

# 2024



JTA Co-operative  
Credit Union Limited

# ANNUAL REPORT

Serving Our  
*Members,*  
Impacting Lives  
*Positively*



# Get a **PERSONAL LOAN** *Today!*

And cover a wide  
range of expenses.



Trust us for all your financial needs.

# **61<sup>ST</sup>** ANNUAL GENERAL **MEETING**

“

**THE STONE WHICH THE BUILDERS  
REJECTED HAS BECOME THE CHIEF  
CORNERSTONE**

PSALMS 118 VS 22 (NKJV)

”

**MISSION**

Improving the lives of our members through the provision of excellent financial services delivered by a highly motivated and competent team.

**VISION**

JTACCUL is financially strong, member focused, easily accessible, technologically adept and the Premier Credit Union in Jamaica,

**CORE VALUES**

Courtesy  
Integrity  
Innovation  
Teamwork

**CORPORATE  
PROFILE**

Assets	\$21,525M
Savings	\$16,569M
Loans	\$15,441M
Membership	33,997

2024

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# NOTICE OF MEETING

The Board of Directors of the JTA Co-operative Credit Union Ltd. hereby gives notice of its 61st Annual General Meeting to be held in person on Friday, May 16, 2025 commencing at 10 a.m. at the Assembly Hall, UWI Mona, Kingston 7. Registration begins at 9:00 a.m. The purpose of the AGM is to present the audited Financial Statements for 2024 and to conduct the normal business of the Credit Union.

The 2024 Annual Report is available on our website at [www.jtacreditunion.com](http://www.jtacreditunion.com) in the About Us section.



Karen Hewett Kennedy  
Asst. Board Secretary  
May 1, 2025

# AGENDA

1. Ascertainment of a Quorum

2. Devotion

3. President’s Welcome & Opening Remarks

4. Minutes of the 60th Annual General Meeting held on Saturday, May 18, 2024

5. Matters Arising

6. Greetings

7. STATUTORY REPORTS

a) Board of Directors

b) Treasurer’s & Auditors’
- i. Declaration of Interest, Dividend and Fixing Maximum Liability

c) Credit Committee

d) Supervisory Committee

8. REPORT FOR INFORMATION General Manager’s Progress Report

9. Nominating Committee Report

10. Resolutions

11. A.O.B.

12. Closure

REV UP YOUR  
**DREAMS**  
with our **AUTO LOAN.**



Access financing for new  
and used

**VEHICLES** at a rate  
that turns the wheels in your  
favour.





# MINUTES OF GENERAL MEETING

held on Saturday, May 18, 2024

Jamaica Teachers' Association  
Co-Operative Credit Union Limited  
Minutes of the 60th Annual General  
Meeting held on Saturday, May 18,  
2024 at the Jamaica Conference  
Centre 14-20 Port Royal Street,  
Kingston Commencing at 10:00 am

## Board of Directors

- Mr. Paul Adams  
– *Chairman/President*
- Mrs. Ena Barclay  
– *1st Vice President*
- Mrs. Sancia Stewart-Williams  
– *2nd Vice President*
- Mr. Cyril Lebert  
– *Treasurer*
- Dr. Margaret Bailey  
– *Assistant Treasurer*
- Mr. Patrick Smith  
– *Secretary*
- Mrs. Karen Hewett-Kennedy  
– *Assistant Secretary*
- Mrs. Lou Ann Bramwell-Shakes  
– *Director*
- Mrs. Melva Humes Johnson  
– *Director*
- Mr. Lincoln James  
– *Director*
- Mr. Lebert Drysdale  
– *Director*
- Mr. Huit Johnson  
– *Director*
- Mr. Alfred Thomas  
– *Director*
- Mr. Rudolph Sewell  
– *Director*
- Mr. Ray Howell  
– *Director*



## In attendance were:

- Mr. Robert Ramsay – *General Manager*
- Mrs. Lisa Taylor – *Assistant General Manager*

## Supervisory Committee

- Mrs. Mary Dick – *Chairman*
- Mrs. Dawn Steele – *Secretary*
- Mr. Aston Messam
- Mr. Clayton Hall
- Ms. Tina Reid
- Ms. Glectia Beckford
- Ms. Andria Givans

## Credit Committee

- Mrs. Anne Geddes-Nelson – *Chairman*
- Mrs. Lena Russell – *Secretary*
- Mr. Norman Allen
- Mr. Lealon Nash
- Ms. Debbie Meek

## 1. Ascertainment of a Quorum

Mr. Patrick Smith, Secretary called the meeting to order at 10:08 a.m. It was confirmed that Three Hundred and Seventy-eight (378) members were in attendance thus the required quorum was achieved.

The Notice convening the meeting was read followed by the playing of the National Anthem.

## Adoption of Agenda

The agenda was adopted on a motion moved by Beverley Gustaf from Kingston Technical High School and seconded by Nicole Wallace of Mona Heights Primary School after the following amendments:

Insert..." Adoption of Agenda" as Item (1a)

Remove Item 6 – Greetings, and insert as Item 4 and renumber accordingly.

All were in agreement.



## 2. Devotion

Mr. Lincoln James, Director led the devotional exercise.

### President's Welcome & Opening Remarks

The Chairman, Mr. Paul Adams, President extended a warm welcome to all members and craved their participation. Special welcome was extended to the specially invited individuals, members of the Board of Director, members of the various committees, General Manager, members of the management team and all other staff members. Also recognized were retirees, contact teachers and first-time attendees.

The following persons were specially recognized by the Chairman:

- Mr. Leighton Johnson, President  
– Jamaica Teachers' Association
- Dr. Mark Nicely, Secretary General  
– Jamaica Teachers' Association
- Miss Melanie Campbell,  
Jamaica Co-operative Credit Union League
- Mr. Balvin Vanriel, Auditor – BDO
- Mrs. Barbara Gascoigne,  
Former General Manager
- Mr. Carl Bryan, Verbatim Writer

Mr. Adams reminded the membership that the business of managing people's business involved making correct and honest decisions, promoting the interest of the business served, understanding the difference between competition and rivalry, and return on investment. He added that dignity, respect and honour were the hallmark of the Credit Union.



## 4. GREETINGS

### Jamaica Co-operative Credit Union League (JCCUL)

Miss Melanie Campbell brought greetings on behalf of the JCCUL. An apology was extended on behalf of Ms. Vera Lindo.

Miss Campbell encouraged the membership to continue to save and borrow from the Credit Union and in so doing, rather than going elsewhere would build the organization. As shareholders, there was a vested interest by members to exercise power to determine the kind of financial services needed and request services for their interest. The membership was reminded that the Credit Union did not exist for profit but to improve the lives of members under the international motto of 'People Helping People.'

Miss Campbell asserted that the League would assist credit unions to upgrade the old Access Plus Debit Card to the newly improved Access Plus Debit MasterCard. The upgraded card was more secure and would be able to facilitate online purchases as well as to pay bills. Members were encouraged to visit the branches to access the new card.

Ms. Campbell stated that the League would continue to provide assistance to credit unions by providing training for all volunteers, plan retreats, market the credit union movement and continue to lobby with the Bank of Jamaica and other regulators on their behalf. Miss Campbell encouraged the membership to continue to foster a spirit of volunteerism and to create partnerships by introducing new members to sustain longevity of the Credit Union.

### Jamaica Teachers' Association (JTA)

Mr. Leighton Johnson, President of the Jamaica Teachers' Association (JTA) brought greetings on behalf of the organization.

Mr. Johnson indicated that the relationship between JTA and the Credit Union was a symbolic one. The success of the Credit Union was testament to the hard work, dedication and trust the teachers have placed in the organization by virtue of being a member. Membership with the Credit Union would not only ensure teachers have a well secured financial well-being but also contribute to the growth and sustenance of a vital institution within the JTA's ecosystem.

Mr. Johnson highlighted that the Credit Union stood as a ray of hope for members in light of the struggles of individuals to access credit and affordable financial services in this ever-changing financial landscape. He extended deep congratulations to the Credit Union for remaining buoyant and vigilant in ensuring that members would continue to enjoy products and services in alliance with their financial goals.

At this juncture, Mr. Smith paused to acknowledge the presence of representatives from the Co-operative Department.

### Obituaries

Obituaries as indicated on Page 180 of the booklet were highlighted.

Prayer for the bereaved families was offered by Mr. Lincoln James, Director.

## MINUTES OF 59TH ANNUAL GENERAL MEETING HELD ON SATURDAY, 2023 JUNE 10

Mr. Patrick Smith drew the meeting's attention to the Minutes of last Meeting held on 2023 June 10 found between pages 08 – 27 having been circulated. A motion that the Minutes be taken as read was moved by Dr. Mark Nicely of Jamaica Teachers' Association and seconded by Beverley Gustaf, Kingston Technical High School. All were in agreement hence the motion was carried.

The Minutes were amended as follows:

- Page 10, fourth name from bottom, Miss Karen Pusey to read...Mrs. Kadian Pusey
- Page 11, first paragraph, third line, "Joycelyn Gordon Brown" to read... "Joycelin Gordon-Brown of Old Harbour Early Childhood Institution."
- Page 12, third paragraph – Cost Efficiency, third line to read...One Million Eight Hundred and Fifty-One Thousand Dollars (\$1,851,000).
- Page 14, right hand column, first paragraph, third line to read...December 31, 2022

Following the amendments, the Minutes were then

confirmed on a motion moved by Ms. Lavern Johnson of Davis Primary School and seconded by Jamoy Longley of North Street Basic School. All were in agreement hence the motion was carried.

## MATTERS ARISING

### New Product Launch

Mr. Eaton McNamee of Broadleaf Primary and Infant School queried whether the new products introduced by Mr. Ramsay would still be rolled out. He stated that at the last AGM Mr. Ramsay, the General Manager, indicated that one of the new products was on the verge of being rolled out; however, no product roll out occurred. Mr. Smith advised that the matter would be addressed in subsequent reports.

### Resolution

Ms. Petal Thompson queried whether the nomenclature JTA would still be used since the membership bond had been extended to include both private and public sector teachers, and also whether the membership would be provided with information regarding the returns on teachers' investments and the benefits made to members having expanded the membership bond.

Mr. Adams advised that a name change was not a part of any strategic development or thought of the Board. An example of the fact that KFC has included a fish meal in their product offerings was





shared to underscore the issue. With regards to the query regarding returns on investments and benefits, Mr. Adams stated that similar conversations were held last year and at which time it was explained that a period of time would be required for new recruits to access loans and interest to be repaid in order for finances to grow substantially enough to disturb interest in a quantum. He gave assurance that an increase in membership usually indicates increased loan take-up, increased interest on returns and increases in overall operations.

Ms. P. James requested information on increased membership and the levels of investment realized since opening the bond. Mr. Ramsay advised that since opening the bond recruiting rate has doubled. He explained that in 2023 new recruits was recorded at 3.5% to 4%; however, since the bond was opened the rate increased to 6%.

Mr. Jonoy Longley from North Street Basic School queried whether there were special benefits for JTA members. Mr. Smith advised that based on the criteria for membership of the JTA Credit Union, all members would be treated equally.

Dr. Patience Alonge of Northern Caribbean University raised for discussion, a matter that she raised at the last AGM, but which was however from the Minutes. Dr. Alonge stated that she had expressed concern at the alarming reports of scamming and queried the Credit Union's plan of action to ensure that adequate cash was available to members who were not inclined to go cashless in light of the global developments. Concern was also expressed in light of the number of members who were senior citizens. Mr. Smith suggested that the matter be raised under Item 11 since it was reportedly omitted from the Minutes.

Marketing and Public Relations

Ms. Jennifer Hewitt, retired teacher of Oracabessa Primary stated that she had not received any notifications or information on developments within the Credit Union. She further stated that she had to explore varying methods to get updates. She added that the last statement received was in 2014 and she has never seen the newsletter mentioned by Mr. Ramsay.

Mr. Ramsay advised that the Credit Union has in place an email listing utilized to send quarterly member balances, statements, as well as a newsletter produced by the Marketing Department. Ms. Hewitt was assured that she would receive personalized treatment in the form of obtaining the requisite details for her to receive regular updates. Mrs. Lisa Taylor encouraged members to visit the information booth set up on the outside to have information on the system updated. An email address, [specialservices@jtacreditunion.com](mailto:specialservices@jtacreditunion.com) to provide updated information was also shared with members.

Ms. Neisha Reid offered support to Mr. Ramsay and Mrs. Taylor by indicating that she had received both emails and text messages quite regularly. The information was well received and acknowledged by a round of applause.

No other matter was raised for discussion.

STATUTORY REPORTS

Board of Directors

The President highlighted significant achievements made in key performance areas such as assets which surpassed the nineteen-billion-dollar mark, ending the year at \$19.87B. Total loans grew by over one billion dollars during the year to close out at \$14.37B. Total deposits climbed over the fifteen-billion-dollar mark and stood at \$15.38B. Membership growth surpassed the annual target for the first time in recent years with an increase of 3.7% at the end of 2023.

The President stated that despite achievements in 2023, the Credit Union faced many challenges such as labour migration, implementation of the Data Protection and Privacy Act of 2020 and cyber security measures to minimize unauthorized electronic access to customer's accounts.

Review of Performance

Membership Growth – The Credit Union achieved growth in membership at 3.7% thus surpassed the internal target of 3%. A diagram which showed membership growth over

four years (2020-2023) was shared. At the end of 2023 the total membership was 32,164 members.

Loan Growth – Loans increased by 9.17% in 2023 carrying the portfolio to \$14.37B which represented a total of \$1.19B in growth. Despite the growth, the average interest rate continued to trend downwards.

Savings Growth – The savings portfolio grew by 7.28% in 2023 to a total of \$15.385B which represented addition of \$1.04B in savings to the portfolio. Voluntary shares continue to drive savings growth which accounted for 62% of the growth achieved.

Asset Growth – Assets grew at a steady upward pace for the past four years. Total assets grew by 7.28% to realize \$19.88B in 2023. The loan to asset ratio increased from 71% in 2022 to 73% in 2023 which indicated higher levels of productivity within the asset portfolio.

Gross Income – Income increased by 11% over last year despite being below budget of 6%. Interest on loans continued to be the number one income earner which accounted for 79.2% of gross income.

Member Satisfaction – The primary focus for member service strategies was standardization of service quality across the organization. During 2023 a survey was done using a sample of members who visited from all the locations to get an idea of how members perceived the service quality.

The results showed that 91% of all members surveyed had a positive opinion of the services delivered. Fifty-four (54%) percent of members rated the service as 'Excellent', 27% as 'Very Good' and a further 10% as 'Good'. A 'Fair' to 'Unsatisfactory rating' was given by 9%.

Performance of the Credit Union Movement

At the end of 2023, there were twenty-five (25) credit unions which served just over one million Jamaicans.

During 2023, the Credit Union enjoyed growth rates for assets, loans, and deposits. The rate of loan delinquency reduced from 6% to 5.43%. Membership growth was 2.51% and fell below the prudential mark of 5%.

JTA Credit Union's Value Proposition

The Credit Union remained committed to the co-operative mantra of 'Not for Profit but for Service.' Despite adjustments to fees and interest rates on some loans as well as manage interest payments on savings, the Credit Union still maintains a leading position within the Credit union Movement in providing value to the membership.

The cost of business conducted with the Credit Union continued to be one of the lowest in the industry. Income from fees represented 2% of gross income, well below the credit union industry average of 9%. Based on the foregoing, it was evident that members pay four

(4) times less to do business with the JTA Credit Union than the average credit union.

Risk Management and Compliance Framework

The President stated that a significant amount of human and financial resources was expended to ensure operations remained prudent and focused on reducing exposure to significant risks. As in previous years, risk identification, mitigation and elimination strategies continued to receive targeted focus in 2023.

The President was pleased to report that the Credit Union was 90% compliant with the regulations of the Data Protection Act which was legislated in 2020 and effected on December 01, 2023. The Credit Union was on course to be registered as a data controller by the end of June 2024.

Managing and mitigating risks to loan loss proved difficult as growing a number of members migrated and failed to honour their obligations. This caused a negative effect on the generation of surplus as the provisioning requirements for bad debt increased consistently throughout the year. The year ended with a loan delinquency ratio of 3.75%.

The President requested that the membership encourage migrating colleagues to leave behind a legacy of honesty and integrity.



**Human Resource Development & Administration**

Human resource capital would continue to be the greatest input in sustaining the Credit Union’s success. Talent development was facilitated through a number of internally and externally executive training initiatives in Loan Administration, Digital Marketing Tactics, Data Protection and Privacy and Retirement Planning.

**Staffing**

The President informed that the organization’s structure remained unchanged. There were ten (10) new recruits for 2023 and three (3) promotions. Mr. Dave Blackwood, former Loans Officer was promoted to the position of Loans Supervisor and Mortgage Officer following the retirement of Mrs. Vera Sharpe. There was a total of thirteen (13) separations, five (5) of whom were retirees. At the end of 2023, the staff complement was one hundred and thirteen (113). The staff assigned to each division/department was outlined on pages 164 – 176 in the booklet.

The President was proud to inform of the achievements of the Credit Union which included the Head Office, eleven (11) branches and one hundred and thirteen staff members with the best record of staff cost over cost of other operations. Special acknowledgement was made of Mr. Ramsay, Mrs. Taylor, and the entire team received by a resounding round of applause.

**Public Relations Programs**

**Better Schools...Better Jamaica Programs** – Each year schools were invited to make submissions to the Credit Union for funding towards projects that would enhance the quality of education. For 2023, Laconia High and Herbert Morrison Technical Schools received funds of \$1M and \$500,000, respectively.

**Star Teacher of the Year**

During 2023, the Star Teacher of the Year Award, first initiated in 2017, was re-introduced. The 2023 winner was Mrs. Erica Allen-Lennon of Alpha Infant School. Mrs. Allen-Lennon was formally recognized for outstanding contributions to

her school and for her passion for education. The accolade for Star Teacher of the Year was accompanied by a monetary award of \$250,000.00.

**Sponsorships**

Support continued for the various sponsorship initiatives which included the JTA Sagicor Championship to the tune of \$2,154,000, TVJ Jr. Schools Challenge Quiz, JTA Golden Torch Awards and the Gibson/McCook Relays.

**Tertiary Scholarships and Grants**

The Credit Union continued its decades-old Tertiary Scholarships and Grants. A total of \$2.4M were awarded to Eleven (11) deserving recipients. Mr. Tyrone Knight received the prestigious Desmond “DC” Gascoigne Award for Excellence of \$350,000 in value. Mrs. Carmen-Josephs received the W.A. Johnson Award of \$260,000 in value.

PEP Bursaries awarded to first year high school students also continued. Applications were opened to students whose parents were members of the Credit Union. Applications for bursaries were received from all fourteen (14) parishes. The Top Boy for 2023 was Derval Martin and the Top Girl was O-Kya Hanson.

**Corporate Governance**

The Board of Directors and the Sub-Committees played key roles in the oversight of the management and direction of the Credit Union. During the year, the Board reviewed and approved strategic plan, monitored performance monthly and ensured- that appropriate policies were in place to govern the affairs of the Credit Union and meet regulatory compliance.

The Board of Directors held a total of eighteen (18) meetings in the year 2023. The record of attendance by each member of the Board was presented.

**Conclusion**

The President encouraged stakeholders to be ambassadors for the Credit Union. He emphasized that there was a vested

responsibility for leaders to be educated on good financial management, set achievable financial goals, prepared economically to withstand any financial difficulties and to take responsibility for the management of one’s finances.

**Acknowledgement**

The President thanked the members for their loyalty, the management and staff for their diligence and faithfulness, the Board and Committee for their attention to details and painstaking support during the year, the Cooperative Network especially the Jamaica Cooperative Credit Union League, the Department of Co-operatives and Friendly Societies, CUFMC Jamaica, Jamaica Co-operative Insurance Agency, CUNA Caribbean Insurance Jamaica Limited, the National Union of Co-operatives, Ministry of Education, the Jamaica Teachers’ Association and its Allied Group, BDO, the auditors and Almighty God whose guidance, wisdom and protection steered the organization through another year.

At this point Mrs. Ena Barclay, 2nd Vice President was asked to moderate the comments/queries posed.

**Matters Arising from the Report of the Board of Directors**

Mr. Ethan McNamee of Broadleaf Primary School requested information

regarding the methodology utilized to measure member satisfaction such as sample size, age, gender, to determine who were really satisfied. He also requested information on strategies implemented by the Credit Union to locate migrated teachers who were delinquent.

Mr. Ramsay stated that a public relations firm was engaged to conduct the Member Satisfaction Survey. The firm was given access to the database and independently they proceeded by choosing the members solicited, being over a thousand. Mr. Ramsay explained that he could not provide details on the raw data however he asserted that being a teacher organization of predominantly females, there would be a high number of females solicited. He also spoke of the aging membership which was the driving factor to open the bond to allow for membership from younger teachers. He added that the process had been in existence for over three years and has realized improved results and felt encouraged that the Credit Union has met the satisfaction of a large share of the membership. In terms of delinquency, Mr. Ramsay stated that he would address the delinquency management programme in detail during his presentation.

Ms. Petal James sought clarity on information reported by the President. She stated that on one page, increased growth was reported at 3.7%

over prior year; however, on another page it was reported that internal targets was 3% and the year 2023 ended at 3.7%. She further stated that Mr. Ramsay earlier stated that growth was 6%.

Mr. Ramsay explained that he did indicate that in the previous year, as per the booklet, the rate was 3.7% and since the bond was opened and the rule ratified in 2024, Credit Union realized more than the Prudential Standard of 5% and was closer to 6%. It was noted that the information was not included in the booklet. Mr. Ramsay reminded the membership that in prior years, membership growth rate was 1%.

Simone Walter-Walsh of G.C. Foster College expressed doubt about the opening of the membership bond. She stated that while she supported the initiative, it was her opinion that JTA members should be at an advantage over other members. Mrs. Walter-Walsh also requested that the increase in membership be quantified in terms of numbers instead of percentage. Mr. Ramsay reported that for 2023 approximately 1,150 members were recruited. He added that the projection was for 1,900 new members for 2024.

Mr. Michael Brown of DCS expressed concern at the product offering by the Credit Union. He would like to know if there were plans to increase investment options to ensure members keep their funds in



the Credit Union. Mr. Brown emphasized that if rates were not competitive, members would have reasons to move funds elsewhere.

Mrs. Bartley stated that the General Manager's report would address Mr. Brown's concern. She further stated that as a long-standing member of the Credit Union who saved regularly, borrowed wisely and watched her money grow, and also member of other financial institutions or commercial banks the interest realized was 0.05%. She added that the Credit Union had surpassed the rate of 0.05%. She encouraged the membership to protect their investment especially against delinquency.

Mrs. Kayon Montaque-Coley of St. Catherine High School expressed concern regarding the absence of online options for bill payments. She also expressed concern about the interest rate on loans being 14% to 19% however the interest rate on savings was 3%.

Mrs. Lisa Taylor advised that Mr. Ramsay's presentation would address the concerns; however, the membership was advised of the various payment platforms available as well as the option on the website which members could access from anywhere in the world with the use of a credit or debit card via Visa or MasterCard. The website domain was shared [www.jtacreditunion.com](http://www.jtacreditunion.com)

Mrs. Joycelin Gordon-Brown of Old Harbour Early Childhood Institution asked whether the Credit Union could assist in expediting the pension process for members. She provided information relating to a member who was indebted to the Credit Union and was experiencing great difficulty accessing the pension funds in order to settle the debt.

Mrs. Barclay advised that the Office of the JTA was supposed to assist the member in that regard.

Miss Richards of Swallowfield Primary and Infant School asked whether consideration could be extended for the AGM to be held on a weekday to facilitate Seventh Day Adventist members.

Mr. Ramsay explained some of the challenges faced when planning the AGM. One of the

major challenges discussed was parking arrangements on a weekday. He assured Miss Richards that efforts would be made to plan for the AGM on a Friday for the following year.

**Adoption of the Report**

The motion for the adoption of the report en bloc was moved by Dr. Patience Alonge of Northern Caribbean University and seconded by Beverley Gustaff of Kingston Technical High School.

The President recognized seven (7) members who would vie for the position of JTA President and requested that they be remembered in our prayers.

**TREASURER'S REPORT**

Mr. Cyril Lebert, Treasurer invited Mr. Balvin Vanriel, Partner, BDO to provide opinion on the financial operations for the year under review.

A motion to allow for a condensed unabridged version of the report was moved by Beverley Henry-Isaacs seconded by Erika Allen-Lennon of Alpha Infant School.

**Independent Auditors' Report**

Mr. Vanriel informed the meeting that the audited financial report was included in the Annual Report booklet on pages 55 to 145. The Report comprised of financial position as at December 31, 2023, statements of surplus or deficit and other comprehensive income, changes in equity, cash flows for the year ended 2023, notes comprising significant accounting policies and other explanatory information.

Mr. Vanriel stated that the financial statements reflected a true and fair view of the financial position of the Credit Union as at December 31, 2023, and of its financial performance and cash flows for the year ended in accordance with International Financial Reporting Standards (IFRS) and the Co-operative Societies Act.

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

Mr. Vanreil stated that they had obtained all information and explanation which, to the best of his knowledge, were necessary for the

purpose of the audit.

Mr. Vanreil opined that from examination of the records proper accounting records had been maintained, the financial statements, in agreement therewith, were correct, duly vouched and in accordance with the provisions of the Co-operative Societies Act. The report was dated April 02, 2023, and signed by BDO, Chartered Accountants, Jamaica.

Mr. Lebert extended commendation to Mr. Vanreil at the end of his presentation.

Mr. Lebert then presented his report for the year ended December 31, 2023. He highlighted that despite the economic climate in the country, the Credit Union continued to provide a wide range of loan and savings products to the membership. The prudent management of resources resulted in a very impressive performance.

**FINANCIAL PERFORMANCE**

At the end of the period under review, net loans increased by \$1.2B, or 9.0% when compared to an 8.0% growth, \$0.98B in 2022. The largest growth was in the very competitive auto loan which saw the portfolio increased by 87%. Investments recorded a small reduction of 1.1% based on loan disbursement requirements.

Total Savings increased by over \$1.0B, 7.3% to close the year at \$15.4B versus \$14B in 2022. Voluntary Shares grew by \$647M to close at \$8.3B

versus \$7.7B in 2022. Members' Deposits increased by \$398M, 6.0% to over \$7B versus \$7.7B in 2022.

Interest income for the review period was \$2.0B, an increase of \$209.0M or 11.8% over 2022. Loan interest totalled \$1.7B for 2023, a \$84.3M or 5.3% increase. Loan rates and terms were kept attractive and there were several promotional drives throughout the year.

Mr. Lebert was pleased to report net surplus of \$203.7M, a growth of 254.3% when compared to \$57.5M recorded in 2022. Total assets increased by \$1.35B or 7.3% to \$20B. Mr. Lebert shared, in context, that there was only one credit union in the \$20B category and that organization had over 200,000 members when compared to the JTA Credit Union membership of a little over 30,000. Commendation was extended to the membership, the hardworking staff, Board and Committees. The information was acknowledged by a resounding round of applause.

