,359	4,581
Other expenses	1,998	2,761
Professional fees	2,500	2,500
Bank charges	3,848	3,874
Computer expenses	-	2,685
	448,754	**444,268**

25. Employee's Benefit Expenses

	2025	2024
	$	$
Salaries, overtime, management allowances	225,046	212,435
Social security contribution	16,898	16,043
Gratuity	2,100	1,800
Staff uniforms, meals, other allowance	2,694	2,292
	246,738	**232,570**

26. Related Party Transactions

Parties are considered to be related if one party had the ability to control the other party or exercise significant influence over the other party by making financial and operational decisions.

As at the year end, related party transactions/balances were as follows:

	2025		2024	
	Loans	**Deposits/ Savings**	**Loans**	**Deposits/ Savings**
Directors	218,658	208,810	232,625	161,243
Committee Members	529,165	246,161	516,441	155,451
Staff	350,933	163,501	572,556	163,939
	1,098,756	**618,472**	**1,321,622**	**480,633**

27. Contingencies and Commitments

(a) Loans committed but not yet drawn down at the balance sheet date: $103,010

(b) Legal: None

(c) Capital commitment: None

Credit Committee Report

TO THE 69TH ANNUAL GENERAL MEETING

FOR THE YEAR ENDED DECEMBER 31, 2025

Member Financial Wellness	Responsible Lending	Portfolio Integrity
Supporting every member's journey toward lasting financial security	Fair, consistent and principles decisions in every loan we approve	Safeguarding SMCCU's loan book for generations to come

Introduction

The Credit Committee of the St. Mary's Co-operative Credit Union is pleased to report to the general membership for the year ending December 31, 2025.

In keeping with our mandate under the Credit Union's By-Laws and governing regulations, the Committee remained steadfast in its responsibility to safeguard the loan portfolio through prudent oversight, impartial review, and adherence to sound credit principles. Throughout the year, we worked diligently to ensure that all lending decisions were made in the best interest of the membership and in alignment with the Credit Union's policies and financial objectives.

> *"For wisdom is a defense and money is a defense: but the excellency of knowledge is, that wisdom gives life to them that have it."* **— Ecclesiastes 7:12**

This passage reminds us that whilst financial resources provide security and opportunity, it is wisdom and sound judgement that preserves and sustains true prosperity. This scripture underscores the importance of careful assessment and prudent decision-making — not only for the Credit Union's staff and volunteers, but each member's daily management of monies earned.

The principal functions of the Credit Committee include reviewing loan applications and ensuring that lending policies are consistently and fairly applied. The Committee also monitors delinquency trends and makes recommendations when necessary. Through these responsibilities, we help maintain the integrity, sustainability, and growth of the Credit Union's portfolio.

All loans approved were in accordance with the loan policy of the Credit Union. Members were interviewed when the Committee deemed it necessary. The Committee remains committed to the growth and development of the Credit Union and its members by adhering to the requirements set out in the Loans Policy when considering loan approvals.

Committee Composition

The Committee composition remained unchanged following the Annual General Meeting.

NAME	POSITION
Ms. Hannah Royer	Chairperson
Ms. Karen Junkere	Secretary
Ms. Karen Richards	Member
Mrs. Sandra Bell-Larocque	Member
Mr. Dave Antoine	Member

Meeting Attendance

The Committee held 17 meetings during the year under review. The table below reflects the attendance record of each member.

MEMBER	Meetings Held	Meetings Attended	Absent with Excuse
Ms. Hannah Royer	17	16	1
Ms. Karen Junkere	17	14	3
Ms. Karen Richards	17	16	1
Mrs. Sandra La Rocque	17	9	8
Mr. Dave Antoine	17	16	1

Performance at a Glance

213	EC$1.1M	1.02%
Loans Approved in 2025	Total Loan Value 2025	Delinquency Rate (Down from 1.90%)

Loan Portfolio – Originated Loans

The table below presents a comparative overview of originated loans for 2024 and 2025 across all loan categories.

ORIGINATED LOANS	2024		2025	
Loan Type	Amount (EC$)	%	Amount (EC$)	%
Ordinary Loan	1,476,810	25.49	1,339,319	23.92
Open Ended	822,411	14.19	894,533	15.98
Domestic	–	–	1,428	0.03
Short Term / EZ Loan	1,860	0.03	7,017	0.13
Home Improvement Loan	2,125,680	36.69	1,903,513	34.00
Savings Covered Loan	671,231	11.58	594,044	10.61
OTHER LOANS				
Vehicle Loan	57,790	1.00	29,513	0.53
Land Loan	347,048	5.99	425,766	7.61
Education Loan	178,818	3.09	283,111	5.06
Medical Loan	35,716	0.62	44,779	0.80
Business Loan	42,893	0.74	35,742	0.64
Agriculture Loan	–	–	2,473	0.04
Christmas Special Loan	33,866	0.58	36,847	0.66
GRAND TOTAL	**5,794,123**	**100%**	**5,598,084**	**100%**

Loans approved

During the year under review, 213 loans were approved totaling EC$1,147,562. This represents a decrease of EC$667,626 compared to 2024, and a reduction of 57 loan applications. The Committee recognises that members continue to experience financial difficulties as a result of economic pressures. Inflation has reduced members' capacity to save and, in certain cases, affected the ability to make timely loan repayments. Additionally, some members have opted to withdraw savings rather than access loan facilities.