**Expenses**

Operating expenses increased by \$116.4M, 10.9% above 2022 to \$1.2B. It was explained that the additional expenditure was utilised to facilitate initiatives such as technological upgrades and members' appreciation. An additional \$193.7M to institutional capital was set aside from surplus for 2023. Capital reserves of \$2.9B, 15% of assets was maintained.

**Delinquency**

Delinquency was closely managed throughout the year. A particular challenge remained the migration of teacher holding loans. In some instances, the Credit Union received no notification or arrangement to continue servicing the loans. At the end of 2023, delinquent loans totalled \$550.2M, 3.75% of the portfolio.

Provision for expected credit losses (ECL) required by IFRS 9, at the end of the review period stood at \$248M.

**Prudential Standards**

The Credit Union's performance, measured by PEARLS international Prudential Standards was highlighted by a detailed table presented.

Based on the results, the Credit Union would continue to meet key standards, the primary indication of financial security, maintained the required provision against potential credit losses, utilized assets productively and managed expenses prudently while maintaining optimal liquidity and capital adequacy.

Mr. Lebert highlighted that there was one key standard that had not been adequately met, which was membership. However, due to the action at the last AGM to increase the bond, the Credit Union was in a position to overcome the problem. As indicated in the statutory report as at April 2024, 6% growth was realized.

**Conclusion**

The Credit Union's performance in 2023 was testament of the



Credit Union’s strength and resilience of the organization, underpinned by the loyalty of its members, as it rebounded from a less robust year of 2022. Going forward, the Credit Union would continue to grow and strengthen amid economic, financial and regulatory challenges.

**Acknowledgements**

Mr. Lebert expressed his commitment to serve in the capacity of Treasurer. He commended the management and staff for the hard work and dedication, the Board and Committees, auditors BDO, Jamaica Co-operative Credit Union League, Department of Co-operatives and Friendly Societies and the valued and loyal members for their continued support. He asked for God’s continued blessings on the organization.

**Matters Arising from the Treasurer and Auditor’s reports:**

There were no matters raised for discussion.

**Adoption of the Auditors & Treasurer’s Report**

A motion for the adoption of the report was moved by Mrs. Loraine Judith Hendricks-Graham, retired teacher and seconded by Mrs. Georgia Green of St. James High School. All were in favour.

**DECLARATION OF INTEREST, DIVIDEND AND FIXING MAXIMUM LIABILITY**

Mr. Lebert advised that the Board of Directors had made the following recommendations:

**Interest**

That an interest of 3% be paid on voluntary shares amounting to \$241M.

**Dividend**

That a Dividend of 7% be paid on Permanent Shares amounting to \$6.4M.

**Fixing of Maximum Liability**

That the Jamaica Teachers’ Association Co-

operative Credit Union Limited be allowed a maximum liability of ten (10) times the equity, hence maximum liability would be set at \$40B for 2024.

**Comments/Queries:**

There were no matters raised for discussion.

A motion by Mr. Cyril Lebert for declaration of interest, dividend and fixing maximum liability was seconded by Dr. Patience Alonge of Northern Caribbean University. All were in favour.

The President advised of the responsible individuals in the different regions who would assist retired teachers on behalf of the JTA to expedite the process of pension payments; they were: Ms. Petal Thompson (Southeast Region), Mr. Devon Meeks (Northeast Region), Mrs. Georgia Waugh-Richards (Central Region), Mr. Norman Allen (Western Region).

**REPORT OF THE CREDIT COMMITTEE**

Mrs. Anne Geddes-Spence, Chairman of the Credit Committee presented the report for year ended December 31, 2023. The members of the Committee were introduced and presence acknowledged. The Committee paid homage to the late Christopher Montrose Sinclair, former member of the Committee who transitioned on November 5, 2023. Reflections on his life, work, and service to the teaching profession and the JTA Credit Union was noted on page 179 in the booklet. Condolences were extended to his family.

The roles and responsibilities of the Committee were highlighted.

A report on the attendance record of each committee member at regular and ad hoc meetings during the period was presented.

**Loan Disbursement and Portfolio Growth**

During the period of review, a total of \$4.94B in loans were disbursed, an increase of 7.9% over the corresponding year when \$4.165B were disbursed. The loan portfolio grew by 9% as at December 31, 2023, to \$14.36B, net of provision.

**Loan Portfolio Composition and Concentration**

As at December 31, 2023, loan portfolio composition stood at 34% in unsecured loans and 66% in secured loans. It was noted that of the loans approved during the year, 25% were for motor vehicle loans, 25% for home improvement loans, 24% for general loans, 16% for debt consolidation and 10% for education loans.

**Loan Review and Analysis**

The Committee reviewed one hundred and seventy-six (176) loan applications that fell outside the approval threshold for management. Of the amount one hundred and twenty-four (124) were requests for loan approvals while fifty-two (52) were for rescheduling of loan repayment.

The majority of requests, a total of forty (40) for rescheduling, were from retired members awaiting gratuity and pension benefits. The remaining requests, a total of twelve (12) were from members faced with extenuating circumstances which resulted from unemployment, displacement, or ill-health.

When compared to 2022, one hundred and seventy-six (176) loans were processed in 2023 against one hundred and fifty-nine (159) in 2022, an increase of 11%. No waivers were received or granted during the year. Loans rescheduled were slightly higher than in 2022 where the number increased

from forty-six (46) to fifty-two (52). Loans recommended to the Board for ratification decreased by 22.5% from a total of forty (40) in 2022 to thirty-one (31) in 2023. No loan was deferred during the year. Loans refused remained at an infinitesimal 0.5%. No spot checks were conducted.

**Conclusion**

Mrs. Geddes-Spence expressed profound gratitude on behalf of the Credit Committee for being able to serve the varied needs of the membership, even in a generally very unstable financial environment. She extended thanks to the management and staff of the Credit Union for the support provided in the process of executing their responsibilities. Thanks to the membership for the continued subscription to the Credit Union of choice.

Special thanks to the Almighty for bestowing on the team the time, talent and the opportunity to serve the institution and colleagues.

**Matters Arising from the Report of the Credit Committee**

Mrs. D. Allen-Rainford queried the reason the one (1) loan was refused. The Chairman advised that on a point of confidentiality the reason could not be divulged.

**Adoption of the Report**

A motion for the Adoption of the Report en bloc was moved by Mrs. Beverley Henry-Isaacs

and seconded by Michelle Hanson of Trinityville Primary School. All were in favour.

**REPORT OF THE SUPERVISORY COMMITTEE**

Mrs. Mary Dick presented the report of the Supervisory Committee. The meeting was informed that the Committee comprised of seven (7) members with its main objective to audit the Credit Union’s operations for and on behalf of the members to ensure compliance with established standards, and in so doing worked closely with the Board and Credit Committee, reviewed the minutes of meetings to note decisions taken, liaised with the Credit Union’s external auditors, and dealt with member complaints as well as other responsibilities which were detailed.

Three (3) members of the Committee were elected to serve on sub-committees; namely: Mr. Rudolph Sewell – Policy Committee, Mrs. Dawn Steele – Promotion and Education Committee, and Mr. Clayton Hall – Delinquency Committee.

The Committee had eleven (11) regular monthly meetings, attended Joint Board and Committee meetings, participated in specially convened Board Meetings to review loan applications recommended to the Board of



Directors and attended monthly work sessions at the Head Office. The record of attendance by the Committee was presented and highlighted.

Mrs. Dick reported that the Committee changed one member. Mr. Rudolph Sewell served to November 2023 and Miss Givans joined the team. Mr. Sewell was commended for his service to the Committee.

Mrs. Dick reported that during the year, the Committee randomly selected one thousand, nine hundred and thirty-eight (1,938) transaction files for examination at the Head Office and branch offices which included regular loans, loans within shares and withdrawals. In addition, other files examined were access cards records, branch operations, furniture and fixtures, insurance of fixed assets, maintenance and repairs, payables, members, volunteers, minutes of board meetings, and policies. Files were examined to ensure that the process was in accordance with established standards, and check on inventories to ensure assets were safeguarded and that the systems and policies were adhered to.

During the review period, ten (10) of the eleven (11) branches were visited and during the process the operations and physical conditions of the offices were observed, inventories were checked, files examined, and systems and policies checked for compliance. It was reported that at all the branches visited, customers were satisfied with services received and found the aesthetics of the branch to be pleasant.

Of the ten branches visited, a total of two hundred and fifty-eight (258) Loan Applications and Withdrawal Files were reviewed. Of the loan applications, one hundred and eighty-three (183) were regular loans while forty-two (42) were within shares. The withdrawal files examined showed twenty-six (26) from dividends, five (5) from shares and two (2) from deposits. The files examined at all branches were found to be in good order.

It was reported that members of the Committee participated in training in the Proceeds of Crime Act (POCA), Anti-Money Laundering as well as the Data Protection Act.

Accounting records were examined regularly by the committee to ensure loans were properly secured and applications correctly completed. It was observed that the interest rates were applied and calculations computed according to established principles in most cases. Monthly payrolls were also examined, and deductions were made from staff salaries and the funds paid over to the relevant institutions.

Monthly Internal Audit reports were submitted to the committee throughout the year. The findings as well as recommendations for improvements to procedures were perused by the committee. Management and other personnel were invited to clarify issues in the reports if required. During the year, the Internal Audit examined thirty-five (35) key risk areas to include: ABM Operations and Reconciliation, access card records, accounts for deceased members, accounts payables, among others. Where necessary, recommendations were made for the improvement of procedures which would strengthen controls and reduce exposure to risk.

The Credit Committee would continue to meet weekly to approve loans and to ensure that loans were granted in accordance with the organization's loan policies and guidelines of the regulators.

Mrs. Dick on behalf of the committee extended special commendation to the board of directors, management, and staff of the Credit Union on its valiant efforts to maintain efficiency in the operations and systems despite the challenges experienced during the year.

The Committee bid farewell to Mrs. Audrey Fong who served as Internal Auditor up to July 2022 and wished for her a peaceful retirement. The Committee also welcomed Miss Phiona Martin who assumed duties as Internal Audit Supervisor. A note of gratitude was extended to the membership for the trust and confidence placed in the stewardship of the team. The team would continue to work assiduously to positively impact the lives of members.

**Comments/Queries:**

Beverley Gustaff of Kingston Technical High School queried about the six photos representing members of the Supervisory Committee although in the presentation it was reported that there were seven members. She sought clarity on the reasoning behind the missing photo.

Mrs. Dick explained that Mr. Sewell, a former member of the Committee was elected to serve on the Board. Miss Givans was selected to the Committee in the first quarter of 2023. At the time the booklet was prepared, she was not yet selected to serve hence the reason her photograph was not included in the booklet.

**Adoption of the Report**

The Adoption of the report of the Supervisory Committee en bloc was moved by Mrs. Pauline Stephenson, Retired and seconded by Mr. Lloyd Wilson, Retired.

**GENERAL  
MANAGER'S  
PROGRESS  
REPORT**

Mr. Ramsay began his presentation with words from a famous quote attributed to Nelson Mandela, "It always seems impossible until it is done."

Mr. Ramsay provided insights on the year in review which was indeed a watershed year for the Credit Union, and

which posed obstacles which seemed unsurmountable. The Credit Union embarked on an expansion initiative to assure members of the level of financial stability and success they deserve. The expansion allowed for everyone employed in the education sector to access membership with the Credit Union, thus providing a mandate to market products and services far and wide within the sector. As at February 24, 2023, the Credit Union's assets grew to \$20,042M, Loans to \$14,610M and Savings to \$15,544M. Membership stood at 32,496.

Mr. Ramsay proudly shared some significant achievements of the JTA Credit Union. He stated that the Credit Union was the only credit union, without a merger, which has surpassed the \$20 billion mark, and the second largest credit union in terms of assets. He added that in two months membership grew by three hundred and sixty (360) members. The information was received by a resounding round of applause.

Mr. Ramsay stated that in 2024, the Credit Union would mark sixty-five (65) years of existence. There would be renewed focus for rebranding and repositioning for greater organizational growth. The main objectives would be the implementation of a new loan origination system, digitization of members' transaction records, and completion of the new head office and branch facility.

**Banking Operations**

Mr. Ramsay stated that banking operations was the heart of products and services delivery activities. The main objectives of the banking operations department for 2024 would be to increase business generating capacity at all locations, implementation of the digital loan origination process, improve procedural and regulatory compliance in operations and delinquency management.

With regards to delinquency, Mr. Ramsay advised that the delinquency rate rose to as high as 4.15% or \$601M. The increase in delinquent loans and the relatively high bad debt provisions remained the greatest risk to the Credit Union's viability. A number of strategies would be introduced to protect the Credit Union's asset as follows:

1. Increased documentation of all email addresses and current contact information for all members.
2. Follow up members fourteen (14) days or more past due to detect delinquency at the earliest point.
3. Visit to schools and other institutions to ensure salary deduction agreement was enforced.
4. Timely charge-off of non-performing loans

Mr. Ramsay shared that delinquency was very hard to manage and spent quite a long time to share the various challenges team members



faced in the process. Mr. Ramsay made an appeal to members that if they were aware of someone who had migrated and had received a personal loan, which no longer required guarantor, to contact the delinquency team to assist the Credit Union to keep delinquency under control and prevent crippling the organization.

Mr. Ramsay shared the various channels offered by the Credit Union for members to remit payment and to maintain their accounts from anywhere in the world:

1. The website through credit card
2. Remittance agencies – Xoom via JMMB, RIA via VMBS
3. Wire Transfer
4. Bank Transfer and Bill Payment via NCB and BNS
5. Standing Orders

**Marketing and Public Relations**

Mr. Ramsay highlighted the suite of products and services offered by the Credit Union. He stated that two other savings-type products were explored of which one was expected to be rolled out but was pulled back due to the impracticality of it. The Golden Harvest savings product and its uniqueness was explained in more details.

Mr. Ramsay stated that the Credit Union would continue to support several school initiatives across the island, bursaries, scholarships, and grants. The Credit Union would continue those initiatives as well as implement new ones. A priority initiative would be to increase school visits. There would be a new avenue on the website for members to book visits to their school. Members were encouraged to utilise the available channel for the Credit Union to recruit new members and get updated information.

The Credit Union would be updating the website to allow members to conduct some business processes and to provide financial counselling

services. Branch offices would be redesigned to reflect a more modern and uniformed presentation of the organization. A new logo would also be developed for a stronger identity. The Credit Union would also be hosting education seminars to enhance awareness about the organization, its purpose, benefits and product offerings to the membership.

**Risk and Compliance**

Mr. Ramsay informed that the JTA Credit Union was one of the forefront organizations registered to ensure full compliance with the Data Protection Act. As required by law, a Data Protection Officer was identified and engaged by the organization.

Before the enactment of the Data Protection Act in 2023, a company-wide sensitization blitz which resulted in both management and staff being aware of ways they could protect the data of members and the implications of what failure in that regard.

The Risk and Compliance Unit would continue to monitor transactions to identify inconsistencies. All types of fraud, money laundering and other suspicious transactions would be closely monitored to ensure a secure and compliant business environment.

**Information Technology**

Mr. Ramsay stated that the Credit Union would undertake a third-party integration with the current banking system. The integration would allow for greater efficiencies, increased access to members and timely dissemination of information. The online facility would be expanded, e-commerce capabilities strengthened, and special services email channels would be enhanced to allow members to access the services of the Credit Union remotely.

**Human Resources Development & Administration**

Mr. Ramsay placed much emphasis on human resource management and its importance in

the organization. He stated that training and development would be the main focus throughout 2023. Specific months of the year would be identified and marked for developmental training.

**Organizational Review:** This review would ensure that the Credit Union’s mission, vision, and strategic goals were aligned with day-to-day operations and decision-making process. This would also ensure that an optimal organizational structure was in place. Staff members would be increased in the Delinquency and Card Management Units.

**New Head Office Location:** The JTA Co-operative Credit Union was in the process of completing a new head office location at 107 Constant Spring Road, Kingston. The initiative began in 2023 and would be completed in 2024. Other branches, May Pen, existing head office and Linstead, would also be improved during 2024.

**Staff Movements**

During 2023, the Credit Union saw an unprecedented wave of staff movements. Nine (9) staff members departed due to resignation and seven (7) members were welcomed to the organization.

**Retirement**

The organization bade farewell to four (4) team members due to retirement who together served for one hundred and fifty (150) years. The individuals were Audrey Fung, Audit Supervisor; Andrea Grant-

Brown, Branch Supervisor; Nadine Blackwood, Loans Officer; and Vera Sharpe, Supervisor, Loans Mortgage Officer.

Mr. Ramsay extended commendation to the ladies for loyalty and commitment.

**Annual Branch and Staff Awards**

Team members were recognized for their hard work and dedication, a key ingredient to the success of the Credit Union. At the Annual Staff Awards, Miss Nova Swaby, Supervisor of the Mandeville Branch won the Employee of the Year Award. The Port Maria Branch was named Branch of the Year and Ms. Angella Hartley, Salesperson of the Year. The Leadership Cup Winner of the Year was awarded to Mrs. Denise Walker. The awardees were acknowledged by a resounding round of applause.

**Gratitude and Appreciation**

Mr. Ramsay expressed thanks to the management team and the general staff complement for their sterling commitment and passion for excellence for the success of the Credit Union. Heartfelt gratitude to the members for the trust, loyalty and confidence placed in the organization. He extended special thanks to the various school communities who facilitated members of the team in whatever way possible. Sincere appreciation to the faithful volunteers, (directors and members of committees) for their contribution to the success of the organization over the years. Special thanks

to the Jamaica Cooperative Credit Union League, school administrators, Ministries of Finance and Education, and the Jamaica Teachers Association.

Thanks to the Almighty God who continued to be faithful in providing wisdom, guidance and direction.

**Matters Arising from the General Manager’s Progress Report**

Ms. J. Hewitt, retired teacher of Oracabessa Primary School stated that she returned to Trelawny, her hometown; however, the absence of a branch in the parish has caused much inconvenience for her. She suggested that the Credit Union introduce a mobile team to visit particular locations at least once monthly to facilitate members like herself. Mr. Ramsay acknowledged the presence of Mr. Mark Thomas, Regional Officer and stated that he had been lobbying for the facility. He added that the matter has been under review by the Credit Union.

Ms. J. Hewitt voiced concerns about funds deducted from her salary and paid over to the Credit Union but not applied to her loan account, which caused embarrassment and distress having to deal with the actions meted out by the Credit Department. Ms. Hewitt stated that the matter was addressed after being very forthright and expressive at the Branch. She asked that the Credit Union be more vigilant to prevent such occurrences.



Ms. Mitchell of Swallowfield Primary and Infant School queried whether the system was adjusted to remove the section on the platform which would allow for the name of a family member or guarantor to be added. Ms. Mitchell suggested that the section be restored. Mr. Ramsay confirmed that the section had been restored on the website. He explained that members who had poor loan history would be required to provide a guarantor. He added that the Credit Union has lifted the guarantor requirements and it would only apply whenever necessary.

Mrs. Carlene Chambers-Squire of Angels Primary School asked whether there was a timeline on when members would realize reduction in interest rates on loan. Mr. Ramsay used the opportunity to explain the complexity of the loan operations and the efforts of the Credit Union to find middle ground. He highlighted that reduced rates on loans would also imply reduced rates on savings. Mr. Ramsay stated that the JTA Credit Union was one of the credit unions that only charge enough interest rates to meet set objectives and keep capital strong for future continuity. Mr. Ramsay indicated that if the rates on saving were to be increased to as high as six percent, the core operational functions such as marketing, etc. would be impacted. He added that the Credit Union could not guarantee the lowest loan rates but would never be the highest.

Mr. Eaton McNamee mentioned that there were other institutions that offer better rates than the JTA Credit Union. He reiterated that the Credit Union was owned by members; however, ownership has resulted in a state of discontent for members. Mr. Ramsay emphasized his earlier comments that the Credit Union could not guarantee that its loan rates in all instances will be the lowest rate. He asked whether other credit unions also offered the best savings rate. Mrs. Lisa Taylor used the opportunity to share testimonial of investigative mortgage process with a commercial bank as a bona fide client. She advised members that despite being offered lower interest rates, there were hidden fees that would impact loan rates in the long term. Mrs. Taylor was commended for the testimonial.

# REPORT OF THE NOMINATING COMMITTEE

Mr. Lebert Drysdale, Chairman, presented the report of the Nominating Committee. The members of the Committee were introduced.

A warm welcome was extended to all. The responsibilities and objectives of the Committee were clearly outlined.

Mr. Drysdale reported as follows:

The Committee nominated the following persons to serve for three (3) years:

Dr. Margaret Bailey  
Region 1 (Kingston, St. Andrew, St. Catherine)

Mr. Rudolph Sewell  
At Large

Mr. Patrick Smith  
Region 5 (St. Elizabeth, Manchester, Clarendon)

Mr. Paul Adams  
Region 5 (St. Elizabeth, Manchester, Clarendon)

Mrs. Karen Hewett-Kennedy  
At large

## Credit Committee

Members nominated to serve for two (2) years were:

Mrs. Lena Russell  
Mr. Leاون Nash  
Miss Debbie Meek

## Supervisory Committee

Members nominated to serve for one (1) year were:

Mrs. Mary Dick  
Ms. Dawn Steele  
Mr. Aston Messam  
Ms. Glecia Beckford  
Mr. Clayton Hall  
Ms. Tina Reid  
Ms. Andria Givans

Mr. Drysdale presented the profiles of nominees:

Mr. Rudolph Sewell, Ms. Andria Givans and Ms. Debbie A. M. Meek. The profiles were included in the booklet on pages 162-163.

## Volunteers Retiring in the Year 2025

Volunteers who would be retiring were as follows:

### Board of Directors

Mr. Cyril Lebert  
At Large

Mr. Ray Howell  
At Large

Mr. Huit Johnson  
Region 1 (Kingston, St. Andrew, St. Catherine)

Mrs. Melva Humes-Johnson  
Region 3 (St. Mary, St. Ann, Trelawny)

Mrs. Lou Ann Bramwell-Shakes  
Region 5 (St. Elizabeth, Manchester, Clarendon)

### Credit Committee

Mrs. Anne Geddes-Nelson  
Mr. Norman Allen  
Miss Debbie Meek

### Supervisory Committee

Mrs. Mary Dick  
Ms. Dawn Steele  
Ms. Glecia Beckford  
Ms Andria Givans  
Ms Tina Reid  
Mr. Clayton Hall  
Mr. Aston Messam

## Adoption of the Report

The Report was adopted on a motion by Johnette McFarlane; retiree and seconded by Julette Bryan of Seaforth High School. All were in favour.

Ms. Danisia Grant of the Department of Co-operative and Friendly Societies was invited to preside over the elections. The rules of the elections were announced.

### Board of Directors

Retiring members of the Board were Dr. Margaret Bailey, Mr. Rudolph Sewell, Mr. Patrick Smith, Mr. Paul Adams and Mrs. Karen Hewett-Kennedy.

There were no nominations from the floor.

The following members were duly elected to serve on the Board for 2024:

Dr. Margaret Bailey  
Region 1 (Kingston, St. Andrew, St. Catherine)

Mr. Rudolph Sewell  
At Large

Mr. Patrick Smith  
Region 5 (St. Elizabeth, Manchester, Clarendon)

Mr. Paul Adams  
Region 5 (St. Elizabeth, Manchester, Clarendon)

Mrs. Karen Hewitt-Kennedy  
At large

A motion to formally elect the members to the Board was moved by Ms. Lavern Johnson of Davis Primary School seconded by Verna Holmes, Vauxhall High School. All were in favour.

### Credit Committee

Members retiring were Mrs. Lena Russell, Mr. Leاون Nash and Miss Debbie Meek. It was noted that Miss Meek would serve the unexpired portion of one year of Mr. Sinclair's term. There were no nominations from the floor.

The following members were duly elected to serve:

Mrs. Lena Russell  
Mr. Leاون Nash  
Miss Debbie Meeks

A motion to formally elect the members to the Credit Committee was moved by Mrs. Joycelin Gordon-Brown seconded by Ms. Anita Rodney of Norwich Primary School. All were in favour.

### Supervisory Committee

Members nominated were Mrs. Mary Dick, Ms. Dawn Steele, Mr. Aston Messam, Ms. Glecia Beckford, Mr. Clayton Hall, Miss Tina Reid, Miss Andria Givans. Nominations were invited from the floor:

Ms. Ramona Bromfield of Port Henderson Primary School nominated Mrs. Petal Thompson-

Williams seconded by Ms. Angela Williams, Retired

Ms. Cheryl Campbell from Mona High School nominated Mr. Winston Smith seconded by Ms. Nadine Ramsay of Port Maria Primary.

Members were provided with instructions regarding the voting procedures. The names of the two (2) nominees from the floor would be added handwritten to the ballot by members thus increasing the names to nine (9) persons. There were only seven (7) vacancies therefore members were asked to tick seven (7) names. Following the voting exercise, the ballots would be counted and the seven persons with the most votes would be elected to the Supervisory Committee.

**Delegates to the League’s Annual General Meeting**

A motion to accept Delegates nominated to the League – President and Treasurer, Delegates and Alternate Delegates, named by the Board of Directors for 2024/2025 period was moved by Mrs. Judith Spencer-Jarrett and seconded by Mr. Eaton McNamee. All were in favour.

Ms. Grant advised that the Delegates and Alternate Delegates would be selected by the Board of Directors in a time of ten (10) Days.

The Chairman extended commendation to Miss Grant for presiding over the elections. He gave assurance that the proper procedures would be followed.

**RESOLUTION**

There was no resolution presented.

**ANY OTHER BUSINESS**

Mr. Brown stated that at the last AGM his wife was a recipient of a weekend for two; however, while making arrangement he was informed that the gift was for only one night and sought clarity on the issue. Mr. Brown was advised that the matter would be dealt with in-camera.

Ms. Lenane Smith-Ashman of Santa Cruz All Age School informed the meeting that her sister’s

name was omitted from the Obituary listing. Mr. Ramsay extended condolences and apologized for the error.

A member sought clarity on a suggestion made at the last AGM to forego printed Annual Reports and have them available online only in order to curtail expenses. The Chairman stated that discussions were held on the matter and it was decided that having both hard and soft copies of the Annual Reports would not damage the organization financially.

Dr. Patience Alonge of Northern Caribbean University raised concern at the number of members who transitioned in 2023. She hinted at the deaths being attributed to the Covid-19 vaccine. She added that the jobs of members were threatened if they had not taken the vaccine and asked if a pandemic should re-occur if the Credit Union would protect the membership by rejecting any such request for their benefit. Mrs. Barclay commended Dr. Alonge for her comments.

Mr. Ramsay informed the meeting of three (3) prizes available as give-a-ways. The winners were, Ticket #448 – Melita Gray Parkinson of Cross Primary School, an air fryer; Ticket #419 – Karen Wignott O’Gilvie, a television set; Ticket #549, a television set.

**CLOSURE**

The Chairman thanked the members for attending and for their participation.

The meeting was terminated at 2:35p.m.



Patrick Smith  
Secretary

**BOARD OF DIRECTORS**



**PAUL ADAMS**  
PRESIDENT  
SERVING REGION 5  
ST. ELIZABETH, MANCHESTER  
& CLARENDON



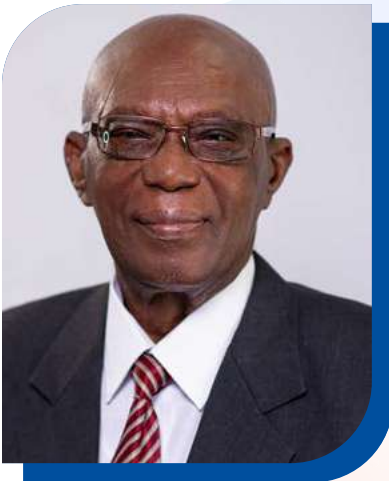
**ENA BARCLAY**  
1ST VICE PRESIDENT  
SERVING REGION 2  
PORTLAND & ST. THOMAS



**SANCIA STEWART- WILLIAMS**  
2ND VICE PRESIDENT  
SERVING REGION 4  
ST. JAMES, HANOVER &  
WESTMORELAND



# BOARD OF DIRECTORS



**CYRIL LEBERT**

TREASURER  
SERVING AT LARGE



**PATRICK SMITH**

BOARD SECRETARY  
SERVING REGION 5  
ST. ELIZABETH, MANCHESTER  
& CLARENDON



**DR. MARGARET  
BAILEY**

ASSISTANT TREASURER  
SERVING REGION 1  
KINGSTON, ST. ANDREW &  
ST. CATHERINE



**RAY HOWELL**

DIRECTOR  
SERVING AT LARGE



**LOU ANN  
BRAMWELL-SHAKES**

DIRECTOR  
SERVING REGION 5  
ST. ELIZABETH, MANCHESTER  
& CLARENDON



**LEBERT DRYSDALE**

DIRECTOR  
SERVING REGION 2  
PORTLAND & ST. THOMAS



**KAREN HEWETT-  
KENNEDY**

ASSISTANT BOARD SECRETARY  
SERVING AT LARGE



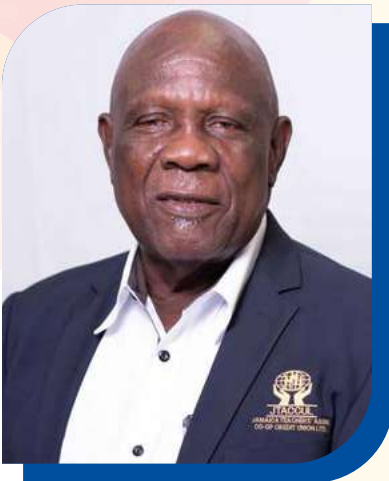
**LINCOLN JAMES**

EXECUTIVE OFFICER  
SERVING REGION 4  
ST. JAMES, HANOVER  
& WESTMORELAND



**MELVA HUMES  
JOHNSON**

EXECUTIVE OFFICER  
SERVING REGION 3  
ST. MARY, ST. ANN & TRELAWNY



**HUIT JOHNSON**

DIRECTOR  
SERVING REGION 1  
KINGSTON, ST. ANDREW  
& ST. CATHERINE



**ALFRED THOMAS**

DIRECTOR  
SERVING REGION 3  
ST. MARY, ST. ANN & TRELAWNY



**RUDOLPH SEWELL**

DIRECTOR SERVING AT LARGE

# BOARD OF DIRECTORS



# JTACCUL PRODUCTS & SERVICES

**Regular Credit Union Loans**  
• LOANS WITHIN SHARES  
• LOANS WITHIN SAVINGS

**PERSONAL LOAN**

**MORTGAGE LOAN**

**EASI LOAN**

**AUTO LOAN**

**GOLDEN HARVEST SAVING PLAN**

**CHRISTMAS SAVING CLUB**

**SPECIAL DEPOSIT**  
Investment facility bringing high yields

**PREMIUM FINANCING LOAN**

**COMPUTER PAK LOAN**

**EASI ACCESS DEPOSIT PLAN**

**ACCESS PLUS DEBIT CARD FACILITY**

**COUNSELLING SESSIONS**

**FAMILY INDEMNITY PLAN**

**FREE INSURANCE**  
PROTECTION ON LOANS AND SHARES

**H.E.L.P.**  
HOPE IN EMERGENCY LOAN PACKAGE

**12 BRANCHES ISLANDWIDE TO SERVE OUR MEMBERS**





# REPORT OF THE BOARD OF DIRECTORS

On behalf of the Board of Directors, I am pleased to present the annual report for JTA Co-operative Credit Union Ltd for the year ending December 31, 2024.

This report highlights our key accomplishments, financial performance, member engagement, and strategic initiatives. We are proud of the progress we've made, and we look forward to continued growth and success.

## Economic Trends – 2024

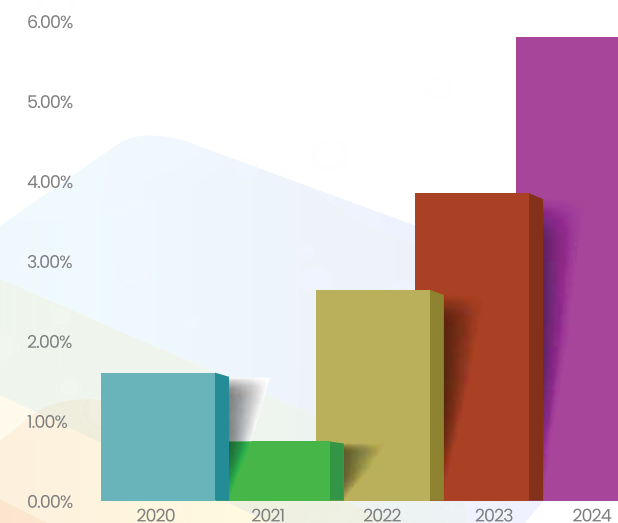
The challenges of 2024 were significant. In July, Hurricane Beryl caused approximately \$67 million in damage, severely impacting the agriculture, utilities, construction, and tourism sectors. The Credit Union was also affected, with several branches remaining closed for more than five business days.

This natural disaster contributed to a temporary rise in inflation, which reached 6.4% year-over-year in August 2024, driven primarily by increased food and utility prices.

Additionally, a major financial regulatory reform was announced. In June, Finance Minister Dr. Nigel Clarke outlined plans to adopt the 'twin peaks' model for financial sector supervision by 2026. This approach, which separates prudential regulation from conduct regulation, is expected to have a significant impact on the Credit Union once implemented.

The Bank of Jamaica kept its policy rate at 7% for most of the year. However, in the latter part of 2024, the central bank

## Membership Growth – 5 Year Trend



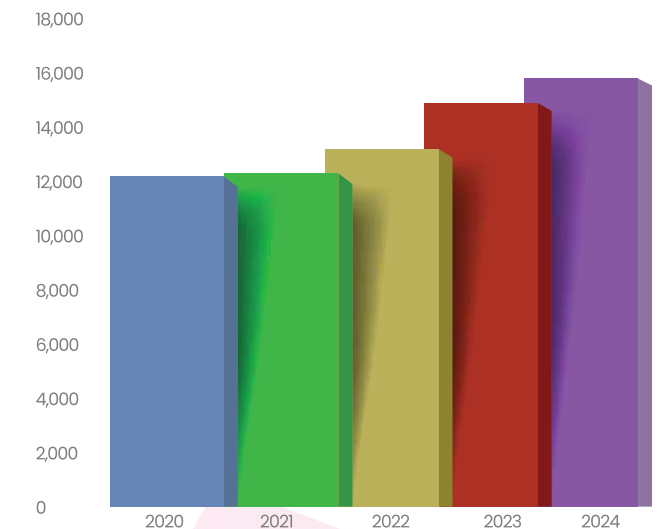
## Business Highlights

In the first quarter of this year, the Credit Union made a significant leap forward in enhancing our lending services with the implementation of our new Loan Origination Software (LOS). This innovative change is designed to streamline the lending process, making it more efficient and user-friendly for our members.

One of the key benefits of the LOS is the elimination of repetitive tasks. Previously, members had to fill out loan forms multiple times, entering the same personal information repeatedly. The new system has simplified this process, allowing members to input their data just once. This not only saves time but also reduces the potential for errors, ensuring a smoother experience from application to approval.

In May 2024, the Credit Union relocated its Portmore branch to a new, updated location. This move is part of our ongoing commitment to improving our members' service experience with us.

## Loans Growth – 5 Year Trend



The new branch features a modern design and upgraded facilities, ensuring a comfortable and welcoming environment for all our members. With more space and enhanced resources, we are better equipped to serve your needs efficiently and effectively.

Our Credit Union has had a solid year in terms of financial stability and growth. Despite the challenging economic environment, we have continued to demonstrate resilience and adaptability.

Below are some of the key financial highlights for the year:

Total Assets: \$21.5 billion, an increase of 8.28% from the previous year.

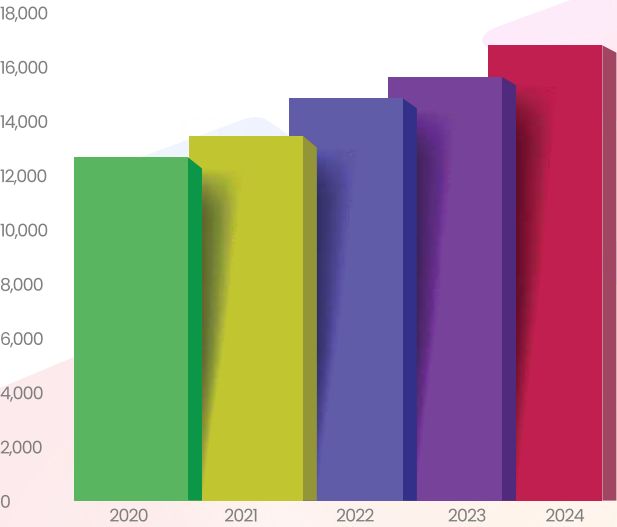
Member Loans: \$15.4 billion, a growth of 7.45% over the past year.

Member Deposits: \$16.56 billion, an increase of 7.69% from the previous year.

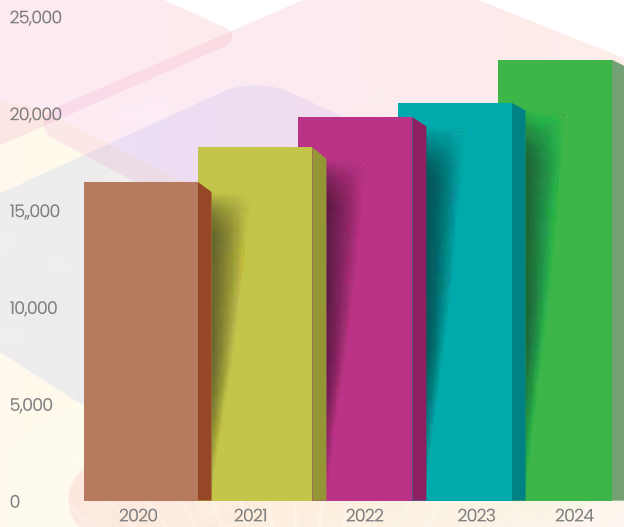
Capital Reserves: \$3.2 billion, maintained a healthy ratio of 15% to assets



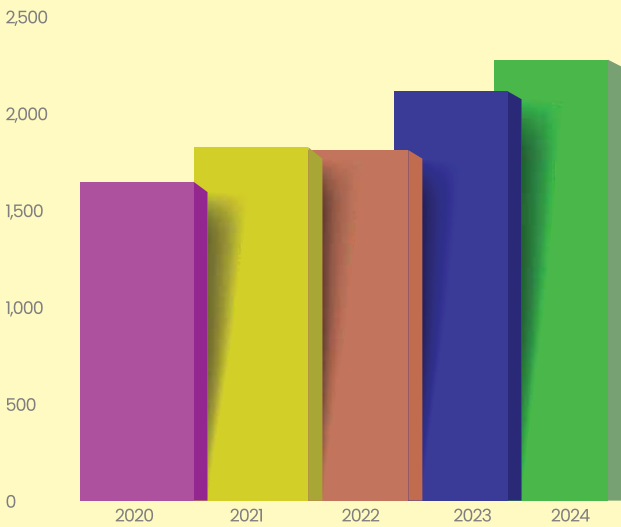
Deposit Growth – 5 Year Trend



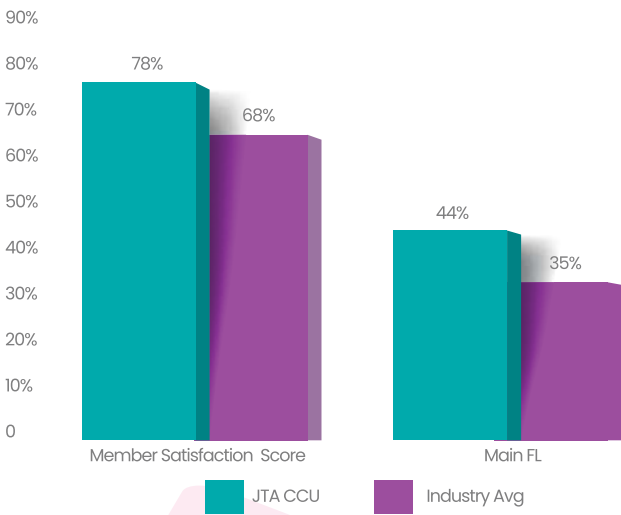
Asset Growth – 5 Year Trend



Gross Income – 5 Year Trend



Member Service



Review Of Performance

Key Indicator– Membership Growth

Membership has been steadily growing since 2022. In 2024, the Credit Union achieved its highest growth rate, closing the year at 5.7% the highest among its peers in the Credit Union Movement. This success was driven by the expansion of the membership field and an aggressive school visitation campaign.

**Loan Portfolio Growth– A Key Indicator**In 2024, the Credit Union experienced a 7.45% increase in its loan portfolio, pushing the total value beyond the \$15-billion mark. This growth equates to an impressive \$1.071 billion expansion in loan disbursements. A significant driver behind this upward trend was the continued increase in the Auto Loan portfolio, reflecting strong demand for vehicle financing among members.

However, despite the overall loan portfolio growth, the average interest rate continued to decline, posing challenges to the Credit Union’s ability to meet its targeted revenue growth. This decline in interest rates directly impacted the surplus.

Savings Growth – A Key Indicator

The Credit Union’s savings portfolio expanded by 7.69% in 2024, reaching a total of \$16.56 billion—an increase of \$1.184 billion in members’ savings. This steady growth underscores members’ confidence in the institution as a secure and reliable financial partner.

The primary driver of this increase continues to be Voluntary Shares, which accounted for 66% of the total savings growth during the year.

Asset Growth – A Key Indicator

The Credit Union has maintained a steady upward trajectory in asset growth over the past five years, demonstrating resilience and financial stability. Asset growth is a critical strategy for mitigating the adverse effects of monetary devaluation and high inflation, ensuring long-term sustainability.

In 2024, total assets surpassed the \$21-billion threshold, increasing by 8.28% to \$21.525 billion. This robust expansion reinforces the institution’s financial strength and its ability to support the growing needs of its members.

Gross Income – A Key Indicator

Gross income for the year ended December 31, 2024, was \$2.1 billion, an increase of 6% over the prior year. Loan interest income continued to be the primary source of income for the Credit Union, accounting for 85% of gross income for 2024.

Member Satisfaction – A Key Indicator

Enhancing member experience and service efficiency remained a top priority in 2024. To achieve this, the Credit Union focused on streamlining and decentralizing various processes, reducing turnaround times and improving overall operational efficiency.

A comprehensive, organization-wide Member Service Survey was conducted to assess the institution’s performance from the members’ perspective. The results revealed a 78% overall member satisfaction score for the JTA Co-op Credit Union—significantly higher than the 68% average across the broader Credit Union movement.

Additionally, 44% of respondents identified the JTA Co-operative Credit Union Ltd. as their primary financial institution, a notable achievement compared to the

35% industry average. This strong position reflects members’ trust and satisfaction, reinforcing the Credit Union’s role as a leading financial partner within the movement.

PERFORMANCE OF THE CREDIT UNION MOVEMENT

At the end of 2024, there were twenty-four (24) credit unions serving just over one million Jamaicans. Credit unions in Jamaica continue to be a viable option for high quality financial services at a lower cost.

During 2024, on average, the credit union movement saw progress in all key growth areas. Among the significant achievements was the reduction of loan delinquency from a rate of 5.43%. to 5.06%. Membership growth improved, moving from 2.51% at the end of 2023 to 3.32% at the end of 2024. As displayed in the table below, the industry’s loans, savings and assets all showed signs of robust growth.



KEY GROWTH AREAS	CU INDUSTRY AVERAGE
Membership	3.32%
Savings	10.12%
Loans	12.56%
Assets	10.69%
Delinquency	5.06%

# JTA CO-OP CREDIT UNION'S VALUE PROPOSITION

JTACCUL continued in its stridence to ensure that members get the best value for money. Despite the economic pressures on our resources, the Credit Union was still able to manage our business in a way that kept us ahead of our peers in providing value to our members.

## Value Proposition 1- High in Value, Low in Cost

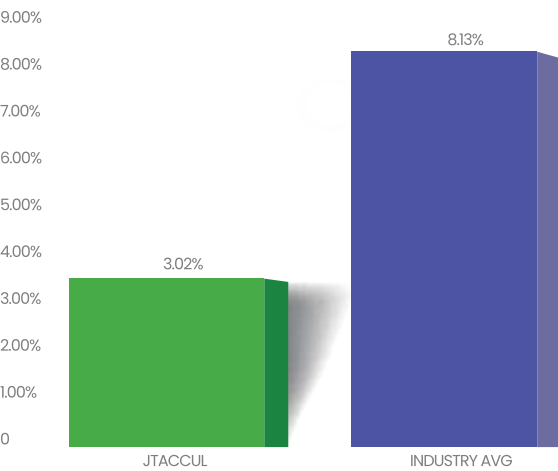
The cost of doing business with JTA Co-op Credit Union continued to be one of the lowest throughout the Credit Union

movement. Income from fees for the Credit Union represented 3.02% of gross income, well below the industry average of 8.13%. This means that members pay considerably less to do business with JTACCUL in comparison to the average Credit Union.

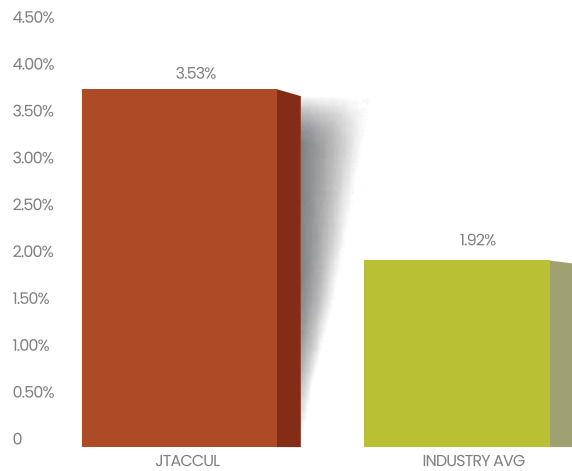
## Value Proposition 2 – Best Returns on Investment at the Lowest Risk

Members can access traditional savings and investment products with the assurance that their initial investment remains protected, even during market downturns. JTACCUL has consistently delivered above-average returns on members’ savings while safeguarding them from potential losses.

% Income derived from Fees



Average ROI



## Risk Management and Compliance

The financial industry is highly regulated, with significant risks stemming from non-compliance, bad debt, and cyber fraud. To safeguard the Credit Union from these potential threats, substantial human and financial resources were dedicated to ensuring that operations remain prudent and risk-conscious.

In 2024, risk identification, mitigation, and elimination strategies continued to be a top priority. The Credit Union strengthened its risk reporting and management framework by streamlining its risk registration and monitoring processes, enhancing its ability to proactively address emerging risks.

Additionally, the Credit Union is now fully compliant with the Data Protection Act, which took effect on December 1, 2023. This compliance underscores our commitment to safeguarding member data and adhering to evolving regulatory requirements.

## Credit Portfolio Management

Managing and mitigating risks within the credit portfolio remained a challenge in 2024, largely due to the ongoing migration of educators, which extended well into the year. This trend had a negative impact on provisioning requirements, which surged by over \$90 million within the first four months of 2024. Additionally, the delinquency ratio peaked at 4.22% of total loans during the same period.

However, through effective management strategies, the Credit Union successfully reversed this trend. By mid-year, both the delinquency rate and provisioning requirements began to decline steadily. As a result, the Credit Union closed the year with a delinquency ratio of 3.17%, well within the target range. Additionally, provisioning requirements were reduced by more than 30% year over year, reflecting improved portfolio stability and risk management efficiency.

These efforts reinforce the Credit Union’s commitment to financial prudence, ensuring resilience in an evolving economic landscape.

## Human Resource Development & Administration

The JTA Co-operative Credit Union Ltd (JTACCUL) is committed to strengthening its Human Resource Development and Administration (HRD&A) Department to better serve our members, staff, and broader organizational goals. The Credit Union’s HR strategy is designed around enhancing four main operational pillars: people, processes, technology, compliance, and infrastructure

## Human Resource

Talent development was facilitated through a number of internally and externally executed training initiatives. The areas of focus included: Loan administration which centered around the newly implemented Loan Origination Software, Managerial skills, Anti-Money Laundering Framework and Retirement planning.

Additionally, the Credit Union has initiated a comprehensive organizational review designed to assess and enhance overall efficiency, effectiveness, and strategic alignment. This review aims to evaluate existing structures and operational workflows to identify areas for improvement and ensure the institution remains agile in an evolving financial landscape.

## Staffing

The organization’s structure remained in its original form, with the General Manager, Mr. Robert Ramsay at the helm of Management. He is supported by the Assistant General Manager, Mrs. Lisa Taylor; Finance Manager, Ms. Maxine Nugent; Information Technology Manager Mr. Fabian Webb, and the HRD and Administration Manager, Mrs. Suezette Hemmings-Bryan.



There were eight (8) new recruits for 2024 and eight (8) promotions. Included in the list of promotions are:

- Melissa Marshall-Mills, promoted to the position of Branch Supervisor at the Morant Bay branch.
- Shantell Duckie-Danvers, promoted to the role of Branch Supervisor at the Port Maria branch
- Nakita Smith, promoted to the role of Delinquency Officer at the Head Office in Kingston.

There was a total of nine (9) separations, four (4) of which were due to retirement.

At the end of December 2024, the staff complement at the JTA Co-operative Credit Union was one hundred and nine (109). The staff assigned to each Division/Department is displayed at the back of the report to the Annual General Meeting.

Public Relations Programs

Better Schools...Better Jamaica

The **Better Schools...Better Jamaica** initiative was established as a meaningful way for the Credit Union to give back to educational institutions. Each year, schools are invited to submit proposals for funding to support projects that enhance the quality of education at their respective institutions.

In 2024, Roger Clarke High School and Edwin Allen High School were awarded \$1 million and \$600,000, respectively, to fund projects aimed at improving the learning environment and overall educational experience for students.

Star Teacher of the Year

The Star Teacher of the Year award was presented to Ms. Nicole Fray-Johnson of Rollington Town Primary School. Her unwavering passion for education and dedication to working with at-risk boys at her school set her apart from the other

nominees. As a token of appreciation for her outstanding contribution, Ms. Fray-Johnson received a monetary award of \$250,000 along with the prestigious Star Teacher of the Year title.

Tertiary Scholarships & Grants

In 2024, eleven (11) deserving recipients were awarded grants and scholarships totaling \$3.1 million. Among the awardees:

- Mrs. Tanisha Hibbert-Bryce received the esteemed Desmond “DC” Gascoigne Award for Excellence.
- Jamoi Crooks was honored with the W.S.A. Johnson Award, which is the second-highest scholarship after the D.C. Gascoigne Award and is named after one of the Credit Union’s founding members.

Additionally, thirty-nine (39) students were awarded PEP bursaries totaling \$1.7 million. These bursaries assist students transitioning to high school and are available exclusively to children of Credit Union members.

Major Sponsorship Engagements

Throughout the year, the Credit Union actively supported several key events, reinforcing its commitment to education and community development. The main sponsorship activities included:

- JTA Sagicor Championship
- TVJ Junior Schools’ Challenge Quiz – maintaining a strong presence as a key sponsor
- Gleaner Spelling Bee Competition
- Golden Torch Awards
- Gibson/McCook Relays

These initiatives reflect the Credit Union’s dedication to empowering educators, students, and the wider community through impactful sponsorships and outreach programs.

Corporate Governance

The Board of Directors and its sub-committees play a critical role in overseeing the management and strategic direction of the Credit Union. These sub-committees include:

- Human Resource Committee
- Policy Committee
- Finance Committee
- Asset and Liability Committee
- Delinquency Committee
- Enterprise Risk Management (ERM) Committee

Together, these committees ensure that the interests of our valued members are well represented in decision-making processes while promoting sound financial management and operational prudence within the Credit Union.

Strategic Planning & Oversight

Throughout the year, the Board of Directors remained actively engaged in guiding the Credit Union’s growth and governance. Key initiatives included:

Review and approval of the Credit Union’s five-year strategic plan, which is subject to annual review and ongoing monthly monitoring.

Ensuring that robust policies are in place to govern operations, enhance regulatory compliance, and maintain financial stability.

Board Meetings & Attendance

In 2024, a total of thirteen (13) meetings were held. The attendance record of each board member is detailed below. The Board remains committed to strong corporate governance, ensuring that the Credit Union continues to operate with integrity, transparency, and a member-focused approach.

NAMES	POSITION	POSSIBLE ATTENDANCE	ATTENDED	NUMBER EXCUSED
Mr. Paul Adams	President	13	12	1
Mrs. Ena Barclay	1st Vice President	13	11	2
Mrs. Sancia Stewart-Williams	2nd Vice President	13	12	1
Mr. Cyril Lebert	Treasurer	13	13	0
Dr. Margaret Bailey	Asst. Treasurer	13	11	2
Mr. Patrick Smith	Secretary	13	12	1
Mrs. Karen Hewett-Kennedy	Asst. Secretary	13	12	1
Mr. Lincoln James	Executive Officer	13	12	1
Mrs. Melva Humes-Johnson	Executive Officer	13	13	0
Mrs. Lou Ann Bramwell-Shakes	Member	13	12	1
Mr. Ray Howell	Member	13	12	1
Mr. Lebert Drysdale	Member	13	13	0
Huit Johnson	Member	13	12	1
Alfred Thomas	Member	13	12	1
Rudolph Sewell	Member	13	13	0



## Conclusion

As we reflect on the challenges and achievements of 2024, it is imperative that the following stakeholders be acknowledged for their contributions during the year:

1. Our members continue to support and patronize the services of the Credit Union.
2. The management and staff who worked faithfully to provide the best possible service to our members.
3. The Board and Committees for their careful attention to detail and their painstaking support during the year under review.
4. The Co-operative network of which we are a part, especially the Jamaica Co-operative Credit Union League, the Department of Co-operatives and Friendly Societies, CUFMC Jamaica, Jamaica Cooperative Insurance Agency, CUNA Caribbean Insurance Jamaica Ltd and the National Union of Co-operative Societies.
5. The Ministry of Education.
6. Jamaica Teachers' Association and its Allied group.
7. BDO, our auditors.