The largest portion of loans approved fell under Personal Expenses EC$1,125,564 which included debt consolidation, home improvement repairs, refinancing, domestic and household expenses, vehicles for personal use, and payment of bills.

CLASSIFICATION	2025		2024	
Loan Category	No.	Value (EC$)	No.	Value (EC$)
PRODUCTIVE LOANS				
01. Agriculture	2	8,705	5	16,687
02. Distributive Trade	3	3,134	0	0
03. Transportation	0	0	0	0
04. Construction & Development	2	10,158	2	7,500
05. Entertainment & Catering	0	0	4	108,661
TOTAL – PRODUCTIVE LOANS	**7**	**21,997**	**11**	**132,848**
PROVIDENT LOANS				
06. Personal	206	1,125,564	259	1,682,340
TOTAL – PROVIDENT LOANS	**206**	**1,125,564**	**259**	**1,682,340**
GRAND TOTAL – ALL LOANS APPROVED	**213**	**1,147,561**	**270**	**1,815,188**

DELINQUENCY

Loan delinquency occurs when a member fails to meet scheduled repayment obligations in accordance with the loan agreement. A loan is classified as delinquent immediately upon the missed payment.

At the close of 2025, the delinquency rate stood at 1.02%, a significant improvement from 1.90% recorded in 2024 — a reduction of 0.88 percentage points. Total delinquent loans numbered two (2), with a combined value of EC$56,912.

DELINQUENCY PERIOD	Amount (EC$)	Delinquency %	No. of Members
1 – 3 Months	$33,846	59.47%	1
3 – 6 Months	$23,066	40.53%	1
6 – 9 Months	–	–	–
9 – 12 Months	–	–	–
12 Months and Over	–	–	–
TOTAL	**$56,912**	**100%**	**2**

This positive trend is attributable to the collective dedication of staff and committee members. Members are reminded that failure to honour loan obligations can adversely affect their borrowing capacity — not only with St. Mary's, but with other financial institutions — and may result in penalties and elevated interest rates. The Committee urges all members to remain current with their obligations in accordance with their signed loan agreements.

Delinquency remains a key concern, as interest income from loans constitutes the Credit Union's primary revenue source. The Committee reaffirms its commitment to serving the membership and calls on all members to safeguard and uphold the legacy of St. Mary's Co-operative Credit Union for generations to come.

ACKNOWLEDGMENT

The Credit Committee extends its sincere appreciation to the Board of Directors, the Supervisory and Compliance Committee, and the Management and Staff for their unwavering support throughout the year. Special recognition is extended to our general membership, whose continued participation and commitment remain the foundation of the Credit Union's strength and success.

Together, we remain dedicated to the financial well-being and empowerment of every member of St. Mary's

Co-operative Credit Union.

Hannah Royer (Ms.)
Chair Person
For and behalf of the Credit Committee

Supervisory & Compliance Committee Report

TO THE 69TH ANNUAL GENERAL MEETING

Governance Oversight	Compliance Assurance	Member Protection
Ensuring sound and lawful operations	Adherence to laws, by-laws and policies	Safeguarding member interests and assets

Introduction

The Supervisory and Compliance Committee is pleased to present its report for the financial year ended 31st December 2025, in accordance with Section 66(F) of the Co-operative Society Act No. 2 of 2011. The Committee's primary responsibility is to monitor and review the operations of the Credit Union and to provide assurances that it is properly managed and governed in an efficient and sound manner.

Meetings & Attendance

As required by the Act, the Committee is mandated to meet at least once monthly. The first half of the year proved challenging, momentum was regained with success and efficiency to fulfil this mandate. The table below outlines the composition of the Committee and attendance records for 2025.