Finally, thanks to Almighty God whose guidance, wisdom and protection steered us through yet another year.

For and behalf of the Board of Directors



Paul P. Adams (Mr.)  
President



Here are your  
**RETIREMENT  
REWARDS:**

**EARN 0.75%**  
an added  
on your investments and secure  
your golden years!



# THE YEAR AT A GLANCE



Our Offices in the Portmore Region got an upgrade in 2024, when we moved to bigger better offices, a welcomed change for our members.



Watching our Star Teacher Nicole Fray-Johnson in action



Our members enjoy spending time with us on Credit Union Day



Creating change and waves on Labour Day, 2024.



Congratulations to Nicole Fray-Johnson our Star Teacher of the Year, 2024. She receives her trophy from the President of the Board of Directors Paul Adams .



Star Teacher of the Year Nicole Fray-Johnson shares lens time with runners-up Duval Ebanks and Annakaye Terrelonge-Nelson



For over two decades the JTA Co-op Credit Union has been giving its support to the JTA/Sagicor Junior Athletics Championship.



Celebrating our Teachers on their special day, Teachers' Day 2024



First-place winners in the 2024 Better Schools...Better Jamaica programme Roger Clarke High School recieves their cash prize from the Credit Union's General Manager and Board Treasurer.



Second-place winners in the Better Schools...Better Jamaica programme Edwin Allen High receiving the cash prize from the Credit Union's General Manager.



The 2024 DC Gascoigne Awardee Tanisha Hibbert-Bryce receives her trophy from the widow of the late Desmond Gascoigne.



The JTA Credit Union playing its part in the fight against breast cancer.



Celebrating our Teachers on their special day, Teachers' Day 2024



The JTA Credit Union is a proud sponsor of TVJ's annual Junior School's Challenge Quiz, its our way of supporting future generations.

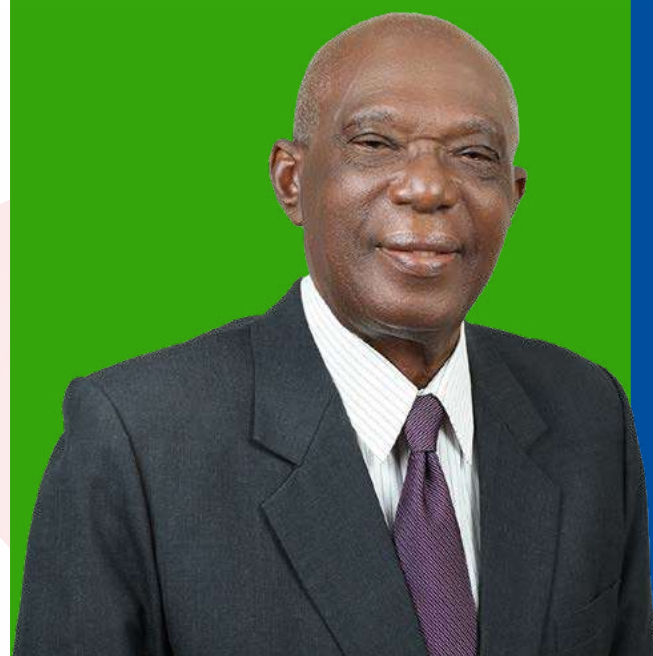


First-place winners of the 2024 PEP Bursary are flanked by the GM Robert Ramsay & Board Treasurer Cyril Lebert.



First-place winners of the 2024 PEP Bursary are flanked by the GM Robert Ramsay & Board Treasurer Cyril Lebert.





## REPORT OF THE TREASURER THE YEAR ENDED DECEMBER 31, 2024

The global economy grew by a modest 3.2% in 2024, slightly above the 2.8% increase of 2023.

While the United States and some Asian economies had an uptick, other advanced economies, particularly the largest European countries, had slower growth, as did developing economies. Contributory factors to the downturn in economic growth included disruptions in the shipping of commodities including oil, international conflicts, civil unrest and extreme weather.

In the local economy there was moderate growth for the year, despite a contraction in the second half resulting from the effects of Hurricane Beryl. The sectors most affected by the decline were agriculture, construction and tourism.

There was a reduction in inflation for 2024, with this economic indicator falling to 5.0% which is within the Bank of Jamaica's (BOJ) target range of 4-6%. This index benefitted from a slowdown in food and beverage price increases, lower electricity rates, and lower international commodity prices which slowed the increase in import costs. In response to inflation becoming stabilized in the target range, and a relatively stable foreign exchange market, the BOJ gradually reduced the policy interest rate from 7.0% to 6.0%, beginning in August. Market interest rates on fixed income securities in turn decreased significantly, while the stock market had a small 3.0% gain for the year. This growth came in the last quarter after the reduction in interest rates.

The financial system remained generally stable during the year, and financial institutions were able to maintain strong positions in liquidity and capital. Domestic loans showed growth and retained stability in quality, with mortgage loans being the largest contributor. However, despite the relaxation of monetary policy by the BOJ, including the reduction of the policy rate, loan rates to borrowers remained high.

The Jamaican dollar depreciated 0.95% against the US dollar during the year, moving from a rate of \$154.95 to \$156.42. Unemployment fell to 3.5% in October 2024, improving from 4.2% in 2023.

Amid this economic climate, the Credit Union had a very successful year as we continued to provide loan and savings products at competitive rates, while maintaining transactional ease of access to our members. In conjunction with optimizing the utilization of resources, this resulted in substantial growth for 2024. Total Assets increased by \$1.6B, or 8.3%, to \$21.5B, and Net Surplus increased from \$203.7M to \$259.1M.

## FINANCIAL PERFORMANCE

The following table shows the performance as measured by key indicators.

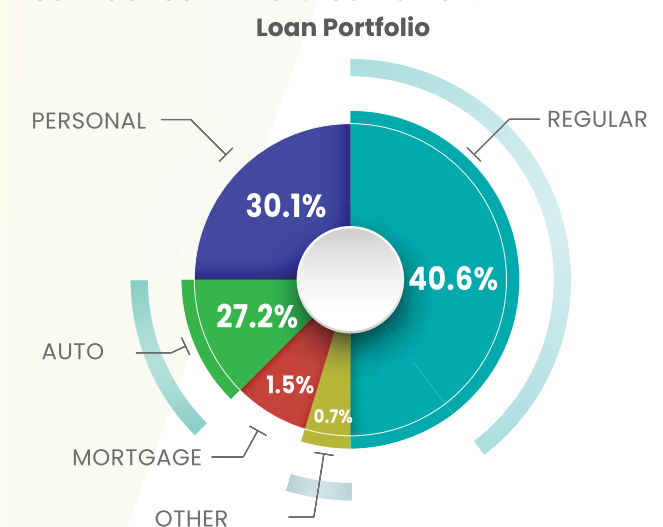
Financial Indicators	2024 (\$M)	2023 (\$M)	Change 2023-2024	% change 2023-2024
Net Loans	15,441.0	14,369.3	1,071.7	7.5%
Investments	5,112.2	4,517.4	594.8	13.2%
Voluntary Shares	9,157.3	8,370.6	786.7	9.4%
Members Deposits	7,411.5	7,014.6	396.9	5.7%
Total Savings	16,568.8	15,385.2	1,183.6	7.7%
Operating Expenses	1,275.0	1,185.4	89.6	7.6%
Net Surplus	259.1	203.7	55.4	27.2%
Institutional Capital	3,214.7	2,983.1	231.7	7.8%
Total Assets	21,525.2	19,877.5	1,647.7	8.3%

Net loans increased by \$1.1B, or 7.5%, during 2024, compared to a 9.0% growth, \$1.2B, in 2023. The largest growth continues to be in the auto loan segment, with the portfolio increasing by 36.3%. Notably, the mortgage portfolio grew by 32.3%.

The investment portfolio increased by \$0.6B, to \$5.1B at the end of 2024.

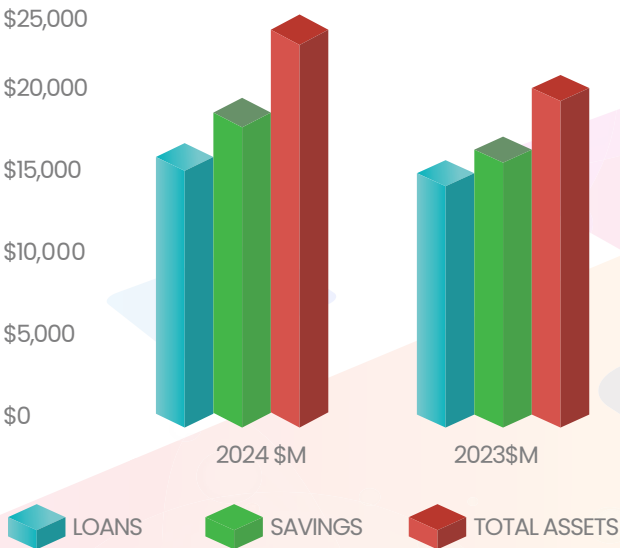
Total Savings increased by over \$1.2B, to close 2024 at \$16.6B, a very commendable performance, particularly in light of the competition in the financial sector and continued economic challenges faced by members. Voluntary Shares grew by \$786.7M, boosted by new loan disbursements, as members are required to hold minimum shares equal to a percentage of the loan balance. Members'

Deposits, which includes fixed deposits and the long-term savings account, increased by \$396.9M, as competitive rates were offered, and members continued to display confidence in the Credit Union.





### Assets, Savings & Loans



Operating expenses increased by \$89.6M in 2024, which was 7.6% above 2023 expenditure, compared to an increase of 10.9% in 2023.

Net Surplus of \$259.1M was recorded, reflecting an increase of 27.2% over 2023, attributable to higher revenues and a moderate increase in operating costs. The Credit Union maintained its signature very competitive rates on members voluntary shares and deposits.

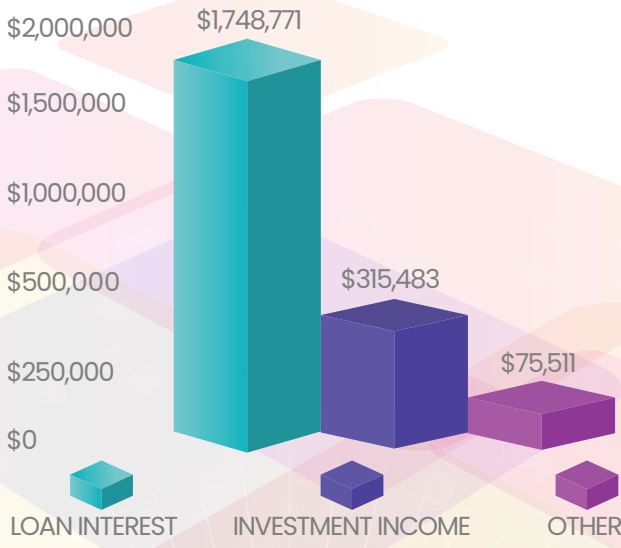
The Credit Union set aside an additional \$228.2M to Institutional Capital from the surplus for 2024 and maintained capital reserves totalling 15% of assets.

### INCOME

Interest income for the year was \$2.1B, an increase of \$124.1M or 6.3% over 2023. Loan interest totalled \$1.8B in 2024, a \$117.8M, or 7.1%, increase. Loan rates, terms and fees were kept attractive, and this was complemented by promotional initiatives during the year.

Interest on Investments contributed \$315.5M compared to \$309.2 in 2023. Rates on fixed income investments remained attractive up to July. In August, the BOJ began to reduce the policy interest rate to deposit-taking institutions, moving from 7.0% to 6.0% by the end of the year. These institutions in turn reduced market rates on

### Sources of Income



investment instruments. This resulted in a reduction of our investment income for the latter months; nonetheless, the effect was tempered by having hedged against this possibility by locking in higher rates earlier in the year.

### EXPENSES

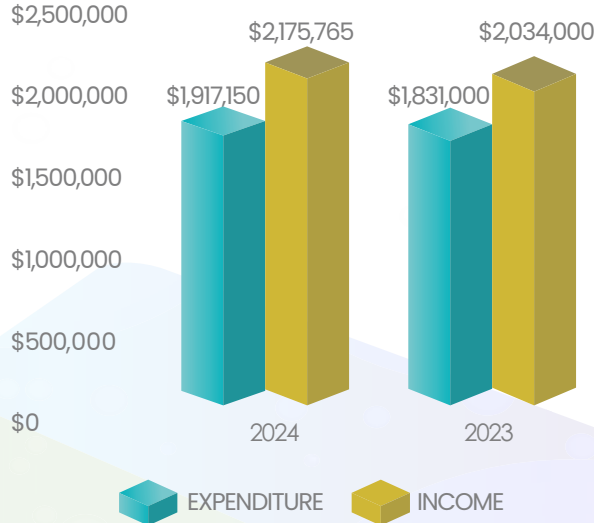
The Credit Union registered operating expenses for the year totalling \$1.3B, 6.0% of average assets, while continuing to maintain, improve and implement processes and resources to enhance efficiency.

#### Loan Impairment

The net impairment loss on loans at the end of 2024, was significantly lower than in 2023. At the end of 2023, the total provision for expected credit losses (ECL) was \$248.0M, and at December 31, 2024, this provision was \$170.7M. The impairment loss against loan interest income was \$53.9M for 2024 compared with \$103.4M in 2023. This contributed to the improvement in net interest income after impairment in 2024, which improved from \$1.3B to \$1.5B.

Delinquency was closely managed throughout the year and at the end of 2024, delinquent loans totalled \$498.1M, 3.17% of the portfolio, a very commendable position and an improvement from \$550.2M and 3.75% in 2023.

### Income & Expenditure (\$'000)



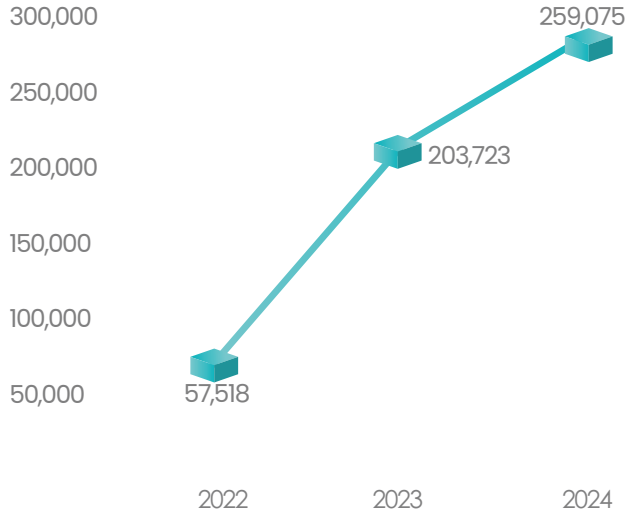
### PRUDENTIAL STANDARDS

The Credit Union's performance in 2024 as measured by the PEARLS prudential standards is shown in the following table.

#### PERFORMANCE MEASURED BY PEARLS PRUDENTIAL STANDARDS

INDICATOR	STANDARD	2024-12-31
PROTECTION		
	%	%
Provision for loan losses	100%	100%
EFFECTIVE FINANCIAL STRUCTURE		
Net Loans / Total Assets	60%-80%	71.74%
Total Savings / Total Assets	70%-80%	76.97%
Institutional Capital / Total Assets	8%	15.00%
ASSET QUALITY		
Delinquent Loans > 30 days/ Total Loans	<= 5%	3.17%
RATES OF RETURN & COST		
Operating Expense/Average Assets	8%	6.16%
Net Income /Average Assets	to maintain capital ratio of =>8%	1.25%
LIQUIDITY		
Liquidity Reserves / Withdrawable Savings	>10%	24.99%
SIGNS OF GROWTH		
Growth in Total Assets	=>Inflation(5.0%)	8.29%
Growth in Membership	=> 5%	5.70%
Growth in Savings	=>Inflation(5.0%)	7.69%

### Net Surplus Growth (\$'000)





Net Loans after provision totalled \$15.4B at the end of 2024, a growth of \$1.1B. The Net Loans/Total Assets ratio achieved was 71.74%, compared to the standard of 60-80% of total assets. The portfolio continued to grow at a healthy rate, with a concentration on secured loans.

Total Savings grew by 7.7% in 2024, to end the year at \$16.6B, with a Savings/Total Assets ratio of 76.97%, a laudable performance when measured against the standard of 70-80%.

Institutional Capital at the end of the year totalled \$3.21B, which was 15.0% of total assets. The standard requires minimum capital of 8% of total assets and the Credit Union continues to maintain a strong capital base well above this requirement.

Delinquent loans at the end of 2024 totalled \$498.1M, representing 3.17% of the loan portfolio, well within the standard of not greater than 5%. The Credit Union maintained a favourable delinquency ratio throughout the year.

Operating Expenses for 2024 represented 6.16% of average assets. The standard is for operating expenses to be no greater than 8% of average assets. Throughout the year, costs were prudently managed, while ensuring that the necessary resources were utilized to achieve the desired levels of productivity and service delivery.

Net Income for 2024 was \$259.1M, representing a ratio to average assets of 1.25%. The standard requires that net income be enough to maintain a capital ratio of 8% or greater. We transferred \$228.2M to reserves, in order to maintain a 15% capital ratio, well above the 8% standard.

The standard requires that liquidity reserves of at least 10% of savings be maintained. The Credit Union ended the year with a ratio of 24.98%, far surpassing the standard.

Membership growth of a minimum of 5% is the PEARLS standard. This has been an ongoing challenge largely because of the limitations of our bond. However, with the revision of the bond approved by the membership in 2023, the Credit Union not only met, but surpassed the standard in 2024, with a growth of 5.7%.

Our operations resulted in an 8.29% growth in assets for the year. This surpassed the standard, which stipulates asset growth of at least the inflation rate, which was 5.0% in 2024. The Credit Union closed the year with an asset base of \$21.53B.

The 2024 performance was very commendable and an indication of the soundness and stability of the organisation, as it improved on the performance of 2023. This foundation will reinforce the requisite strength that the Credit Union needs to prevail over inevitable economic and financial challenges in 2025 and beyond.

## ACKNOWLEDGEMENTS

It has been an honour to serve as Treasurer this year and I wish to thank the management and staff, my colleagues on the Board, members of other Committees, our auditors BDO, the Jamaica Cooperative Credit Union League Limited, the Department of Cooperatives and Friendly Societies and our loyal members, for their continued support.

May God continue to bless our Credit Union.



Cyril Lebert  
Treasurer

# DECLARATION OF INTEREST, DIVIDEND & MAXIMUM LIABILITY

## Recommendations of the Board of Directors

The Board of Directors of the Credit Union is making the following recommendations to the meeting:

### Interest

That an Interest of 3%, be paid on Voluntary Shares amounting to \$262M

### Dividend

That a Dividend of 7% be paid on Permanent Shares amounting to \$6.7M

### Fixing of Maximum Liability

That the Jamaica Teachers' Association Co-operative Credit Union Ltd. be allowed a maximum liability of 10 times the equity, hence maximum liability would be set at \$41B for 2025.

For and on Behalf of the Board of Directors



Cyril Lebert  
Treasurer





# FINANCIAL STATEMENTS



## Ministry of Industry Investment & Commerce

Jamaica's **Business** Ministry



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

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

**R233-214/04/2025**

**April 2, 2025**

The Secretary  
Jamaica Teachers' Association  
Co-operative Credit Union Limited  
97A Church Street  
Kingston

Dear Sir/Madam,

I forward herewith the Financial Statements of your Society for the year ended December 31, 2024.

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

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

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

Regards,

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

**HEAD OFFICE**  
10A Chelsea Avenue  
Kingston 5, Jamaica, W. I.  
(876) 927-4912 | 927-6572 | 978-1946

**MANDEVILLE, MANCHESTER**  
23 Caledonia Road  
(RADA Bldg.)  
(876) 615-9083

**MONTGO BAY, ST. JAMES**  
10 Delisser Drive  
(The Office of the Prime Minister)  
(876) 952-7913

✉ [info@dcfs.gov.jm](mailto:info@dcfs.gov.jm)

🌐 [www.dcfs.gov.jm](http://www.dcfs.gov.jm)





Tel: (876) 926-1616/7, 926-4421  
Fax: (876) 926-7580  
www.bdo.com.jm

Chartered Accountants  
26 Beechwood Avenue  
P.O. Box 351  
Kingston 5, Jamaica



## INDEPENDENT AUDITORS' REPORT

To: The Registrar of Co-operatives and Friendly Societies  
Re: Jamaica Teachers' Association Co-operative Credit Union Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Jamaica Teachers' Association Co-operative Credit Union Limited set out on pages 53 to 142, which comprise the statement of financial position as at 31 December 2024, and the statements of surplus or deficit and other comprehensive income, changes in equity and cash flows for the year then ended, and notes comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Co-operative as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IFRS Accounting Standards) and the requirements of the Co-operatives Societies Act.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Co-operative in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and with the requirements of the Co-operative Societies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## INDEPENDENT AUDITORS' REPORT (CONT'D)

To: The Registrar of Co-operative and Friendly Societies  
Re: Jamaica Teachers' Association Co-operative Credit Union Limited

### Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 Co-operative's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Co-operative to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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





#### INDEPENDENT AUDITORS' REPORT (CONT'D)

To: The Registrar of Co-operatives and Friendly Societies  
Re: Jamaica Teachers' Association Co-operative Credit Union Limited

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

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Co-operative Societies Act, in the manner required.

Chartered Accountants

31 March 2025

## JAMAICA TEACHERS' ASSOCIATION CO-OPERATIVE CREDIT UNION LIMITED

### STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
<b>INTEREST INCOME:</b>			
Loans		1,784,771	1,666,978
Liquid assets, resale agreements and financial investments		<u>315,483</u>	<u>309,165</u>
		<u>2,100,254</u>	<u>1,976,143</u>
<b>INTEREST EXPENSE:</b>			
Members' deposits		300,158	284,496
External credits		32,318	19,282
Members voluntary shares		234,542	218,002
Lease liabilities		3,090	5,391
Other finance cost		<u>17,624</u>	<u>13,009</u>
		<u>587,732</u>	<u>540,180</u>
<b>NET INTEREST INCOME</b>		1,512,522	1,435,963
Impairment gains on liquid assets, resale agreements and financial instruments		( 52)	( 1,821)
Impairment losses on loans, net of recoveries	12(c)	<u>( 53,922)</u>	<u>( 103,407)</u>
<b>NET INTEREST INCOME AFTER IMPAIRMENT</b>		1,458,548	1,330,735
Non-interest Income	7	<u>75,511</u>	<u>58,364</u>
		<u>1,534,059</u>	<u>1,389,099</u>
Operating expenses	8	( 684,430)	( 648,155)
Staff costs	9	<u>( 590,554)</u>	<u>( 537,221)</u>
		<u>(1,274,984)</u>	<u>(1,185,376)</u>
<b>SURPLUS FOR THE YEAR</b>		<u>259,075</u>	<u>203,723</u>
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>			
Item that will never be reclassified to surplus:			
Remeasurement of employment benefits asset	19(g)	( 80,125)	99,485
Items that may be reclassified to surplus:			
Valuation loss on fair value through other comprehensive income		<u>( 3,572)</u>	<u>( 21,678)</u>
		<u>( 83,697)</u>	<u>77,807</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>175,378</u>	<u>281,530</u>




31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
<b>ASSETS:</b>			
<b>EARNINGS ASSETS:</b>			
Liquid assets	10	3,062,165	2,512,854
Resale agreements	11	1,525,974	1,404,436
Loans to members after provision for impairment	12	15,440,955	14,369,349
Financial investments	13	524,012	600,159
Investment property	14	<u>6,637</u>	<u>4,265</u>
		<u>20,559,743</u>	<u>18,891,063</u>
<b>NON-EARNINGS ASSETS:</b>			
Cash and cash equivalents	15	34,107	42,822
Other assets	16	187,022	261,894
Property, plant and equipment	17	620,824	485,066
Intangible assets	18	15,848	8,354
Employee benefits asset	19	96,634	167,179
Right-of-use assets	20	<u>10,980</u>	<u>21,082</u>
		<u>965,415</u>	<u>986,397</u>
<b>TOTAL ASSETS</b>		<u><b>21,525,158</b></u>	<u><b>19,877,460</b></u>
<b>LIABILITIES:</b>			
<b>INTEREST BEARING LIABILITIES:</b>			
Lease liabilities	20	19,271	32,516
Members' deposits	21	7,411,522	7,014,603
Members' voluntary shares	22	9,157,283	8,370,569
External credits	23	<u>451,334</u>	<u>212,662</u>
		17,039,410	15,630,350
<b>NON-INTEREST BEARING LIABILITY:</b>			
Payables	24	<u>308,087</u>	<u>241,783</u>
<b>TOTAL LIABILITIES</b>		<u><b>17,347,497</b></u>	<u><b>15,872,133</b></u>
<b>EQUITIES:</b>			
Institutional capital	25	3,214,731	2,983,050
Non-institutional capital	26	<u>962,930</u>	<u>1,022,277</u>
<b>TOTAL EQUITIES</b>		<u><b>4,177,661</b></u>	<u><b>4,005,327</b></u>
<b>TOTAL LIABILITY AND EQUITIES</b>		<u><b>21,525,158</b></u>	<u><b>19,877,460</b></u>

Approved for issue by the Board of Directors on 31 March 2025 and signed on its behalf:

  
Paul Adams President

ned on its behalf:



Cyril Lebert                      Treasurer

**JAMAICA TEACHERS' ASSOCIATION CO-OPERATIVE CREDIT UNION LIMITED**

## STATEMENT OF CHANGES IN EQUITY

**YEAR ENDED 31 DECEMBER 2024**

		INSTITUTIONAL CAPITAL			NON-INSTITUTIONAL CAPITAL				
	Note	Permanent Shares \$'000	Statutory Reserve \$'000	Employee Benefit Reserve \$'000	Accumulated Surplus \$'000	Fair Value Reserve \$'000	Revaluation Reserve \$'000	Permanent Share Reserve \$'000	Total \$'000
BALANCE AT 31 DECEMBER 2022									
TOTAL COMPREHENSIVE INCOME FOR THE YEAR									
Surplus for the year		-	-	-	203,723	-	-	-	203,723
OTHER COMPREHENSIVE INCOME:									
	19	-	-	-	99,485	-	-	-	99,485
Remeasurement of employee benefits asset		-	-	-	-	(21,678)	-	-	(21,678)
Change in fair value of debt instruments at FVOCI		-	-	-	-	(21,678)	-	-	(21,678)
Total other comprehensive income		-	-	-	99,485	(21,678)	-	-	77,807
Total comprehensive income for the year		-	-	-	303,208	(21,678)	-	-	281,530
Issue of permanent shares		2,741	-	-	-	-	-	-	2,741
Transfer from permanent shares		(257)	-	-	-	-	-	257	-
Transfer from employee benefits asset reserve		-	-	109,366	(109,366)	-	-	-	-
Transfer to statutory reserve:									
	25 (b)	-	193,700	-	(193,700)	-	-	-	-
	25 (b)	-	15	-	-	-	-	-	15
	27	-	-	-	(6,256)	-	-	-	(6,256)
Entrance fees									
Dividends									
BALANCE AT 31 DECEMBER 2023 (page 7)		2,484	193,715	109,366	(309,322)	-	-	257	(3,500)
		91,993	2,891,057	167,179	784,121	58,512	9,430	3,035	4,005,327



# JAMAICA TEACHERS' ASSOCIATION CO-OPERATIVE CREDIT UNION LIMITED

## STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

	Note	2024 \$'000	2023 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Surplus for the year		259,075	203,723
Adjustments for:			
Interest income		(2,100,254)	(1,976,143)
Interest expense		584,642	534,789
Interest expense on lease liabilities	20(iii)	3,090	5,391
Amortisation of bond cost		1,176	-
Depreciation	14,17	31,653	33,987
Amortisation	18	4,564	7,335
Amortisation of right-of-use assets	20(i)	22,004	21,312
Impairment gain on liquid assets, resale agreements & financial investments		52	1,821
Realised losses on investments		-	17,589
Unrealised fair value gains on investments		( 4,334)	-
Employee benefits asset	19(f)	6,259	6,167
Impairment losses on loans, net of recoveries	12(c)	53,922	103,407
Operating cash flows before movements in working capital		(1,138,151)	(1,040,622)
Changes in operating assets and liabilities			
Loans		(1,097,939)	(1,253,319)
Other assets		( 2,064)	( 7,805)
Pension contributions	19(b)	( 15,839)	( 16,048)
Members' deposits		396,919	396,662
Members' voluntary shares		786,714	646,347
Payables		65,162	25,420
Interest received		(1,005,198)	(1,249,365)
Interest paid		2,149,601	1,827,943
		( 583,500)	( 533,753)
Net cash provided by operating activities		560,903	44,825
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment	17	( 169,783)	( 41,184)
Purchase of intangible assets	18	( 12,058)	-
Liquid assets		( 549,740)	( 520,270)
Resale agreements		77,087	20,818
Financial investments		75,637	551,945
Net cash (used in)/provided by investing activities		( 578,857)	11,309
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Permanent shares (net)		3,388	2,741
External credit repayment		( 17,707)	( 7,900)
Proceeds from external credit		256,379	-
Dividend paid	27	( 6,452)	( 6,256)
Entrance fees		20	15
Repayment of leases liabilities	20(iv)	( 28,237)	( 24,423)
Net cash provided by/(used in) financing activities		207,391	( 35,823)
Net increase in cash and cash equivalents		189,437	20,311
Cash and cash equivalents at beginning of year		133,636	113,325
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	15(a)	<u>323,073</u>	<u>133,636</u>

## JAMAICA TEACHERS' ASSOCIATION CO-OPERATIVE CREDIT UNION LIMITED

### STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2024

	INSTITUTIONAL CAPITAL				NON-INSTITUTIONAL CAPITAL			
	Permanent Shares \$'000	Statutory Reserve \$'000	Employee Benefit Reserve \$'000	Accumulated Surplus \$'000	Fair Value Reserve \$'000	Revaluation Reserve \$'000	Permanent Share Reserve \$'000	Total \$'000
<b>BALANCE AT 31 DECEMBER 2023 (page 6)</b>	91,993	2,891,057	167,179	784,121	58,512	9,430	3,035	4,005,327
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	-	-	259,075	-	-	-	259,075
Surplus for the year	-	-	-	-	-	-	-	-
<b>OTHER COMPREHENSIVE INCOME:</b>								
Remeasurement of employee benefits asset	19	-	-	( 80,125)	( 80,125)	-	-	( 80,125)
Change in fair value of debt instruments at FVOCI		-	-	-	( 3,572)	-	-	( 3,572)
Total other comprehensive loss		-	-	( 80,125)	( 3,572)	-	-	( 83,697)
Total comprehensive income for the year		-	-	178,950	( 3,572)	-	-	175,378
Issue of permanent shares		3,388	-	-	-	-	( 35)	3,388
Transfer to permanent shares	35	-	-	-	-	-	-	-
Transfer from employee benefits asset reserve		-	-	70,545	-	-	-	-
Transfer to statutory reserve:		-	-	(228,238)	(228,238)	-	-	-
From current year surplus	25 (b)	-	-	-	-	-	-	-
Entrance fees	25 (b)	-	-	-	-	-	-	-
Dividends	27	-	-	( 6,452)	-	-	-	20
<b>BALANCE AT 31 DECEMBER 2024</b>	95,416	3,119,315	96,634	798,926	54,940	9,430	3,000	4,177,661



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

1. IDENTIFICATION AND PRINCIPAL ACTIVITY:

Jamaica Teachers' Association Co-operative Credit Union Limited ("Co-operative") is incorporated and domiciled in Jamaica and is registered under the Co-operative Societies Act ("Act"), and has its registered office at 97a Church Street, Kingston, Jamaica.

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

Membership in the Co-operative is obtained by the holding of members' permanent (note 25a) and voluntary shares which are deposits available for withdrawals on demand. Individual membership may not exceed 20% of the total of the members' shares of the Co-operative.

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

2. REPORTING CURRENCY:

Items included in the financial statements of the Co-operative are measured using the currency of the primary economic environment in which the co-operative operates ("the functional currency").

These financial statements are presented in Jamaican dollars, which is considered the Co-operative's functional and presentation currency.

3. MATERIAL ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. Amounts are rounded to the nearest thousands, unless otherwise stated.

(a) Basis of preparation

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Co-operative's accounting policies. Although these estimates are based on management's best knowledge of current events and action actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

New standards, interpretations and amendments that became effective during the year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Co-operative has assessed the relevance of all such new standards, amendments and interpretation and has concluded that the following new standards, interpretations and amendments are relevant to its operations:

**IAS 7 'Statement of Cash Flows - Amendment', issued May 2023 (effective for accounting periods commencing on or after 1 January 2024).** These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows, and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

**IAS 1 'Classification of Liabilities as Current or Non-Current- Amendment', issued January 2020 (effective for accounting periods commencing on or after 1 January 2024).** These amendments clarify that liabilities are classified as either current or non-current based on a right to defer settlement having substance that exists at the end of the reporting period. Classification of a liability as non-current can be made if the group has a right to defer settlement for at least twelve months after the reporting period. The adoption of these amendments is not expected to have a significant impact on the Co-operative.

There was no significant impact on the financial statements from the adoption of this amendments.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

**New standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted**

At the date of authorization, there are a number of standards, amendments to standards and interpretations which have been issued by the IASB that are effective in future accounting periods that the Co-operative has decided not to adopt early. The most significant of these are:

**Presentation and Disclosure in Financial Statements which replaces IAS 1. IFRS 18 is effective for accounting periods beginning on or after 1 January 2027.** It introduces several new requirements that are expected to impact the presentation and disclosure of most, if not all, entities. These include:

- The requirement to classify all income and expense into specific categories and provide specified totals and subtotals in the statement of surplus or deficit.
- Enhanced guidance on the aggregation, location and labelling of items across the primary financial statements and the notes.
- Mandatory disclosure about management-defined performance measures (a subset of alternative performance measures).

**IFRS 7 and 9 'Classification and Measurement of Financial Instruments - Amendment', issued May 2024 (effective for accounting periods commencing on or after 1 January 2026).** The amendment is to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 'Financial Instruments'.

The Co-operative does not expect any other standards or interpretations issued by the IASB, but not yet effective, to have a material effect on its financial position.

(b) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions.

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

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(c) Property, plant and equipment

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

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 Co-operative and the cost of the item can be measured reliably. The carrying amount of any replaced part is derecognised. All other repairs and maintenance are charged to surplus or deficit during the financial period in which they are incurred.

Depreciation is recognized in surplus or deficit on the straight line basis at such rates as will write down the carrying value of the assets over the period of their expected useful lives, to their residual values. Land is not depreciated. The expected useful lives of the other property, plant and equipment are as follows:

Buildings	2 ½%
Leasehold improvements	10%
Office furniture and equipment	10% - 25%

Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amounts and are taken into account in determining surplus or deficit.

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

(d) Intangible assets

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

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

(e) Financial instruments

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

Financial assets comprise loans to members, liquid assets, resale agreements, financial investments, cash and cash equivalents and other assets.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

Financial liabilities comprise lease liabilities, bank overdraft, members’ voluntary shares, members’ deposits, external credits and other payables.

(i) Recognition and initial measurement

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

The Co-operative recognises a financial instrument when it becomes a party to the contractual terms of the instrument. The Co-operative initially recognises loans and deposits on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date, which is the date on which the Co-operative becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

*Financial assets*

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) - debt and equity investments; or fair value through profit or loss (FVTPL).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

*Financial assets (cont'd)*

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Co-operative may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. On initial recognition, the Co-operative may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessments:

The Co-operative makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management’s strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities that are funding these assets or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Co-operative’s management;



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets (cont'd)

Business model assessments (cont'd)

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity. However, the information about sales activity is not considered in isolation, but as part of an overall assessment of how the Co-operative’s stated objective for managing the financial assets is achieved and how cash flows are realized.

Assessment of whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

The Co-operative’s objective is achieved by both collecting contractual cash flows and selling financial assets.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Co-operative considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Co-operative considers the following:

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(ii) Classification and subsequent measurement (cont'd)

Financial assets ( cont'd)

Assessment of whether contractual cash flows are solely payments of principal and interest (cont'd):

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- leverage features, that modify consideration of the time value of money such as periodic reset of interest rates;
- prepayment and extension features; and
- terms that limit the Co-operative’s claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the SPPI criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Co-operative changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first reporting period following the change in business model.

Financial liabilities

The Co-operative classifies financial liabilities as measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(iii) Derecognition

*Financial assets*

The Co-operative derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or if it neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control over the transferred financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in surplus or deficit.

Any cumulative gains or losses recognised in OCI in respect of equity investment securities designated as at FVOCI is not recognised in surplus or deficit on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Co-operative is recognised as a separate asset or liability.

*Financial liabilities*

The Co-operative derecognises a financial liability when its contractual obligations expire or are discharged or cancelled.

(iv) Measurement and gains and losses

Financial assets at amortised cost are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

For debt securities measured at FVOCI, gains and losses are recognised in OCI, except for the following, which are recognised in surplus or deficit in the same manner as for financial assets measured at amortised cost:

- interest revenue using the effective interest method;
- expected credit losses (ECL) and reversals; and
- foreign exchange gains and losses.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(iv) Measurement and gains and losses (cont'd)

When a debt security measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to surplus or deficit.

(v) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Co-operative has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(vi) Specific financial instruments

(1) Loans

Loans in the statement of financial position include loans measured at amortised cost. They are initially measured at fair value, plus incremental direct transaction costs and are subsequently measured at amortised cost less any expected credited loss allowance.

(2) Resale agreements

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

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

(3) Cash and cash equivalents

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

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



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(vi) Specific financial instruments (cont'd)

(4) Other assets

Other assets comprising sundry receivables, deposits and prepayments are classified and measured at amortised cost less impairment losses.

(5) Other liabilities

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

(6) External credits

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

(vii) Identification and measurement of impairment

The Co-operative recognises loss allowances for expected credit losses (ECL) on the following financial instruments that are not measured at FVTPL:

- financial assets measured at amortised cost; and
- debt instruments measured at FVOCI.

No impairment loss is recognised on equity investments.

The Co-operative measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

The Co-operative considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Co-operative does not apply the low credit risk exemption to any other financial instruments.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(vii) Identification and measurement of impairment (cont'd)

12-month ECLs are the portion of ECLs that result from default events on a financial instrument that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

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

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. They are measured as follows:

- *financial assets that are not credit-impaired at the reporting date:* as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Co-operative expects to receive); and
- *financial assets that are credit-impaired at the reporting date:* as the difference between the gross carrying amount and the present value of estimated future cash flows.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECLs are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(vii) Identification and measurement of impairment (cont'd)

*Restructured financial assets (cont'd):*

- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

*Credit-impaired financial assets*

At each reporting date, the Co-operative assesses whether financial assets carried at amortised cost and debt instruments carried at FVOCI are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Co-operative on terms that the Co-operative would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(vii) Identification and measurement of impairment (cont'd)

*Credit-impaired financial assets (cont'd):*

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Co-operative considers the following factors.

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.
- The international support mechanisms in place to provide the necessary support as 'lender of last resort to that country, as well as the intention, reflection in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

*Presentation of allowance for ECL in the statement of financial position*

Loss allowances for ECL are presented in the statement of financial position as follows:

- *financial assets measured at amortised cost:* as a deduction from the gross carrying amount of the assets.
- *debt instruments measured at FVOCI:* no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

*Write-off*

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Co-operative determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(e) Financial instruments (cont'd)

(vii) Identification and measurement of impairment (cont'd)

*Write-off (cont'd):*

Recoveries of amounts previously written off are included in ‘impairment losses on financial instruments’ in surplus or deficit.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Co-operative’s procedures for recovery of amounts due.

The guidelines stipulated by the Jamaica Co-operative Credit Union League (“JCCUL”), according to the PEARLS standard, require the allowance for loan losses be stipulated percentages of total delinquent loans, the percentages varying with the period of delinquency, without considering securities held against such loans.

The Co-operative’s impairment loss provision requirements, as stipulated by JCCUL, that exceed the IFRS impairment provision are dealt with in a non-distributable loan loss reserve as an appropriation of accumulated surplus.

(f) Employee benefits

(i) General

Employee benefits are all forms of consideration given by the Co-operative in exchange for services rendered by employees. These include current or short-term benefits such as salaries, bonuses, National Insurance Scheme (NIS) contributions, annual vacation leave, and non-monetary benefits such as medical care; post-employment benefits such as pensions; and other long-term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognised in the following manner: short-term employee benefits are recognised as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave.

Employee benefits are all forms of consideration given by the Co-operative in exchange for services rendered by employees. These include current or short-term benefits such as salaries, bonuses, National Insurance Scheme (NIS) contributions, annual vacation leave, and non-monetary benefits such as medical care; post-employment benefits such as pensions; and other long-term employee benefits such as termination benefits.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(f) Employee benefits (cont'd)

(i) General (cont'd)

Employee benefits that are earned as a result of past or current service are recognised in the following manner: short-term employee benefits are recognised as a liability, net of payments made, and charged as expense. The expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave.

(ii) Pension benefits

The employees of the Co-operative participate in a defined benefit multi-employer pension plan operated by The Jamaica Co-operative Credit Union League (JCCUL). Effective 31 December 2016, the defined benefit pension plan was closed to new members. New members to the plan participate in a defined contribution multi-employer pension plan operated by JCCUL [see note 9].

Obligations for contributions to the defined contribution plan are recognised as an expense in surplus or deficit as incurred.

Employee benefits asset included in the financial statements has been actuarially determined by a qualified independent actuary, appointed by JCCUL. The appointed actuary’s report outlines the scope of the valuation and the actuary’s opinion. The actuarial valuation is conducted in accordance with IAS 19, and the financial statements reflect the Co-operative’s employee benefits asset as computed by the actuary. In carrying out their audit, the auditors rely on the work of the actuary and the actuary’s report.

The calculation of defined benefit obligation is performed annually using the projected unit credit method. When the calculation results in a potential asset for the Co-operative, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit asset, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income. The Co-operative determines the net interest expense (income) on the net defined benefit asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit asset, taking into account any changes in the net defined benefit asset during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in surplus or deficit.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(g) Investment property

Investment property comprised properties held to earn rentals and/or for capital appreciation, and are measured at cost less any accumulated depreciation and impairment losses.

The gain or loss arising on the disposal or retirement of an investment property is determined as the difference between the sales proceeds and the carrying amount of the property and is recognised in surplus or deficit.

Investment property, other than land, is depreciated on a straight-line basis over its estimated useful life at 2½%.

Rental income on the properties is recognised in surplus or deficit on a straight-line basis over the life of the lease agreement.

(h) Leases

At inception of a contract, the Co-operative assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Co-operative uses the definition of a lease in IFRS 16.

*As a lessee*

At commencement or on modification of a contract that contains a lease component, the Co-operative allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. Therefore, for leases of property, the Co-operative has elected to separate non-lease components and account for these separately.

The Co-operative recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Co-operative by the end of the lease term or the cost of the right-of-use asset reflects that the Co-operative will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(h) Leases (cont'd)

*As a lessee*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Co-operative's incremental borrowing rate. Generally, the Co-operative uses its incremental borrowing rate as the discount rate.

The Co-operative determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Co-operative is reasonably certain to exercise, lease payments in an optional renewal period if the Co-operative is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Co-operative is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Co-operative's estimate of the amount expected to be payable under a residual value guarantee, if the Co-operative changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in surplus or deficit if the carrying amount of the right-of-use asset has been reduced to zero.

The Co-operative presents right-of-use assets that do not meet the definition of investment property in the statement of financial position.

*Short-term leases and leases of low-value assets*

The Co-operative has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Co-operative recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(h) Leases (cont'd):

*As a lessor*

At inception or on modification of a contract that contains a lease component, the Co-operative allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Co-operative acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Co-operative makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, then it is an operating lease. As part of this assessment, the Co-operative considers certain indicators such as whether the lease is for the major part of the economic life of the asset. In the Co-operative's capacity as a lessor, all its leases are classified as operating leases.

If an arrangement contains lease and non-lease components, then the Co-operative applies IFRS 15 to allocate the consideration in the contract.

The Co-operative recognises lease payments received under operating leases as income on a straight line basis over the lease term as part of non-interest income.

(i) Members' shares

(i) Permanent shares

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

(ii) Voluntary shares

Members' voluntary shares represent deposit holdings of the Co-operative's members, to satisfy membership requirements and to facilitate eligibility for loans and other benefits. These shares are classified as financial liabilities and are measured at amortised cost. Interest payable on these shares is reported as interest in surplus or deficit.

(j) Provisions

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(k) Revenue recognition

(i) Interest income

*Effective interest rate*

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

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

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

*Amortised cost and gross carrying amount*

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

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

*Calculation of interest income*

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(k) Revenue recognition (cont'd):

(i) Interest income (cont'd)

*Calculation of interest income (cont'd):*

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

Under the regulatory requirements, no interest is recognised on loans that are in arrears from 90 days or more, even if they are not credit-impaired (see also note 12).

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

*Presentation*

Interest income calculated using the effective interest method presented in surplus or deficit, includes interest on financial assets measured at amortised cost, and interest on debt instruments measured at FVOCI.

(ii) Fees and commission

Fee and commission income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Co-operative recognises revenue when it transfers control over a service to a customer.

Fee and commission income that are integral to the effective interest rate on financial assets are included in the effective interest rate.

If a loan commitment is not expected to result in the draw down of a loan, then the related loan commitment fee is recognized on a straight-line basis over the commitment period.

Fee and commission income including account service fees are recognized as the related services are performed.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(k) Revenue recognition (cont'd):

(ii) Fees and commission (cont'd)

A contract with a customer that results in a recognised financial instrument in the Co-operatives financial statements may be partially in the scope of IFRS 9 and partially in the scope of IFRS 15. If this is the case, then the Co-operatives first applies IFRS 9 to separate and measure the part of the contract that is in the scope of IFRS 9 and then applies IFRS 15 to the residual.

The nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies are as follows:

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms.	Revenue recognition under IFRS 15.
Service fees	Transaction-based fees such as credit bureau fees are charged to the customers’ accounts when the transaction takes place.	Revenue from account services and servicing fees is recognised over time as the services are provided.
	Servicing fees are charged on a monthly basis and are based on fixed rate determined by the Co-operatives.	Revenue related to transactions is recognised at the point in time when the transaction takes place.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(k) Revenue recognition (cont'd):

(iii) Dividends

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

(l) Interest expense

Interest expense is recognised in surplus or deficit using the effective interest method. The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the amortised cost of the financial liability.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the issue of a financial liability.

The ‘amortised cost’ of a financial liability is the amount at which the financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount.

The effective interest rate of a financial liability is calculated on initial recognition of the the financial liability. In calculating interest expense, the effective interest rate is applied to the amortised cost of the liability.

Interest expense presented in the statement of surplus or deficit and OCI includes financial liabilities measured at amortised cost.

(m) Institutional capital

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

(n) Statutory reserves

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D) :

(o) Impairment of non-financial assets

The carrying amounts of the Co-operative’s non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset’s recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash inflows that are largely independent from other assets and groups. Impairment losses are recognised in surplus or deficit.

(i) Calculation of recoverable amount

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

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

An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(p) Related party:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the “reporting entity, in this case the Co-operative”).

a. A person or close member of that person’s family is related to the Co-operative if that person:

- (i) has control or joint control over the Co-operative;
- (ii) has significant influence over the Co-operative; or
- (iii) is a member of the key management personnel of the Co-operative or of a parent of the Co-operative.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. MATERIAL ACCOUNTING POLICIES (CONT'D):

(p) Related party (cont'd):

- b. An entity is related to the Co-operative if any of the following conditions applies:
- (i) The entity and the Co-operative are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Co-operative or an entity related to the Co-operative.
  - (vi) The entity is controlled, or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Co-operative or to the parent of the Co-operative.
- c. A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.
- d. Related parties include directors and senior executives, all of whom are referred to as key management personnel. Also, entities closely connected to them are related parties.

(q) League fees and stabilization dues:

JCCUL has fixed the rate of league fees at 0.20% of total assets capped at 15% of JCCUL's total assets. Stabilization dues are fixed at a rate of 0.15% of total savings.

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY:

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the process of applying the Co-operative's accounting policies, management has made the following critical accounting estimates or judgements which it believes have a significant risk of causing a material misstatement in these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONT'D):

(a) Critical accounting estimate and judgement applied

(i) Classification of financial assets

The assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding requires management to make certain judgements about its business operations.

(ii) Impairment of financial assets

Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of expected credit loss (ECL) and selection and approval of models used to measure ECL requires significant judgement.

(b) Key assumptions and other sources of estimation uncertainty

(i) Impairment losses on financial assets

In determining amounts recorded for impairment of financial assets in the financial statements, management makes assumptions in determining the inputs to be used in the ECL measurement model, including incorporation of forward-looking information. Management also estimates the likely amount of cash flows recoverable on the financial assets in determining loss given default. The use of assumptions make uncertainty inherent in such estimates.

(ii) Employee benefits asset

The amounts recognised in the statement of financial position and surplus or deficit for pension are determined actuarially using several assumptions. The primary assumptions used in determining the amounts recognised include expected long-term return on plan assets and the discount rate used to determine the present value of estimated future cash flows required to settle the pension obligations.

The discount rate is determined based on the estimate of yield on long-term government securities that have maturity dates approximating the terms of the Co-operative's obligations; in the absence of such instruments in Jamaica, it has been necessary to estimate the rate by extrapolating from the longest tenor security on the market. Any changes in these assumptions will impact the amounts recorded in the financial statements for these obligations.

Judgement is also exercised in determining the proportionate share of the defined benefit obligation, plan assets and cost as well as the extent that the surplus or deficit in the plan may affect the future contributions for each individual employer in the plan.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY (CONT'D):

(b) Key assumptions and other sources of estimation uncertainty (cont'd)

(iii) Fair value of financial instruments

In the absence of quoted market prices, the fair value of the Co-operative's financial instruments are determined using a generally accepted alternative to quoted market prices. Considerable judgement is required in interpreting market data to arrive at estimates of fair values. Consequently, the estimates arrived at may be significantly different from the actual price of the instrument in an arm's length transaction.

(iv) Depreciable assets

Estimates of the useful life and residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The Co-operative applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in surplus or deficit through impairment or adjusted depreciation provisions.

5. FINANCIAL RISK MANAGEMENT:

The Co-operative’s activities are principally related to the use of financial instruments, which involve analysis, evaluation and management of some degree of risk or combination of risks. The Co-operative manages risk through a framework of risk principles, organizational structures and risk management and monitoring processes that are closely aligned with the activities of the Co-operative. The Co-operative’s risk management policies are designed to identify and analyze the risks faced by the Co-operative, to set appropriate risk limits and controls, and to monitor risks and adherence to limits by means of regularly generated reports. The Co-operative’s aim is therefore to achieve an appropriate balance between risks and return and minimize potential adverse effects on the Co-operative’s financial performance.

The Co-operative has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

In common with all other businesses, the Co-operative’s activities expose it to a variety of risks that arise from its use of financial instruments. This note describes the Credit Union’s objectives, policies and processes for managing those risks to minimize potential adverse effects on the financial performance of the Co-operative’s and the methods used to measure them.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(i) Principal financial instruments

The principal financial instruments used by the Co-operative from which financial instrument risk arises, are as follows:

- Financial investments
- Loan to members after provision for impairment
- Liquid assets
- Resale agreements
- Other assets
- Cash and cash equivalents
- Payables
- Members’ voluntary shares
- Members’ deposits
- Lease liabilities
- External credits

(ii) Financial instruments by category

Financial assets

	Assets at amortised cost \$'000	Assets at fair value through profit or loss (surplus or deficit) \$'000	Assets at fair value through other comprehensive income \$'000	Total \$'000
<b>31 December 2024</b>				
Cash and cash equivalents	34,107	-	-	34,107
Liquid assets	3,059,652	2,513	-	3,062,165
Resale agreements	1,525,974	-	-	1,525,974
Other assets	142,964	-	-	142,964
Loans to members after provision for impairment	15,440,955	-	-	15,440,955
Financial investments	46,346	58,323	419,343	524,012
	<u>20,249,998</u>	<u>60,836</u>	<u>419,343</u>	<u>20,730,177</u>
<b>31 December 2023</b>				
Cash and cash equivalents	42,822	-	-	42,822
Liquid assets	2,510,465	2,389	-	2,512,854
Resale agreements	1,404,436	-	-	1,404,436
Other assets	219,900	-	-	219,900
Loans to members after provision for impairment	14,369,349	-	-	14,369,349
Financial investments	122,732	53,987	423,440	600,159
	<u>18,669,704</u>	<u>56,376</u>	<u>423,440</u>	<u>19,149,520</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(ii) Financial instruments by category (cont'd)

Financial liabilities

	Amortised cost	
	2024 \$'000	2023 \$'000
Lease liabilities	19,271	32,516
Members: deposits	7,411,522	7,014,603
External credits	451,334	212,662
Payables	268,867	215,506
Members' voluntary shares	9,157,283	8,370,569
<b>Total financial liabilities</b>	<b>17,308,277</b>	<b>15,845,856</b>

(iii) Financial risk

The Board of Directors is ultimately responsible for the establishment and oversight of the Co-operative's risk management framework. The Board has established committees for managing and monitoring risks.