Member	Position	Meetings Held	Meetings Attended	Absent with Excuse
Josianna Antoine	Chairperson	9	7	2
Hannah James	Secretary	6	6	0
Peter A. Antoine	Member	9	9	0
Sheba Bell	Member	9	9	0
Euthelie Pierre	Member	9	6	3
Vera Elwin *	Member	3	0	0

** Outgoing member in 2025.*

TASKS UNDERTAKEN

During the year under review, the Committee diligently carried out the following oversight and compliance activities:

Tasks Undertaken in 2025	
✓ Refreshment of by-laws and policies governing daily operations	✓ Examination of dormant accounts and reactivated accounts
✓ Examination of staff and member files	✓ Examination of loan documents and verification of collaterals
✓ Review of Board of Directors and Credit Committee minutes	✓ Examination of bank reconciliations
✓ Examination of delinquency list and related files	✓ Attendance at training conducted by DCSL and Consultant Agency
✓ Examination of receipts and payment vouchers	✓ Review of examination report from the Co-operative Division
✓ Examination of loan files for members, staff, and volunteers	✓ Performance of end-of-year cash count
✓ Review of compliance report	✓ Review of collateral register

CONCLUSION

The Supervisory and Compliance Committee plays a critical role in ensuring effective and efficient oversight of the functioning of St. Mary's Co-operative Credit Union (SMCCU), and in ensuring continued good governance in line with its laws and policies. The Committee encourages members to consider putting themselves forward to volunteer for this rewarding service, which helps sustain the growth of our Credit Union. With the continued support and cooperation of members, the Board of Directors, Credit Committee, Management, and Staff, the Committee remained committed to contributing to the economic stability of SMCCU.

ACKNOWLEDGMENT

We take this opportunity to express our sincere gratitude to our members for entrusting us with this important responsibility. We also wish to thank and commend Management and Staff who continue to work together to meet SMCCU's goals, and for your assistance, willingness to respond to our queries, and readiness to make available all that was needed to help us fulfil our mandate and duties. We would also like to thank the Board of Directors and the Credit Committee for their continued dedication and service to the institution.

Josianna Antoine (Ms.)
Chairperson
For and on behalf of the Supervisory & Compliance Committee

Nominations Committee Report
TO THE 69TH ANNUAL GENERAL MEETING

Introductiion

In accordance with Section 53(4) of the Co-operative Societies Act No. 2 of 2011, a Nominations Committee was established to make recommendations for members to serve on the various committees of the Society. The Committee was comprised of the following persons:

Member	Representing
Mrs. Connie Matthew	Board of Directors
Ms. Hannah Royer	Credit Committee
Ms. Josiana Antoine	Supervisory Committee
Mr. Mervin Alexander	Board of Directors
Mr. Lester Guye	Board of Directors
In attendance: Mrs. Merlin Joseph — Manager	

The Nominations Committee recommends for consideration as officers of St. Mary's Co-operative Credit Union Ltd, active members in good standing with the Society who have indicated their willingness to serve. The following persons have been nominated to serve on the respective committees:

Nominations for Committee Service

No.	Name	Term	Expiry	Nominated Replacement
Board of Directors				
1	Ms. Agnes Pierre	1st	2028	–
2	Mrs. Connie Mathew	2nd	2028	–
3	Ms. Yolande Letang	2nd	2028	–
4	Mr. Mervin Alexander	2nd	2026	**Mr. Bradley Guye**
5	Mr. Lester Guye	2nd	2027	–
6	Mrs. Jonell Degallerie	1st	2028	**Mrs. Deanne Simon- Douglas**
7	Mr. Damien Desiree	1st	2028	–

No.	Name	Term	Expiry	Nominated Replacement
Board of Directors				
Credit Committee				
1	Ms. Hannah Royer	2nd	2026	**Ms. Siannesa George**
2	Mr. Dave Antoine	1st	2027	–
3	Mrs. Sandra B. Larocque	1st	2027	–
4	Ms. Karen Junkere	2nd	2028	–
5	Ms. Karen Richards	1st	2026	**Ms. Karen Richards**
Supervisory and Compliance Committee				
1	Mr. Peter Antoine	1st	2027	–
2	Mrs. Hannah James	1st	2028	–
3	Ms. Josianna Antoine	1st	2026	**Ms. Josianna Antoine**
4	Mrs. Euthelie Pierre	1st	2027	–
5	Mrs. Sheba Bell	2nd	2026	**Mrs. Francisca Hilton**

Connie Matthew (Mrs.)
Chairperson

Our Services

St Mary's Cooperative Credit Union Ltd

ACCOUNTS

- Regular savings
- Deposit Accounts
- Member Retirement

LOANS

- Loan Consolidation
- Open Ended Loan
- Domestic Loan
- Home Improvement Loan
- Pay-day Loan
- Agricultural Loan
- Savings Covered Loan
- EZ Cash Loan
- Vehicle Loan
- Land Loan
- Education Loan
- Medical Loan
- Business Loan
- Three R's Loan
- Christmas Loan

OTHER SERVICES

- Online Services
- Photocopying
- Family Bereavement Insurance
- Family Indemnity Plan
- Utility Bill Payments
- FLOW & Digicel Top Up
- Pay As You GO Top up

FREE INSURANCE ON LOANS AND DEPOSITS

NOT FOR PROFIT, NOT FOR CHARITY, BUT FOR SERVICE

PEOPLE HELPING PEOPLE

PEOPLE FOCUSED | COMMUNITY DRIVEN | SERVICE EXCELLENCE