Three key committees for managing and monitoring risks are the Supervisory Committee, the Credit Committee and the Finance Committee.

1. Supervisory Committee

The Supervisory Committee oversees the performance of personnel and systems within the Co-operative and ensures that internal procedures and controls are adhered to. The Supervisory Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of management controls and procedures, the results of which are reported to the Supervisory Committee.

2. Credit Committee

The Credit Committee oversees the approval of credit facilities and disbursements to members. It is also primarily responsible for monitoring the quality of the loan portfolio.

3. Finance Committee

The Finance Committee is responsible for managing the Co-operative's assets and liabilities and the overall financial structure. It is also primarily responsible for managing the funding and liquidity risks of the Co-operative.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

These committees, inclusive of management and Supervisory, Finance and Risk and Compliance Committees, report to the Board monthly. The information from the other committees reports through the General Manager to the Board of Directors.

The Co-operative's overall risk management programme seeks to minimize potential adverse effects on the Co-operative's financial performance. There have been no significant changes to the Co-operative's exposure to financial risks or the manner in which it manages and measures its risks.

(a) Credit risk

The Co-operative takes on exposure to credit risk, which is the risk that a counterparty will cause a financial loss by being unable to pay amounts in full when due. Credit exposures arise principally in lending and investment activities.

For loans, credit decisions are primarily made by the Board of Directors, with some delegation of credit approval authority to the Credit Committee and certain members of executive management. The Co-operative's credit policy forms the basis for all its lending operations. The policy aims at maintaining a high quality loan portfolio, as well as enhancing the Co-operative's mission and strategy. The policy sets the basic criteria for acceptable risk and identifies risk areas that require special attention.

Additionally, the Co-operative is exposed to credit risk in its treasury activities, arising from financial assets that the Co-operative uses for investing its liquidity and managing currency and interest rate risks, as well as other market risks. There is also credit risk in off-balance sheet items, such as loan commitments.

Credit review process

The Co-operative has established a credit quality review process involving regular analysis of the ability of borrowers and other counterparties to meet interest and capital repayment obligations.

(i) Loans

*Management of risk:*

The Co-operative assesses the probability of default of individual borrowers using internal ratings. The Co-operative assesses each borrower on four critical factors. These factors are the member's credit history, ability to pay linked to the industry benchmarked debt service ratio of 75%, character profile and the member's economic stability, based on employment and place of abode.



JAMAICA TEACHERS' ASSOCIATION CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(i) Loans (cont'd)

*Management of risk (cont'd):*

Borrowers are segmented into two rating classes: performing and non-performing.

The credit quality review process allows the Co-operative to assess the potential loss as a result of the risk to which it is exposed and take corrective action. Exposure to credit risk is managed, in part, by obtaining collateral and personal guarantees.

*Credit quality*

The following table sets out information about the credit quality of loans:

	2024			
	Stage 1 \$'000	Stage 2 \$'000	Stage 3 \$'000	Total \$'000
Performing	15,167,560	239,195	-	15,406,755
Non-performing	-	-	299,899	299,899
	15,167,560	239,195	299,899	15,706,654
Allowance for impairment losses	( 48,018)	( 4,133)	(118,549)	( 170,700)
Carrying amount	15,119,542	235,062	181,350	15,535,954

	2023			
	Stage 1 \$'000	Stage 2 \$'000	Stage 3 \$'000	Total \$'000
Performing	14,096,364	202,689	-	14,299,053
Non-performing	-	-	376,968	376,968
	14,096,364	202,689	376,968	14,676,021
Allowance for impairment losses	( 48,305)	( 4,481)	(195,220)	( 248,006)
Carrying amount	14,048,059	198,208	181,748	14,428,015

JAMAICA TEACHERS' ASSOCIATION CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(ii) *Investments and resale agreements*

*Management of risk:*

The Co-operative limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality. These investments and other liquid securities are held mainly in Government of Jamaica securities and with counterparties that management regards as sound.

The Co-operative has documented policies which facilitate the management of credit risk on investment securities and resale agreements. The Co-operative's exposure and credit ratings of its counterparties are continually monitored.

*Credit quality*

The Co-operative identifies changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the Co-operative supplements this by reviewing changes in bond yields together with available press and regulatory information on issuers.

Loss given default (LGD) parameters generally reflect an assumed recovery rate of percent except when the security is credit-impaired, in which case the estimate of loss is based on the instrument's current market price and original effective interest rate.

The following table sets out information about the credit quality of investment securities and resale agreements, based on Moody's credit rating index.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(ii) *Investments and resale agreements (cont'd)*

Management of risk:

	<u>2024</u> <u>\$'000</u> Stage 1	<u>2023</u> <u>\$'000</u> Stage 1
<b>Financial investments at FVOCI</b>		
Non-Investment grade, being total gross carrying amount	<u>419,343</u>	<u>423,440</u>
Loss allowance	<u>933</u>	<u>903</u>
<b>Financial investments at amortised cost</b>		
Non-investment grade	47,699	124,019
Loss allowance	( 1,353)	( 1,287)
Carrying amount	<u>46,346</u>	<u>122,732</u>
<b>Resale agreements at amortised cost</b>		
Non-Investment grade	1,526,339	1,404,750
Loss allowance	( 365)	( 314)
Carrying amount	<u>1,525,974</u>	<u>1,404,436</u>

(iii) *Liquid assets and bank balances*

Liquid assets and bank balances are held in financial institutions which management regards as strong and there is no significant concentration. The strength of these financial institutions is constantly reviewed by the Finance Committee.

Impairment has been measured at 12-month expected loss basis and reflects the short maturities of the exposures. The Co-operative considers that liquid assets and bank balances have low credit risk. No impairment allowances were recognised for cash and bank balances.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(iii) *Liquid assets and bank balances*

The following table sets out the credit quality of liquid assets:

	<u>2024</u> <u>\$'000</u> Stage 1	<u>2023</u> <u>\$'000</u> Stage 1
Total gross carrying amount	3,060,891	2,511,799
Loss allowance	( 1,239)	( 1,334)
Carrying amount	<u>3,059,652</u>	<u>2,510,465</u>

(iv) *Credit limits*

The Co-operative manages concentrations of credit risk by placing limits on the amount of risk accepted in relation to a single borrower or groups of related borrowers, and to product segments. Borrowing limits are established by the use of the system described above. Limits on the level of credit risk by product categories, and for investment categories, are reviewed and approved bi-annually by the Board of Directors.

(v) *Collateral held and other credit enhancements*

The most widely used practice for mitigating credit risk is the taking of security in the form of physical assets, netting agreements and guarantees. The amount and type of collateral required depend on an assessment of the credit risk of the borrower and guidelines are implemented regarding the acceptability of different types of collateral. The principal collateral types provided for loans and advances are charges over members’ balances, real property and motor vehicles. There were no significant changes in the quality of collateral held during the year.

Estimates of fair values are based on value of collateral assessed at the time of borrowing and are generally not updated except when a loan (or other financial asset) is individually assessed as impaired. Collateral is not generally held against deposits and investment securities, except when the securities are held as part of resale agreements (note 11).



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(v) Collateral held and other credit enhancements (cont'd)

When a loan becomes credit impaired, the fair value of the collateral is updated and used in calculating the ECL, otherwise a proxy for the collateral value is generally used on a portfolio basis to compute the ECL throughout the year.

Management monitors the market value of collateral, requests additional collateral in accordance with the underlying agreement, and monitors the market value of collateral obtained during its review of the adequacy of the provision for credit losses.

The table below shows the collateral and other security enhancements held against loans to borrowers.

Collateral held for loans

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
<b>Past due not impaired financial assets</b>		
Properties	205,509	109,396
Shares and deposits	69,024	42,811
Liens on motor vehicles	<u>17,805</u>	<u>18,952</u>
	<u>292,338</u>	<u>171,159</u>
<b>Impaired financial assets</b>		
Properties	432,238	429,483
Shares and deposits	66,671	52,525
Liens on motor vehicles	<u>18,335</u>	<u>14,520</u>
	<u>517,244</u>	<u>496,528</u>
Total	<u>809,582</u>	<u>667,687</u>

(vi) Impairment

Inputs, assumptions and techniques used for estimating impairment see accounting policy at note 3(e).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(vi) Impairment (cont'd)

Significant increase in credit risk

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

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- the remaining lifetime probability of default (PD) as at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where relevant for changes in prepayment expectations).

The Co-operative uses three criteria for determining whether there has been a significant increase in credit risk:

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

Credit risk grades

The Co-operative allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgment. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. These factors may vary depending on the nature of the exposure and the type of borrower.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(vi) Impairment (cont'd)

*Credit risk grades (cont'd)*

The Co-operative allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgment. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default. These factors may vary depending on the nature of the exposure and the type of borrower.

Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data:

- information obtained during periodic review of customer files;
- data from credit reference agencies;
- actual and expected significant changes in the political, regulatory and technological environment of the borrower;
- payment record - this includes overdue status as well as a range of variables about payment ratios; and
- existing and forecast changes in business, financial and economic conditions.

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

Credit risk is deemed to increase significantly where the credit rating of a security decreased four or more levels on the international credit rating scale since the rating at origination date or the issuer of the instrument is experiencing or is very likely to experience one or more adversities and where there are adverse changes in one or more of the credit risk drivers that could increase the likelihood of default since the origination of loans.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(vi) Impairment (cont'd)

*Credit risk grades (cont'd)*

Inputs, assumptions and techniques used for estimating impairment (cont'd)

Determining whether credit risk has been increased significantly (cont'd)

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

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument return to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Co-operative determines a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

The Co-operative monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due;
- the average time between the identification of a significant increase in credit risk and default appears reasonable;



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(vi) Impairment (cont'd)

*Credit risk grades (cont'd)*

Inputs, assumptions and techniques used for estimating impairment (cont'd)

Determining whether credit risk has been increased significantly(cont'd)

The Co-operative monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that (continued):

- exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2).

*Definition of default*

The Co-operative considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Co-operative in full, without recourse by the Co-operative to actions such as realising security (if any is held);
- the borrower is more than 90 days past due on any material credit obligation to the Co-operative; or
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower’s inability to pay its credit obligations.

In assessing whether a borrower is in default, the Co-operative considers indicators that are:

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

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(vi) Impairment (cont'd)

*Credit risk grades (cont'd)*

*Definition of default (cont'd)*

Inputs, assumptions and techniques used for estimating impairment (cont'd)

Determining whether credit risk has been increased significantly (cont'd)

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

The definition of default largely aligns with that applied by the Co-operative for regulatory capital purposes.

*Incorporation of forward-looking information*

The Co-operative incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

The Co-operative uses a forward looking scorecard model to estimate the potential impact of future economic conditions. It formulates three economic scenarios: a base case, which is the median scenario assigned a 50% probability of occurring, and two less likely scenarios, one upside and one downside, assigned a 20% and 30% probability of occurring respectively. Each scenario considers the expected impact of inflation, interest rates, unemployment rates and gross domestic product (GDP). The base case is aligned with information used by the Co-operative for other purposes such as strategic planning and budgeting. External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in Jamaica, supranational organisations and selected private-sector and academic forecasters.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(vi) Impairment (cont'd)

*Credit risk grades (cont'd)*

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

The economic scenarios used as at 31 December 2023 assumed no significant changes in key indicators for Jamaica within the next year.

Based on the economic scenario, proxies of 0.6, 1.1 and 1.6 times ECL were determined to be appropriate for positive, stable and negative outlooks respectively.

*Measurement of ECLs*

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD)

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

LGD is the magnitude of the likely loss if there is a default. The Co-operative estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. For loans secured by properties, loan-to-value (LTV) ratios are a key parameter in determining LGD. LGD estimates are recalibrated for different economic scenarios and, for real estate lending, to reflect possible changes in property prices. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2023

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(vi) Impairment (cont'd)

*Measurement of ECLs*

EAD represents the expected exposure in the event of a default. The Co-operative derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Co-operative measures ECL considering the risk of default over the maximum contractual period (including any borrower’s extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Co-operative considers a longer period. The maximum contractual period extends to the date at which the Co-operative has the right to require repayment of an advance or terminate a loan commitment or guarantee.



5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(vi) Impairment (cont'd)

*Credit risk grades (cont'd)*

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

The economic scenarios used as at 31 December 2024 assumed no significant changes in key indicators for Jamaica within the next year.

Based on the economic scenario, proxies of 0.6, 1.1 and 1.6 times ECL were determined to be appropriate for positive, stable and negative outlooks respectively.

*Measurement of ECLs*

The key inputs into the measurement of ECL are the term structure of the following variables:

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD)

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

LGD is the magnitude of the likely loss if there is a default. The Co-operative estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. For loans secured by properties, loan-to-value (LTV) ratios are a key parameter in determining LGD. LGD estimates are recalibrated for different economic scenarios and, for real estate lending, to reflect possible changes in property prices. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

Credit review process (cont'd)

(vi) Impairment (cont'd)

*Measurement of ECLs*

EAD represents the expected exposure in the event of a default. The Co-operative derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Co-operative measures ECL considering the risk of default over the maximum contractual period (including any borrower’s extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Co-operative considers a longer period. The maximum contractual period extends to the date at which the Co-operative has the right to require repayment of an advance or terminate a loan commitment or guarantee.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

(vi) Impairment (cont'd):

*Loss allowance*

The loss allowance recognised is analysed as follow:

	2024			
	Stage 1 \$'000	Stage 2 \$'000	Stage 3 \$'000	Total \$'000
<b>Loans</b>				
Balances at 1 January	48,307	4,480	195,219	248,006
New financial assets originated or Purchased recognised during the year	18,448	660	3,261	22,369
Transfer from Stage 1	( 2,968)	2,968	64,853	64,853
Transfer from Stage 2	-	-	21,338	21,338
Transfer from Stage 3	-	186	-	186
Financial assets derecognised during the period	(15,768)	(4,162)	(166,122)	(186,052)
Balances at 31 December	<u>48,019</u>	<u>4,132</u>	<u>118,549</u>	<u>170,700</u>
	2023			
	Stage 1 \$'000	Stage 2 \$'000	Stage 3 \$'000	Total \$'000
<b>Loans</b>				
Balances at 1 January	52,565	4,500	167,939	225,004
New financial assets originated or Purchased recognised during the year	21,968	1,078	4,634	27,680
Transfer from Stage 1	( 2,931)	2,931	112,515	112,515
Transfer from Stage 2	-	-	44,500	44,500
Transfer from Stage 3	-	71	-	71
Financial assets derecognised during the period	(23,295)	(4,100)	(134,369)	(161,764)
Balances at 31 December	<u>48,307</u>	<u>4,480</u>	<u>195,219</u>	<u>248,006</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

(vi) Impairment (cont'd)

*Loss allowance (cont'd)*

	2024 \$'000 Stage 1	2023 \$'000 Stage 1
(i) <b>Financial investments:</b>		
(a) Amortised investments:		
Balance at 1 January	1,287	328
Recognised during the year	<u>66</u>	<u>959</u>
Balance at 31 December	<u>1,353</u>	<u>1,287</u>
(b) Fair value through other comprehensive income investments:		
Balance at 1 January	903	845
Recognised during the year	<u>30</u>	<u>58</u>
Balance at 31 December	<u>933</u>	<u>903</u>
(ii) <b>Resale agreements:</b>		
Balance at 1 January	314	545
Recognised during the year	<u>51</u>	<u>( 231)</u>
Balance at 31 December	<u>365</u>	<u>314</u>
(iii) <b>Liquid assets:</b>		
Balance at 1 January	1,334	299
Recognised during the year	<u>( 95)</u>	<u>1,035</u>
Balance at 31 December	<u>1,239</u>	<u>1,334</u>



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

(vii) Exposure to credit risk

Maximum credit exposure to credit risk before collateral held or other credit enhancements.

The maximum credit exposure, the total amount of loss that the Co-operative would suffer if every counterparty to the Co-operative’s financial assets were to default at once, is represented by the carrying amount of the financial assets shown on the statement of financial position as at the reporting date.

Concentration of risk

The following tables summarise the Cooperative’s credit exposure to financial assets at their carrying amounts and concentration of credit risk.

Loans:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Construction and real estate	2,728,229	2,499,004
Personal	4,760,331	5,042,805
Motor vehicle	4,280,019	3,145,851
General	<u>3,938,075</u>	<u>3,988,361</u>
	15,706,654	14,676,021
Less: Allowance for impairment losses	( <u>170,700</u> )	( <u>248,006</u> )
	<u>15,535,954</u>	<u>14,428,015</u>

Liquid assets:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Corporate	39,713	36,719
Financial institution	<u>3,021,178</u>	<u>2,475,080</u>
	3,060,891	2,511,799
Less: Allowance for impairment losses	( <u>1,239</u> )	( <u>1,334</u> )
	<u>3,059,652</u>	<u>2,510,465</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(a) Credit risk (cont'd)

(vii) Exposure to credit risk (cont'd)

Concentration of risk (cont'd)

Debt securities:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Government of Jamaica	477,666	493,507
Corporate	10,001	9,754
Financial institutions	<u>1,564,037</u>	<u>1,439,617</u>
	2,051,704	1,942,878
Less: Allowance for impairment losses	( <u>1,718</u> )	( <u>1,601</u> )
	<u>2,049,986</u>	<u>1,941,277</u>

(b) Liquidity risk

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

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

The Co-operative is subject to liquidity limit imposed by JCCUL and compliance is regularly monitored. This limit requires that the Co-operative maintain liquid assets amounting to at least 10% of withdrawable savings and deposits. The liquid asset ratio as at 31 December 2024 was approximately 27.81% (2023: 25.45%) which is in compliance with the standard.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(b) Liquidity risk (cont'd)

Liquidity risk management process

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

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

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

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

There was no change in how the Co-operative measures and manages liquidity risk during the year.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(b) Liquidity risk (cont'd)

Liquidity risk management process (cont'd)

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

	Within 3 months \$'000	3 to 12 months \$'000	2 to 5 years \$'000	Over 5 years \$'000	Total cashflows \$'000	Total carrying amount \$'000
<b>31 December 2024</b>						
Lease liabilities	1,247	2,642	23,592	3,650	31,131	19,271
Members’ deposits	5,395,015	490,331	1,691,711	146,159	7,723,216	7,411,522
Members’ voluntary shares	9,157,283	-	-	-	9,157,283	9,157,283
External credits	18,199	54,597	291,186	350,478	714,460	451,334
Other liabilities	268,867	-	-	-	268,867	268,867
Total financial liabilities	14,840,611	547,570	2,006,489	500,287	17,894,957	17,308,277
<b>31 December 2023</b>						
Lease liabilities	6,724	19,621	18,555	450	45,350	32,516
Members’ deposits	5,059,614	498,080	1,595,318	157,507	7,310,519	7,014,603
Members’ voluntary shares	8,370,569	-	-	-	8,370,569	8,370,569
External credits	7,078	21,235	113,253	245,382	386,948	212,662
Other liabilities	215,506	-	-	-	215,506	215,506
Total financial liabilities	13,659,491	538,936	1,727,126	403,339	16,328,892	15,845,856



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(c) Market risk

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

(i) Currency risk

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

The Co-operative’s exposure to foreign currency risk at the reporting date was as follows:

	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Liquid assets - earning	10	24
Resale agreements	246	196
Financial Investments	<u>568</u>	<u>568</u>
	<u>824</u>	<u>788</u>

The exchange rate of the US\$ to the J\$ at the reporting date was US\$154.79 to J\$1.00 (2023: J\$153.59).

Foreign currency sensitivity

The effect of a 4% (2023: 4%) strengthening of the United States dollar against the Jamaica dollar at the reporting date would, all other variables held constant, have resulted in an increase in surplus for the year of J\$5,102,000 (2023: J\$4,841,000). A 1% (2023: 1%) weakening in the exchange rate would, on the same basis, have resulted in a decrease in surplus of J\$1,275,500 (2023: J\$1,211,000).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(c) Market risk (cont'd)

(ii) Interest rate risk

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

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

The Co-operative’s interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments as determined by the Finance Committee. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial liabilities. The Board sets limits on the level of mismatch of interest rate re-pricing that may be undertaken, which is monitored daily by the Finance department. Management estimates that expected cashflows on these instruments will occur much later as demonstrated by retention history. These may vary significantly from actual cash flows which are generally expected to maintain a stable or increasing balance.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(c) Market risk (cont'd)

(ii) Interest rate risk (cont'd)

The following tables summarise the exposure to interest rate risk. They include the financial instruments at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

2024						
	Within 3 months \$'000	3 to 12 months \$'000	2 to 5 years \$'000	Over 5 years \$'000	Non- interest bearing \$'000	Total \$'000
<b>Assets</b>						
Cash and bank balances	-	-	-	-	34,107	34,107
Liquid assets	633,800	2,428,365	-	-	-	3,062,165
Resale agreements	713,085	812,889	-	-	-	1,525,974
Financial investments	29,680	37,698	48,367	408,267	-	524,012
Loans	26,792	136,103	7,028,472	8,249,588	-	15,440,955
Other assets	-	-	-	-	142,964	142,964
<b>Total assets</b>	<b>1,403,357</b>	<b>3,415,055</b>	<b>7,076,839</b>	<b>8,657,855</b>	<b>177,071</b>	<b>20,730,177</b>
<b>Liabilities</b>						
Lease liabilities	1,247	1,371	14,341	2,312	-	19,271
Members' deposits	5,206,162	464,772	1,601,719	138,869	-	7,411,522
Members' voluntary shares	9,157,283	-	-	-	-	9,157,283
External credits	7,169	22,759	154,324	267,082	-	451,334
Other liabilities	-	-	-	-	268,867	268,867
<b>Total liabilities</b>	<b>14,371,861</b>	<b>488,902</b>	<b>1,770,384</b>	<b>408,263</b>	<b>268,867</b>	<b>17,308,277</b>
<b>Total interest sensitivity gap</b>	<b>(12,968,504)</b>	<b>2,926,153</b>	<b>5,306,455</b>	<b>8,249,592</b>	<b>( 91,796)</b>	<b>3,421,900</b>
<b>Cumulative interest rate sensitivity gap</b>	<b>(12,968,504)</b>	<b>(10,042,351)</b>	<b>(4,735,896)</b>	<b>3,513,696</b>	<b>3,421,900</b>	

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(c) Market risk (cont'd)

(ii) Interest rate risk (cont'd)

	2023					Total \$'000
	Within 3 months \$'000	3 to 12 months \$'000	2 to 5 years \$'000	Over 5 years \$'000	Non- interest bearing \$'000	
<b>Assets</b>						
Cash and bank balances	-	-	-	-	42,822	42,822
Liquid assets	395,204	2,117,650	-	-	-	2,512,854
Resale agreements	1,295,500	108,936	-	-	-	1,404,436
Financial investments	-	33,580	153,110	413,469	-	600,159
Loans	6,553	127,611	5,810,697	8,424,488	-	14,369,349
Other assets	-	-	-	-	219,900	219,900
<b>Total assets</b>	<b>1,697,257</b>	<b>2,387,777</b>	<b>5,963,807</b>	<b>8,837,957</b>	<b>262,722</b>	<b>19,149,520</b>
<b>Liabilities</b>						
Lease liabilities	5,662	14,208	12,376	270	-	32,516
Members' deposits	4,882,401	472,138	1,510,394	149,670	-	7,014,603
Members' voluntary shares	8,370,569	-	-	-	-	8,370,569
External credits	1,893	5,962	40,292	164,515	-	212,662
Other liabilities	-	-	-	-	215,506	215,506
<b>Total liabilities</b>	<b>13,260,525</b>	<b>492,308</b>	<b>1,563,062</b>	<b>314,455</b>	<b>215,506</b>	<b>15,845,856</b>
<b>Total interest sensitivity gap</b>	<b>(11,563,268)</b>	<b>1,895,469</b>	<b>4,400,745</b>	<b>8,523,502</b>	<b>47,216</b>	<b>3,303,664</b>
<b>Cumulative interest rate sensitivity gap</b>	<b>(11,563,268)</b>	<b>(9,667,799)</b>	<b>(5,267,054)</b>	<b>3,256,448</b>	<b>3,303,664</b>	



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(c) Market risk (cont'd)

(ii) Interest rate risk (cont'd)

Interest rate sensitivity

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

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

	Effect on Surplus 2024 \$'000	Effect on Equity 2024 \$'000	Effect on Surplus 2023 \$'000	Effect on Equity 2023 \$'000
Change in basis points:				
2024: -100 (2023: -25)	(45,873)	14,578	(9,947)	5,390
2024: +25 (2023: +25)	<u>11,468</u>	<u>(23,525)</u>	<u>9,947</u>	<u>(10,512)</u>

	2024				
	Within 3 months %	3 to 12 months %	2 to 5 years %	Over 5 years %	Weighted average %
Loans	16.31	11.40	12.77	10.79	11.63
Liquid assets	8.23	3.83	-	-	6.03
Resale agreements	7.80	7.16	-	-	7.48
Financial investments	7.41	8.1	9.84	8.06	8.35
Members' deposits	3.63	5.50	5.62	5.25	4.21
External credits	<u>-</u>	<u>-</u>	<u>-</u>	<u>9.75</u>	<u>9.75</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(c) Market risk (cont'd)

(ii) Interest rate risk (cont'd)

Interest rate sensitivity

	2023				
	Within 3 months %	3 to 12 months %	2 to 5 years %	Over 5 years %	Weighted average %
Loans	16.82	11.49	12.33	11.15	12.95
Liquid assets	8.26	4.40	-	-	6.33
Resale agreements	9.33	9.10	-	-	9.22
Financial investments	-	8.10	6.45	9.66	8.07
Members' deposits	3.63	5.49	5.62	5.24	4.99
External credits	<u>7.50</u>	<u>-</u>	<u>-</u>	<u>9.75</u>	<u>8.63</u>

(d) Operational risk

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

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

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

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

JAMAICA TEACHERS’ ASSOCIATION CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(d) Operational risk (cont'd)

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

(e) Capital management

The Co-operative’s objectives when managing institutional capital, which is a broader concept than the “equity” on the face of the statement of financial position are:

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

Capital adequacy and the use of regulatory capital are monitored by management, based on the guidelines in its Capital Asset Management Policy. The JCCUL currently requires member co-operatives to maintain a minimum level of institutional capital at 8% of total assets. At the reporting date, this ratio was 15% (2023: 14%) which is in compliance with the requirements.

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

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

JAMAICA TEACHERS’ ASSOCIATION CO-OPERATIVE CREDIT UNION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iii) Financial risk (cont'd)

(e) Capital management (cont'd)

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

	2024		2023	
	Actual \$'000	Required \$'000	Actual \$'000	Required \$'000
Total regulatory capital	3,214,731	1,722,013	2,983,050	1,590,197
Total capital ratio	15%	8%	15%	8%

6. FAIR VALUE OF FINANCIAL INSTRUMENTS:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date and is best evidenced by a quoted market price, if one exists. Many of the Co-operative’s financial instruments lack an available trading market. Therefore, these instruments have been valued using other valuation techniques and the values may not necessarily be indicative of the amounts realizable in an immediate settlement of the instruments. In addition, the calculation of estimated fair value is based on market conditions at a specific point in time and may not be reflective of future fair values.

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

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

External credits, members’ voluntary shares, members’ deposits and loans to members are carried at amortised cost, which is deemed to approximate their fair values, as these balances attract rates and terms comparable to market rates and terms for similar instruments.

The fair value of shares held in Jamaica Co-operative Credit Union League and other related entities are determined using the net asset valuation method. There is no available market for these instruments. The Co-operative has no intention to dispose of these investments.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

6. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D):

The fair value of loans to members could not be readily available determined as loans are generally unique to the Co-operatives although they are at market comparable interest rates. Additionally, the carrying amount of the loan reflects the expected lifetime credit losses, value and quality of collateral and interest rates on the loan.

Financial instruments that are measured at fair value at the reporting date are grouped into Levels 1, 2 and 3, based on the degree to which the fair value is observable as follows:

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

Accounting classification and fair values

The following table shows the carrying amount of financial assets measured at fair value, their classification and their levels in the fair value hierarchy. There were no transfers between levels during the year. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximately of fair value.

	Carrying amount			Fair value		
	FVOCI \$'000	FVTPL J\$'000	Total \$'000	Level 2 J\$'000	Level 3 J\$'000	Total J\$'000
						2024
Financial assets measured at fair value:						
Unit Trust Funds	-	48,367	48,367	48,367	-	48,367
Unquoted equity Jamaica Co-operative Credit Union League Limited	9,331	-	9,331	-	9,331	9,331
JCCUL	-	9,955	9,955	-	9,955	9,955
Global bonds	101,558	-	101,558	101,558	-	101,558
Benchmark investment note	308,454	-	308,454	308,454	-	308,454
Money Market Funds	-	2,513	2,513	2,513	-	2,513
	419,343	60,835	480,178	460,892	19,286	480,178

NOTES TO THE FINANCIAL STATEMENTS

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6. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D):

Accounting classification and fair values

	Carrying amount			Fair value		
	FVOCI \$'000	FVTPL J\$'000	Total \$'000	Level 2 J\$'000	Level 3 J\$'000	Total J\$'000
						2023
Financial assets measured at fair value:						
Unit trust funds	-	44,032	44,032	44,032	-	44,032
Unquoted equity Jamaica Co-operative Credit Union League Limited	9,331	-	9,331	-	9,331	9,331
JCCUL	-	9,955	9,955	-	9,955	9,955
Global bonds	103,624	-	103,624	103,624	-	103,624
Benchmark investment note	310,485	-	310,485	310,485	-	310,485
Money Market Funds	-	2,389	2,389	2,389	-	2,389
	423,440	56,376	479,816	460,530	19,286	479,816

There were no transfers between levels during the year.

Valuation techniques

The valuation techniques used in measuring fair value in the level 2 and level 3 hierarchy are as detailed below. Significant unobservable inputs used in the Net Asset Valuation (NAV) method for unquoted equities include assets and liabilities that do not have a quoted market price. Unquoted equities represent holdings in entities in the financial sector providing services mainly to credit unions. As these are financial entities, the NAV is considered an appropriate basis to fair value these equities.

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

## 6. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D):

## Valuation techniques

<u>Financial assets</u>	<u>Methods</u>
Government of Jamaica J\$ securities	<ul style="list-style-type: none"> <li>Obtain bid yield from yield curve provided by a recognised pricing source (which uses market-supplied indicative bids);</li> <li>Using this yield, determine price using accepted formula;</li> <li>Apply price to estimate fair value.</li> </ul>
Government of Jamaica US\$ Global bonds	<ul style="list-style-type: none"> <li>Prices of bonds at reporting date as quoted by broker/dealer</li> </ul>
Units in unit trusts	<ul style="list-style-type: none"> <li>Obtain prices quoted by unit trust managers</li> <li>Apply price to estimate fair value</li> </ul>
Unquoted equities	<ul style="list-style-type: none"> <li>Net asset valuation method</li> </ul>

## 7. NON-INTEREST INCOME:

	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Fees	24,628	25,216
Bad debt recovery	32,407	39,122
Exchange gains on foreign currency deposits	697	2,662
Dividend income	643	398
Operating lease income (note 14)	999	1,014
Realised losses on investments	-	(17,589)
Unrelaised gains on unit trust investments	4,334	1,242
Miscellaneous income	<u>11,803</u>	<u>6,299</u>
	<u>75,511</u>	<u>58,364</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

## 8. EXPENSES BY NATURE:

	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
<b>Administrative</b>		
ABM	9,794	8,089
Advertising and publicity	64,102	56,467
Amortisation	4,564	7,335
Annual general meeting	9,061	9,394
Auditors' remuneration (inclusive of GCT)		
Current year	11,500	7,857
Prior year	1,256	-
Board and committee meetings	12,526	12,498
Board and committee travelling	14,362	13,131
Ceremonies	3,565	3,562
Consultancy fees	10,150	5,592
Data processing	66,172	76,847
Depreciation and amortisation	53,657	55,299
Entertainment	141	147
General office	11,944	9,392
Insurance	13,604	11,365
Motor vehicle upkeep for travelling officers	43,539	39,039
Motor cycle repairs	106	372
Postage and telegrams	4,735	4,986
Repairs and maintenance	25,452	16,393
Security	43,183	37,309
Stationery and printing	12,722	19,023
Staff and board retreat	1,292	3,630
Travelling	15,414	17,182
Donations	<u>7,957</u>	<u>6,087</u>
	<u>440,798</u>	<u>420,996</u>
<b>Affiliation</b>		
League fees	34,770	31,718
League and other meetings	10,565	10,659
Stabilization dues	<u>23,078</u>	<u>17,928</u>
	<u>68,413</u>	<u>60,305</u>
<b>Establishment</b>		
Cleaning and sanitation	8,568	8,189
Electricity and telephone	46,203	43,219
Janitorial services	14,161	13,919
Rates and taxes	<u>6,609</u>	<u>8,850</u>
	<u>75,541</u>	<u>74,177</u>
<b>Members' security</b>		
Loans and savings insurance	90,438	84,058
Golden Harvest savings insurance	<u>9,240</u>	<u>8,619</u>
	<u>99,678</u>	<u>92,677</u>
Total other operating expenses	<u>684,430</u>	<u>648,155</u>



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

9. STAFF COSTS:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Salaries and wages	382,881	346,540
Payroll taxes	55,746	53,083
Pension expense (note 19f)	6,259	6,167
Staff welfare	53,056	49,595
Other staff benefits	<u>92,612</u>	<u>81,836</u>
	<u>590,554</u>	<u>537,221</u>
The number of persons employed during the year:		
Permanent staff	110	111
Temporary staff	<u>12</u>	<u>8</u>
	<u>122</u>	<u>119</u>

The Co-operative's contribution to the defined contribution multi-employer pension plan for the year amounted to \$7,772,000 (2023: \$6,570,000).

10. LIQUID ASSETS:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Earnings assets at amortised cost:		
Deposits		
JCCUL- Liquidity reserve	1,016,629	951,182
JCCUL- Demand deposit	754,155	553,856
JMMB Bank Jamaica Limited	728,128	659,381
Victoria Mutual Building Society	462,129	250,000
JCCUL - CUETS settlements	<u>39,713</u>	<u>36,719</u>
	<u>3,000,754</u>	<u>2,451,138</u>
Savings account balances (note 15a)		
The Bank of Nova Scotia Jamaica Limited	60,137	56,825
Mayberry Investments Limited	<u>-</u>	<u>3,836</u>
	<u>60,137</u>	<u>60,661</u>
	3,060,891	2,511,799
Less: Allowance for impairment losses (note 5a(iii))	<u>( 1,239)</u>	<u>( 1,334)</u>
Total earning assets at amortised cost	3,059,652	2,510,465
Financial assets at fair value through surplus or deficit (profit or loss)		
Units in unit trust funds:		
JCCUL - CUMAX money market fund	<u>2,513</u>	<u>2,389</u>
	<u>3,062,165</u>	<u>2,512,854</u>

JCCUL requires credit unions to hold a monthly minimum average of 8% liquidity reserves with the League as follows:

- 6% in a liquidity reserve account
- 2% in a demand deposit account from which regular withdrawals may be made.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

11. RESALE AGREEMENTS:

The Co-operative enters into resale agreements collateralized by the Government of Jamaica securities. These agreements may result in a credit exposure in the event that the counter party to the transaction is unable to fulfill its collateral obligations.

(a) Resale agreements comprise:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Principal	1,526,339	1,404,750
Less: Allowance for impairment	<u>( 365)</u>	<u>( 314)</u>
	<u>1,525,974</u>	<u>1,404,436</u>

(b) Allowance for impairment

At beginning of the year	314	545
Charge/(recoveries) for the year	<u>51</u>	<u>( 231)</u>
At end of the year	<u>365</u>	<u>314</u>

For purposes of the statement of cashflows, an amount of \$228,829,000 (2023: \$30,153,000) is included in cash and cash equivalents.

The fair value of the underlying securities used to collateralize the resale agreements was \$1,842,894,000 (2023: \$1,615,330,000). All the securities purchased under resale agreements are fully collateralized by Government Securities.

12. LOANS:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Balance at beginning of year	14,676,021	13,442,839
Add: Disbursements and transfers	<u>4,733,766</u>	<u>4,533,548</u>
	19,409,787	17,976,387
Less: Repayments and transfers	<u>( 3,703,133)</u>	<u>( 3,300,366)</u>
	15,706,654	14,676,021
Less: allowance for impairment losses	<u>( 170,700)</u>	<u>( 248,006)</u>
Balance carried forward (page 71)	<u>15,535,954</u>	<u>14,428,015</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

12. LOANS (CONT'D):

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Balance brought forward (page 70)	<u>15,535,954</u>	<u>14,428,015</u>
Less unamortised loan fees:		
At the beginning of the year	( 58,666)	( 34,848)
Additions during the year	( 63,943)	( 60,268)
	( 122,609)	( 95,116)
Fees amortised during the year	<u>27,610</u>	<u>36,450</u>
	( 94,999)	( 58,666)
Balance at end of year	<u>15,440,955</u>	<u>14,369,349</u>
The amounts are expected to be recovered as follows:		
	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Within 12 months	183,044	168,813
Over 12 months	<u>15,352,910</u>	<u>14,259,202</u>
	<u>15,535,954</u>	<u>14,428,015</u>
(a) The aging of the loans at the reporting date was as follows:		
	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Neither past due nor impaired	<u>15,208,579</u>	<u>14,308,478</u>
Past due but not impaired:		
Less than 2 months	138,273	117,773
2 to 3 months	<u>98,194</u>	<u>93,767</u>
	<u>236,467</u>	<u>211,540</u>
Individually impaired	<u>261,608</u>	<u>156,003</u>
	15,706,654	14,676,021
Less: Allowance for impairment losses 5(iii) (a)(vi)	( 170,700)	( 248,006)
	<u>15,535,954</u>	<u>14,428,015</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

12. LOANS (CONT'D):

(b) Delinquent loans

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

<u>2024</u>						
Months in arrears	Number of Accounts in arrears	Delinquent loans \$'000	Savings held against loans \$'000	Portion of loans not covered by savings \$'000	PEARLS loan loss provision \$'000	Provision rate %
1 month - < 2 months	91	138,273	54,166	84,107	-	
2 - 3 months	55	98,194	41,859	56,335	9,819	10
4 - 6 months	71	90,728	30,455	60,273	27,218	30
7 - 12 months	61	91,875	26,850	65,025	55,125	60
13 months and over	<u>37</u>	<u>79,005</u>	<u>19,323</u>	<u>59,682</u>	<u>79,005</u>	100
	<u>315</u>	<u>498,075</u>	<u>172,653</u>	<u>325,422</u>	<u>171,167</u>	
<u>2023</u>						
Months in arrears	Number of Accounts in arrears	Delinquent loans \$'000	Savings held against loans \$'000	Portion of loans not covered by savings \$'000	PEARLS loan loss provision \$'000	Provision rate %
1 month - < 2 months	103	117,464	22,106	95,358	-	
2 - 3 months	73	93,767	14,686	79,081	9,377	10
4 - 6 months	86	141,859	16,884	124,975	42,558	30
7 - 12 months	96	132,701	25,153	107,548	79,621	60
13 months and over	<u>38</u>	<u>64,362</u>	<u>9,654</u>	<u>54,708</u>	<u>64,362</u>	100
	<u>396</u>	<u>550,153</u>	<u>88,483</u>	<u>461,670</u>	<u>195,918</u>	

The interest in respect of non-performing loans which had not been recognised in the surplus for the year was \$19,040,000 (2023: \$18,962,000). Loans on which interest is suspended amounted to \$261,608,000 (2023: \$338,923,000).



## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

## 12. LOANS (CONT'D):

## (c) Allowance for impairment

The movement in the allowance for impairment determined under the requirements of IFRS is as follows:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Balance at 1 January	248,006	225,004
Charged to surplus during the year	53,922	103,407
Amounts written off during the year	(131,228)	( 80,405)
	<u>170,700</u>	<u>248,006</u>

The allowance for impairment under the JCCUL regulatory requirement for the current year exceeded the provision required under IFRS provisioning rules by \$467,000 which is immaterial. The excess of the regulatory provision over the IFRS provision is normally dealt with through a transfer between accumulated surplus and loan loss reserve.

## 13. FINANCIAL INVESTMENTS:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
(a) <b>Investments securities at fair value through other comprehensive income:</b>		
Quality Network Co-operative Limited ("QNET") shares (note a)	2,472	2,472
Jamaica Co-operative Insurance Agency Limited (JCIA) (note b)	3,000	3,000
Cumax Wealth Management Limited (CUMAX) (Note d)	<u>3,859</u>	<u>3,859</u>
	<u>9,331</u>	<u>9,331</u>
<b>Government of Jamaica Securities:</b>		
Benchmark investment note	308,455	310,485
Global bonds	<u>101,558</u>	<u>103,624</u>
	<u>410,013</u>	<u>414,109</u>
Balance carried forward (page 74)	<u>419,344</u>	<u>423,440</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

## 13. FINANCIAL INVESTMENTS (CONT'D):

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
(a) Investments at fair value through other comprehensive income balance forward (page 73)	<u>419,344</u>	<u>423,440</u>
<b>Investment securities at fair value through surplus or deficit (profit or loss):</b>		
JCCUL shares (note c)	9,955	9,955
Units in Unit Trust Funds:		
Units held with JMMB Fund Managers Limited	<u>48,367</u>	<u>44,032</u>
	<u>58,322</u>	<u>53,987</u>
<b>Investments securities at amortised cost:</b>		
Government of Jamaica - Treasury bill	-	79,398
JCCUL - Mortgage funds (note e)	10,001	9,754
The Victoria Mutual building Society Mortgage deposit	<u>37,698</u>	<u>34,867</u>
	47,699	124,019
Less: Allowance for impairment losses	( 1,353)	( 1,287)
	<u>46,346</u>	<u>122,732</u>
	<u>524,012</u>	<u>600,159</u>
(b) The amounts are due to be recovered as follows:		
	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Within 12 months	114,392	157,010
Over 12 months	<u>409,620</u>	<u>443,149</u>
	<u>524,012</u>	<u>600,159</u>
(c) Certain investment securities at fair value through other comprehensive income as seen below is pledged as collateral for line credit borrowed from JCCUL:		
i) Benchmark investment note (95% of total nominal amounts equivalent to \$230m).		
ii) Global bonds (85% of total nominal amounts equivalent to US\$568,000). See note 23(b).		

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

13. FINANCIAL INVESTMENTS (CONT'D):

- (a) The QNET investment represents shares purchased from a private share offering.
- (b) This represents shares purchased in JCIA from a share offer underwritten by the JCCUL.
- (c) A minimum of 1,000,000 shares, each with a par value of \$1.00, must be held with the JCCUL for the Co-operative to retain membership status.
- (d) CUMAX investment represents shares purchased from a private share offering. During the year, an additional of 659,000 shares were acquired of a par value of \$1.
- (e) The rules of JCCUL stipulate that the Co-operative must invest 5% of the net increase in the members’ share accounts in the JCCUL Mortgage Fund instruments. These instruments are used to secure joint mortgage facilities, which are extended to the members of the Co-operative.

14. INVESTMENT PROPERTY:

	<u>2024</u>	<u>2023</u>
	<u>\$'000</u>	<u>\$'000</u>
Cost -		
At 1 January	7,208	10,012
Transfer from/(to) property, plant and equipment (note 17)	<u>5,547</u>	<u>( 2,804)</u>
At 31 December	<u>12,755</u>	<u>7,208</u>
Accumulated depreciation -		
1 January	2,943	4,268
Charge for the year	134	-
Transfer from/(to) property, plant and equipment (note 17)	<u>3,041</u>	<u>( 1,325)</u>
31 December	<u>6,118</u>	<u>2,943</u>
Net book value		
31 December	<u>6,637</u>	<u>4,265</u>

In prior year, investment property located at Shop 26, 3 Bryan’s Crescent, May Pen, Clarendon was transferred to property, plant and equipment at its carrying value.

During the year, building located at Portmore was sublet and transferred to investment property at carrying value.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

14. INVESTMENT PROPERTY (CONT'D):

An independent valuation of the properties was done as follows:

<u>Date of valuation</u>	<u>Surveyor</u>	<u>Location of property</u>	<u>Fair value</u>
December 13, 2022	Oliver’s Property Services	North Street	<u>\$41.0M</u>
November 9, 2023	Silver’s Property Services	Shop 24A & 25A Portmore Hall Portmore, St. Catherine	<u>\$21.0M</u>

The fair value of real estate was determined by independent, licenced real estate dealers, with appropriate recognised professional qualifications and experience and is classified as Level 3 in the fair value hierarchy.

The following table shows the valuation techniques used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Market based approach. This model takes into account: <ul style="list-style-type: none"><li>• A willing seller and buyer;</li><li>• A reasonable period in which to negotiate a sale, taking into account the nature of the property and state of the market;</li><li>• Values are expected to remain stable throughout the period of market exposure and disposal by sale (hypothetical);</li><li>• The property will be freely exposed to the market; and</li><li>• Potential rental value of the property in the current investment climate.</li></ul>	<ul style="list-style-type: none"><li>• Judgements if the property can be sold, exchanged, transferred, let, mortgaged or used for any other economic activity, within its use class.</li><li>• The potential rental value of the property in the current investment climate.</li></ul>	<p>The estimated fair value would increase/(decrease) if:</p> <ul style="list-style-type: none"><li>• The potential rental value of the property increased/(decreased).</li><li>• Judgement about what the property can be sold, exchanged, let, mortgaged, which had been determined to be better/(worse).</li></ul>



## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

## 14. INVESTMENT PROPERTY (CONT'D):

The income earned from the properties, one of which is leased under operating lease amounted to \$999,000 (2023: \$1,014,000) (see note 7). Direct operating expenses arising from the properties during the year amounted to Nil (2023: Nil).

## 15. CASH AND CASH EQUIVALENTS:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Cash in hand	2,119	6,148
Bank balance	<u>33,070</u>	<u>36,958</u>
	35,189	43,106
Bank overdraft	<u>( 1,082)</u>	<u>( 284)</u>
	<u>34,107</u>	<u>42,822</u>

(a) Cash and cash equivalents in the statement of cash flows is represented by:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Repurchase agreements (note 11)	228,829	30,153
Cash and cash equivalents (above)	34,107	42,822
Liquid assets - savings account balances (note 10)	<u>60,137</u>	<u>60,661</u>
	<u>323,073</u>	<u>133,636</u>

(b) At the reporting date cash and cash equivalents included amounts totaling \$7,323,000 (2023: \$6,470,000) which represent amounts due to the Ministry of Education, Youth & Information, that are not available to Co-operative for operational use (see note 24).

(c) Bank overdraft arose from unpresented cheques.

## 16. OTHER ASSETS:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Deposits and prepayment	40,126	35,980
Interest receivable	142,964	219,900
Sundry receivables	<u>3,932</u>	<u>6,014</u>
	<u>187,022</u>	<u>261,894</u>

## NOTES TO THE FINANCIAL STATEMENTS

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## 17. PROPERTY, PLANT AND EQUIPMENT:

	<u>Freehold Land \$'000</u>	<u>Buildings \$'000</u>	<u>Construction in Progress \$'000</u>	<u>Leasehold Improvements \$'000</u>	<u>Office Furniture and Equipment \$'000</u>	<u>Total \$'000</u>
Cost -						
1 January 2023	3,381	83,042	297,134	72,759	267,574	723,890
Additions	-	-	34,115	-	7,069	41,184
Transfer from investment properties (note 14)	-	2,804	-	-	-	2,804
Disposal	-	-	-	-	( 1,428)	( 1,428)
31 December 2023	3,381	85,846	331,249	72,759	273,215	766,450
Additions	-	55	156,933	544	12,251	169,783
Transfer from investment properties (note 14)	-	( 5,547)	-	-	-	( 5,547)
Transfers in/(out)	-	-	( 10,758)	10,758	-	-
Disposal	-	-	-	-	( 347)	( 347)
31 December 2024	<u>3,381</u>	<u>80,354</u>	<u>477,424</u>	<u>84,061</u>	<u>285,119</u>	<u>930,339</u>
Accumulated depreciation						
1 January 2023	-	20,905	-	48,043	178,552	247,500
Charge for the year	-	3,605	-	5,233	25,149	33,987
Transfer from investment properties (note 14)	-	1,325	-	-	-	1,325
Disposal	-	-	-	-	( 1,428)	( 1,428)
31 December 2023	-	25,835	-	53,276	202,273	281,384
Charge for the year	-	2,147	-	5,854	23,518	31,519
Transfer from investment properties (note 14)	-	( 3,041)	-	-	-	( 3,041)
Disposal	-	-	-	-	( 347)	( 347)
31 December 2024	<u>-</u>	<u>24,941</u>	<u>-</u>	<u>59,130</u>	<u>225,444</u>	<u>309,515</u>
Net Book Value:						
31 December 2024	<u>3,381</u>	<u>55,413</u>	<u>477,424</u>	<u>24,931</u>	<u>59,675</u>	<u>620,824</u>
31 December 2023	<u>3,381</u>	<u>60,011</u>	<u>331,249</u>	<u>19,483</u>	<u>70,942</u>	<u>485,066</u>

Construction in progress represents costs incurred to date for the property, at Constant Spring Road and developments at Portmore office. Future capital commitment expenditures is expected to amount to \$399,224,000 (note 31).

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

18. INTANGIBLE ASSETS:

	Software Rights \$'000
Cost -	
31 December 2023	73,351
Addition	<u>12,058</u>
31 December 2024	<u>85,409</u>
Accumulated amortisation -	
1 January 2023	57,662
Charge for the year	<u>7,335</u>
31 December 2023	64,997
Charge for the year	<u>4,564</u>
31 December 2024	<u>69,561</u>
Net book value -	
31 December 2024	<u>15,848</u>
31 December 2023	<u>8,354</u>

19. EMPLOYMENT BENEFIT ASSET:

The Co-operative provides for post-retirement benefit through a defined benefit pension plan, managed by the JCCUL. The plan is funded by contributions from the Co-operative and permanent employees in accordance with the rules of the plan. Under the plan, employees are entitled to retirement benefits based on 1.85% of their final 3 year average salary per year of contributory service. Effective 31 December 2016, the defined benefit pension plan was closed to new members. New employees participate in a defined contribution multi-employer pension plan operated by JCCUL.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

19. EMPLOYMENT BENEFIT ASSET (CONT'D):

(a) The amounts recognized in the statement of financial position are determined as follows:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Present value of funded obligations (note c)	(1,195,183)	(1,044,833)
Effects of asset ceiling	-	( 1,896)
Fair value of plan assets (note e (i))	<u>1,291,817</u>	<u>1,213,908</u>
Asset in the statement of financial position	<u>96,634</u>	<u>167,179</u>

(b) Movement in the amounts recognized in the statement of financial position:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Balance at beginning of year	167,179	57,813
Contributions paid	15,839	16,048
Pension expense recognized in surplus (note (f))	( 6,259)	( 6,167)
Remeasurement recognized in other comprehensive income (note (g))	( 80,125)	<u>99,485</u>
Balance at end of year	<u>96,634</u>	<u>167,179</u>

(c) Movement in the present value of funded obligations:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Balance at beginning of year	1,044,833	702,466
Service costs	18,838	9,149
Interest cost	111,967	87,580
Employees' contributions	14,475	14,517
Benefits paid	( 53,902)	( 57,548)
Actuarial losses/(gains) arising from:		
Experience adjustments	( 28,932)	10,405
Changes in financial assumptions	<u>87,904</u>	<u>278,264</u>
Balance at end of year	<u>1,195,183</u>	<u>1,044,833</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

19. EMPLOYMENT BENEFIT ASSET (CONT'D):

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

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Effect of asset ceiling at beginning of period	1,896	398,302
Interest on effect of asset ceiling	209	51,779
Change in effect of asset ceiling	(2,105)	(448,185)
Effect of asset ceiling at end of period	<u>-</u>	<u>1,896</u>

(e) (i) Movement in fair value of pension plan assets:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Fair value of plan assets at beginning of year	1,213,908	1,158,581
Employees' contribution	14,475	14,517
Employer's contribution	15,839	16,048
Interest income	132,233	148,862
Benefits paid	( 53,902)	( 57,548)
Administrative expenses	( 7,478)	( 6,521)
Actuarial losses	( 23,258)	( 60,031)
Fair value of plan assets at end of year	<u>1,291,817</u>	<u>1,213,908</u>

(ii) Plan assets consist of the following:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Quoted equities	291,778	248,508
Real estate investment trust	17,982	13,446
Government of Jamaica securities	415,144	440,522
Resale agreements	88,132	61,569
Investment properties	299,112	277,588
Global bonds	56,352	67,609
J\$ certificates of deposit	131,691	37,197
Unit trust	118,865	75,503
Other	( 127,239)	( 8,034)
	<u>1,291,817</u>	<u>1,213,908</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

19. EMPLOYMENT BENEFIT ASSET (CONT'D):

(f) Expense recognized in surplus or deficit:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Current service cost	18,838	9,149
Interest cost on obligation	111,967	87,580
Interest income on plan assets	(132,233)	(148,862)
Interest on effect of asset ceiling	209	51,779
Administrative expenses	<u>7,478</u>	<u>6,521</u>
Net pension expense included in staff costs (note 9)	<u>6,259</u>	<u>6,167</u>

(g) Amounts recognized in other comprehensive income:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Change in effect of asset ceiling	( 2,105)	(448,185)
Remeasured losses on obligation	58,972	288,669
Remeasured losses on plan assets	<u>23,258</u>	<u>60,031</u>
	<u>80,125</u>	<u>( 99,485)</u>

(h) As mortality continues to improve, estimates of life expectancy are expected to increase. The effect on the projected benefit obligation of an increase of one year in the life expectancy is approximately \$33,350,000 (2023: \$28,410,000).

(i) The principal actuarial assumptions (expressed as weighted averages) used were as follows:

	<u>2024</u>	<u>2023</u>
Discount rate	9.5%	11.0%
Expected future salary increases	7.0%	8.0%
Price inflation	5.0%	6.0%
Expected future pension increases	<u>5.0%</u>	<u>6.0%</u>



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

19. EMPLOYMENT BENEFIT ASSET (CONT'D):

(j) Sensitivity analysis on projected benefit obligation

The calculation of the projected benefit obligation is sensitive to the assumptions used. The table below summarizes how the projected benefit obligation measured at the end of the reporting period would have increased/(decreased) as a result of a change in the respective assumptions by one percentage point. In preparing the analyses for each assumption, all others were held constant. The economic assumptions are somewhat linked as they are all related to inflation. Hence, for example, a 1% reduction in the long-term discount rate would cause some reduction in the medical trend rate.

	2024		2023	
	1% Decrease \$'000	1% Increase \$'000	1% Decrease \$'000	1% Increase \$'000
Discount rate	195,480	(154,821)	163,553	(130,394)
Future salary increases	( 53,354)	61,023	( 44,465)	50,677
Future pension increases	(101,059)	117,575	( 85,555)	99,331

(k) Liability duration

	<u>2024</u> <u>Years</u>	<u>2023</u> <u>Years</u>
Active members	20.3	19.5
Deferred pensioners	15.8	17.1
Retirees	9.0	8.8
All participants	<u>15.9</u>	<u>15.5</u>

(l) The estimated pension contributions expected to be paid into the plan during the next financial year is \$15,330,000 (2023: \$15,280,000).

20. LEASES:

The Co-operative leases office space for its various branches. The leases typically run for a period of 1-5 years. Previously, the leases were classified as operating leases under IAS 17. The discount rate used is 9%.

Leases as lessee (IFRS 16)

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

20. LEASES (CONT'D):

(i) Right-of-use assets

Right-of-use assets related to leased properties that do not meet the definition of investment property.

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Balance at 1 January	21,082	14,005
New right-of-use assets	11,902	28,389
Amortisation charge for the year	(22,004)	(21,312)
Balance at 31 December	<u>10,980</u>	<u>21,082</u>

(ii) Lease liabilities

Undiscounted cashflows of lease liabilities:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Less than one year	3,889	26,345
One to five years	23,592	18,555
Six to ten years	<u>3,650</u>	<u>450</u>
Total undiscounted lease liabilities	31,131	45,350
Discount	(11,860)	(12,834)
Carrying amount of lease liabilities	<u>19,271</u>	<u>32,516</u>

(iii) Amounts recognized in surplus or deficit:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Interest on lease liabilities	<u>3,090</u>	<u>5,391</u>

(iv) Amounts recognized in statements of cash flows:

Total cash outflow for leases	<u>28,237</u>	<u>24,423</u>
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(v) Extension options

Some property leases contain extension options exercisable by the Co-operative up to one year before the end of the non-cancellable contract period. Where practicable, the co-operative seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Co-operative and not by the lessors. The Co-operative assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Co-operative reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

20.	<b>LEASES (CONT'D):</b>		
	(vi) Short-term leases:		
	The Co-operative has elected not to recognise right-of-use assets and lease liabilities for leases that are short-term.		
21.	<b>MEMBERS' DEPOSITS:</b>		
		<u>2024</u>	<u>2023</u>
		<u>\$'000</u>	<u>\$'000</u>
	Ordinary deposits -		
	At beginning of year	388,181	320,170
	Add: savings and interest	<u>859,662</u>	<u>727,513</u>
		1,247,843	1,047,683
	Less: withdrawals and transfers	<u>( 844,927)</u>	<u>( 659,502)</u>
		402,916	388,181
	At end of year	402,916	388,181
	Golden Harvest Plan	1,664,756	1,634,794
	Special fixed deposits	<u>5,343,850</u>	<u>4,991,628</u>
		<u>7,411,522</u>	<u>7,014,603</u>
	The amounts are due to be settled as follows:		
		<u>2024</u>	<u>2023</u>
		<u>\$'000</u>	<u>\$'000</u>
	Within 12 months	5,670,934	5,354,539
	Over 12 months	<u>1,740,588</u>	<u>1,660,064</u>
		<u>7,411,522</u>	<u>7,014,603</u>
22.	<b>MEMBERS' VOLUNTARY SHARES:</b>		
		<u>2024</u>	<u>2023</u>
		<u>\$'000</u>	<u>\$'000</u>
	At beginning of year	8,370,569	7,724,222
	Add: savings	2,604,756	2,181,212
	Interest	<u>234,542</u>	<u>218,002</u>
		11,209,867	10,123,436
	Less: withdrawals and transfers	<u>( 2,052,584)</u>	<u>( 1,752,867)</u>
		<u>9,157,283</u>	<u>8,370,569</u>
	At end of year	<u>9,157,283</u>	<u>8,370,569</u>

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

23.	<b>EXTERNAL CREDITS:</b>	<u>2024</u>	<u>2023</u>
		<u>\$'000</u>	<u>\$'000</u>
	JMMB Bank commercial mortgage loan (a)	204,808	212,662
	JCCUL commercial loan (b)	<u>246,526</u>	<u>-</u>
		<u>451,334</u>	<u>212,662</u>
	The amounts are due to be settled as follows:		
		<u>2024</u>	<u>2023</u>
		<u>\$'000</u>	<u>\$'000</u>
	Within 12 months	30,052	7,855
	Over 12 months	<u>421,282</u>	<u>204,807</u>
		<u>451,334</u>	<u>212,662</u>
	(a) The Co-operative procured a mortgage loan from JMMB Bank in 2023 to assist with financing the acquisition of a building on Constant Spring Road in Kingston, to house the head office and a branch. The cost of the property was \$280 million. The mortgage principal is \$224 million representing 80% of the cost of the property. The loan attracts interest of 9.75% (2023: 9.75%) per annum with maturity on 11 August 2037.		
	The loan is secured by:		
	i) First legal mortgage to be stamped to cover \$224,000,000 over commercial property located at 107 Constant Spring Road Kingston 10 St. Andrew registered at volume 1185 Folio 187 in the name of Jamaica Teachers' Association Co-operative Credit Union Limited.		
	ii) Assignment of Fire and allied perils Insurnace over commercial property at 107 Constant Spring Road, Kingtson 10, St. Andrew for the full replacement value with JMMB Bank's interest as First Mortgage.		
	(b) The Co-operative obtained a line of credit from Jamaica Co-operative Credit Union League Limited (JCCUL) to assist with the financing of office space expansion and construction at the Constant Spring Road property in Kingston, to house head office. The mortgage principal amounts to \$300 million, which will be disbursed in three (3) tranches as follows:		
	i) First tranche - \$218.5 million on 6 May 2024		
	ii) Second tranche - \$37.8 million on 22 July 2024		
	iii) Third tranche - \$43.7 million in 2025		
	The line of credit attracts a fixed interest rate of 9.75% per annum and covers a period of 8 years and 6 months.		

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

## 23. EXTERNAL CREDITS (CONT'D):

(b) The line of credit is secured by the following:

- i) 95% of the nominal value (\$80m) of GOJ FR 9.625% bond maturing in 2031,
- ii) 95% of the nominal value (\$150m) of GOJ FR 11.75% bond maturing in 2053,
- iii) 85% of the nominal value (US\$130,000) of GOJ FR bond maturing in 2036,
- iv) 85% of the nominal value (US\$180,000) of GOJ FR bond maturing in 2039 and
- v) 85% of the nominal value (US\$258,000) of GOJ FR bond maturing in 2036.

See note 13(c).

## 24. PAYABLES:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
Accrued charges	112,066	37,518
Interest payable	21,619	20,477
Withholding tax	5,749	5,449
Ministry of Education, Youth & Information refunds (note 15(b))	7,323	6,470
JTS Housing savings deposits	8,112	8,112
Youth savings deposits	287	351
Insurance	17,306	15,606
Other payables	<u>135,625</u>	<u>147,800</u>
	<u>308,087</u>	<u>241,783</u>

## 25. INSTITUTIONAL CAPITAL:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
(a) Members' permanent shares	<u>95,416</u>	<u>91,993</u>
(b) Statutory reserve -		
Balance at beginning of year	2,891,057	2,697,342
Transfer from current year surplus	228,238	193,700
Entrance fees	<u>20</u>	<u>15</u>
Balance at end of year	<u>3,119,315</u>	<u>2,891,057</u>
	<u>3,214,731</u>	<u>2,983,050</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

## 25. INSTITUTIONAL CAPITAL (CONT'D):

(a) Permanent shares

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

(b) Statutory reserve

As required by the Co-operative Societies Act and the rules of the Co-operative, a minimum of twenty (20%) of the annual surplus and amounts collected for entrance fees are transferred to this reserve. An additional amount was transferred from undistributed surplus, so as to maintain a statutory reserve of 15% of total assets, as agreed at the Annual General Meeting.

## 26. NON-INSTITUTIONAL CAPITAL:

	<u>2024</u> <u>\$'000</u>	<u>2023</u> <u>\$'000</u>
(a) Accumulated surplus	798,926	784,121
(b) Employee benefits asset reserve	96,634	167,179
(c) Fair value reserve	54,940	58,512
(d) Loan loss reserve	-	-
(e) Revaluation reserve	9,430	9,430
(f) Permanent share reserve	<u>3,000</u>	<u>3,035</u>
	<u>962,930</u>	<u>1,022,277</u>

(a) Accumulated surplus

This represents undistributed surplus.

(b) Employee benefits asset reserve

The employee benefits asset reserve represents pension surplus arising on the IAS 19 actuarial valuation of the pension plan in which the Co-operative participates. A portion of the annual changes in the value of the plan is shown in the surplus for the year, then transferred to this reserve, while the other portion is shown in other comprehensive income.

(c) Fair value reserve

This represents the unrealized gains or losses on the revaluation of FVOCI investments.

(d) Loan loss reserve

This represents the excess of the regulatory loan loss provision over IFRS 9 requirements. However, no provision has been made as the IFRS 9 provision is in excess of the PEARLS requirements.



NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

26. NON-INSTITUTIONAL CAPITAL (CONT'D):
- (e) Revaluation reserve

This represents surplus arising on revaluation of land and building, prior to December 31, 2001.
- (f) Permanent share reserve

This represents an amount set aside from surplus to be ascribed as permanent shares for members.
27. DIVIDENDS:
- At the Annual General Meeting held on 18 May 2024 (2023: 10 June 2023) the members moved a motion to pay dividends of \$6,452,000 (2023: \$6,256,000).
28. INSURANCE:
- (a) Fidelity insurance coverage

During the year, the Co-operative had fidelity insurance coverage with Jamaica Co-operative Insurance Agency Limited. The total premium for the year was \$200,000 (2023: \$200,000).
- (b) Life savings and loan protection coverage

During the year, the Co-operative had life savings and loan protection coverage with Cuna Mutual Insurance Co-operative Limited. Total premium for the year was \$90,430,000 (2023: \$84,058,000).
- (c) Golden harvest plan insurance coverage

During the year, the Co-operative had Golden Harvest Plan insurance coverage with Cuna Mutual Insurance Co-operative Limited. The total premium for the year was \$12,765,000 (2023: \$12,006,000).
- These policies remained in force throughout the year with all premiums being paid promptly.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

29. RELATED PARTY TRANSACTIONS AND BALANCES:
- The Co-operative entered into the following transactions with related parties:
- (a) Key management personnel:

	2024 \$'000	2023 \$'000
Loan balances	20,007	19,998
Members deposits	20,219	17,679
Permanent shares	14	14
Voluntary shares	8,119	6,990
Interest earned from loans	1,409	1,372
Interest paid on deposits	967	931
- (b) At the reporting date, 15 (2023: 15) members of the Co-operative’s Board of Directors and 12 (2023: 10) committee members had balances and transactions with the Co-operative as follows:

	2024 \$'000	2023 \$'000
Members deposits	61,353	61,723
Permanent shares	227	221
Voluntary shares	35,346	32,383
Loans including accrued interest	165,194	142,779
Interest paid on deposits	3,142	2,763
Interest earned from loans	15,373	12,728

During the year, no director, committee member or staff received loans which necessitated waiver of the loan policy. The secured loans to directors, committee members and staff were \$495,492,000 (2023: \$448,433,000) and unsecured loans were \$119,298,000 (2023: \$124,827,000) and were being repaid in accordance with their loan agreements. No impairment has been recognized on related party balances.

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

29. RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D:

(c) Compensation of key management personnel:

The remuneration of key members of management personnel (included in staff costs) during the year was as follow:

	2024 \$'000	2023 \$'000
Salaries and other short term benefits	72,690	57,184
Post-employment benefits	4,217	3,900
	<u>76,907</u>	<u>61,084</u>

This represents employer's contributions to the multi-employer defined benefit and defined contribution plans.

30. COMPARISON OF LEDGER BALANCES:

The detail records of balances relating to loans to members, deposits and members' voluntary shares compared with their respective control accounts were as follows:

	Loans to Members \$'000	Members Deposits \$'000	Members Voluntary shares \$'000
Balance as per general ledger	15,706,655	7,411,522	9,157,283
Balance as per members' ledger	<u>15,706,655</u>	<u>7,411,522</u>	<u>9,157,283</u>
Variances at 31 December 2024	<u>-</u>	<u>-</u>	<u>-</u>
Variances at 31 December 2023	<u>-</u>	<u>-</u>	<u>-</u>

31. CAPITAL COMMITMENTS:

As at 31 December 2024 the Co-operative entered into contracts for expenditure in the amount of \$399,224,000 (2023: \$399,224,000) in respect of which expenditure amounting to \$139,910,000 (2023: \$30,950,000) have been made (see note 17).

At 31 December 2024, loan commitments to members were \$74,601,000 (2023: \$18,962,000).

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# REPORT OF THE CREDIT COMMITTEE

## THE YEAR ENDED DECEMBER 31, 2024



**MRS. ANNE GEDDES-NELSON**  
CHAIRMAN



**MRS. LENA RUSSELL**  
SECRETARY



**MR. LEANON NASH**  
MEMBER



**MS. DEBBIE MEEK**  
MEMBER



**MR. NORMAN ALLEN**  
MEMBER

Throughout most of 2024, interest rates remained elevated, reflecting the Bank of Jamaica's monetary policy stance. However, towards the latter part of the year, the central bank implemented several rate reductions in an effort to ease financial conditions.

As of December 31, 2024, the policy rate stood at 6%. Despite these adjustments, lending rates across the financial sector remained relatively high, as the transmission of the Bank of Jamaica's rate reductions to commercial banks and other lending institutions has been gradual.

### Loan Disbursement and Portfolio Growth

A total of \$4.592B in loans were disbursed in 2024, 97.3 million above the prior year. The level of disbursement during the year led to the loan portfolio growing by 7.45% at year end, to \$15.4 billion, net of provision.

**Figure 1**  
**Loan Disbursements 2024 over 2023**

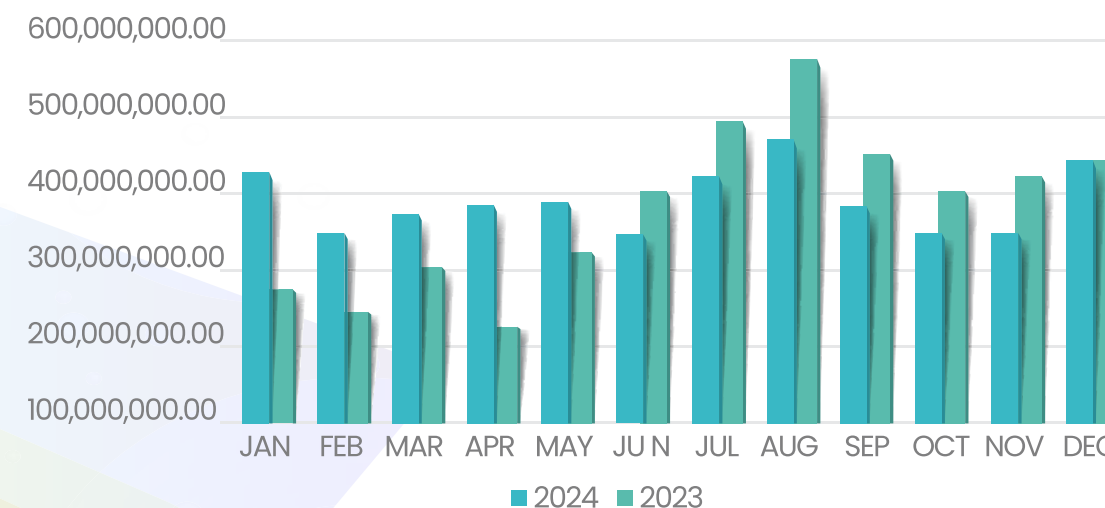


Figure 1 gives a comparative illustration of disbursements for the years 2024 and 2023.

### Loan Portfolio Composition

The Credit Union's policy stipulates that the loan portfolio should consist of at least 60% Secured Loans and no more than 40% Unsecured Loans. As of December 31, 2024, the portfolio composition was 70% Secured Loans and 30% Unsecured Loans. This reflects a faster growth rate in the secured loan segment compared to unsecured loans.

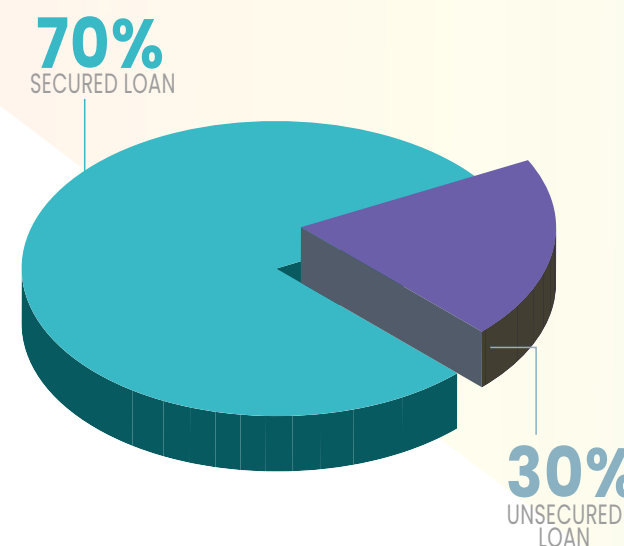
### Loan Portfolio Concentration

The portfolio concentration in terms of loan purpose classification is illustrated below and indicates that there was a high demand for loans for motor vehicle purchase in 2024.

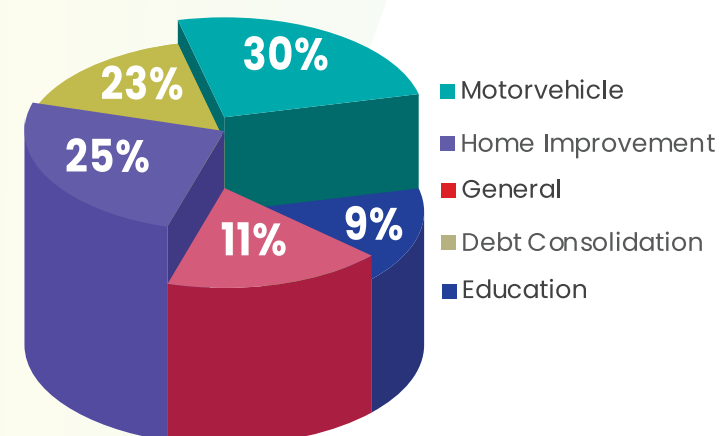
### Loan Review Activities

In 2024, the Credit Committee reviewed 143 loan applications that fell outside of the approval authority of management. Of this amount 101 were requests for loan approval while 42 were for re-scheduling of loan repayment.

**Figure 2**  
**Loan Portfolio Composition**



**Figure 3**  
**Loan Portfolio Concentration**



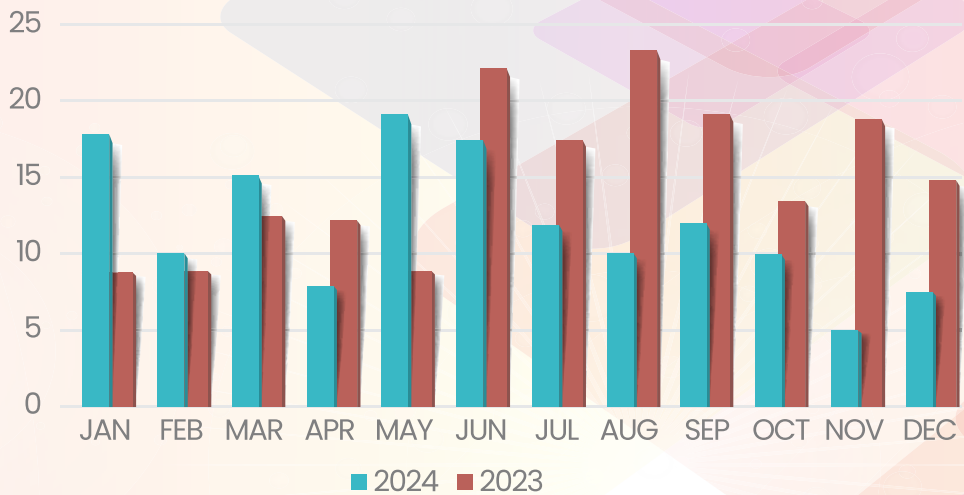


The majority of the requests (31) for re-scheduling came from retired members awaiting gratuity and pension benefits. The remaining requests (11) were from members facing extenuating

circumstances which resulted from unemployment, displacement, or ill health.

Figure 4 gives an illustration of the amount of loans reviewed each month by the Committee in 2023 and 2024.

Figure 4  
Monthly Loan Review Activity - 2024



Loan Review Outcomes- Year Over Year

When compared to 2023, there was a 16.5% decline in the number of loan applications submitted and processed by the committee during the 2024 period. The committee received no waiver requests as management has the ability to grant waivers for members topping up their shares to fast track their qualification for loans.

Meanwhile there was a 19% decrease in the requests for loan rescheduling and requests for board approval were 6.4% lower than the previous year. Loan refusals remain below 1%.

Details of the foregoing are shown in Table 1

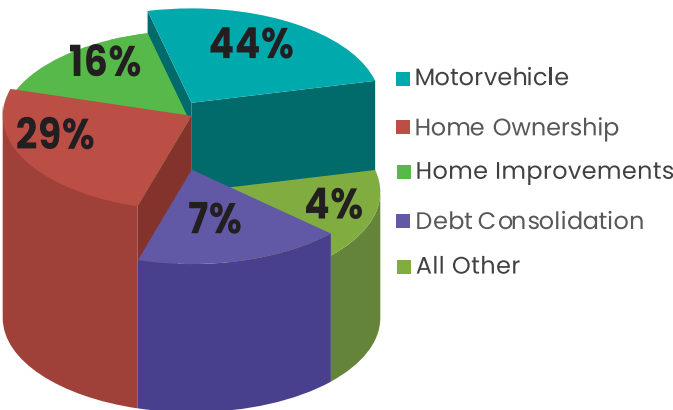
Table 1  
Loan Review Outcomes- Year Over Year

	2024	2023
No. of Applications	143	176
No. of Loans Processed	143	176
No. of Loans Refused	1	1
No. of Loans recommended to the Board for decision	0	0
No. of Loans recommended to the Board for approval	29	31
No. of Waivers granted	0	0
No. of Interviews conducted	2	0
No. of Spot Checks Conducted	1	0
No. of Rescheduled	42	52
No. of Loans Deferred	2	0

Loan Disbursement Categories

Forty-four percent (44%) of the loans reviewed and approved by the Committee were for motor vehicle purchases, followed by home ownership loans, which accounted for 29%. It is important to note that the Credit Committee is responsible for reviewing and approving loans that exceed management's approval limit. Additionally, the Committee evaluates loan requests with special conditions that may fall outside standard policy guidelines.

Figure 5  
Loan Approval Categories



Regular Weekly Meetings

The five-member Committee met as required to review the applications for loans, and at times was called upon to meet with members facing extenuating situations which hindered them from meeting their financial obligations.

Table 2 shows the attendance record of each committee member at Regular and Ad Hoc meetings held during the period of January 1 – December 31, 2024.

Table 2  
Regular Weekly Meetings

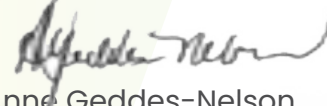
Members	No. of meetings held	No. of meetings attended	No. of excuses
Mrs. Anne Geddes-Nelson	56	56	0
Mrs. Lena Russell	56	44	12
Mr. Norma n Allen	56	47	9
Mr. Leason Nash	56	48	8
Ms. Debbie Meek	45	28	17

Conclusion

The Credit Committee is delighted to have met the diverse needs of our members throughout the year. We sincerely appreciate the management team for their unwavering support in helping us fulfill our responsibilities. Our gratitude also extends to the various staff members for their cooperation and dedication. Most importantly, we thank our valued members

for their continued trust and commitment to the credit union of choice. It has been our privilege to serve you at the Jamaica Teachers' Association Cooperative Credit Union.

Submitted and presented by

  
Anne Geddes-Nelson  
Chairman



**MRS. MARY  
DICK**  
CHAIRMAN



**MS. TINA  
REID**  
SECRETARY



**MR. ASTON  
MESSAM**  
MEMBER



**MR. CLAYTON  
HALL**  
MEMBER



**MS. ANDRIA  
GIVANS**  
MEMBER



**MRS. DAWN  
STEELE**  
MEMBER



**MS. GLECIA  
BECKFORD**  
MEMBER

## REPORT OF THE SUPERVISORY COMMITTEE THE YEAR ENDED DECEMBER 31, 2024

The sixtieth (60th) Annual General Meeting of the Jamaica Teachers' Association Co-operative Credit Union was held at the Jamaica Conference Center, 14-20 Port Royal Street, Kingston on Saturday, May 18, 2024.

All seven members nominated were elected to serve on the Supervisory Committee for the ensuing year. The members of the Committee were as follows:

Mrs. Mary Dick  
Ms. Tina Reid  
Mrs. Dawn Steele  
Mr. Aston Messam  
Mr. Clayton Hall  
Ms. Glecia Beckford  
Ms. Andria Givans

On Tuesday, May 21, 2024, a post AGM Joint Board and Committees meeting was convened to elect officers to serve on the various committees. Mrs. Mary Dick and Ms. Tina Reid were unanimously elected to serve as Chairman and Secretary respectively. The following members were elected to represent the Supervisory Committee on Sub-Committees of the Board:

Mrs. Dawn Steele -  
Promotion and Education Committee

Mr. Clayton Hall -  
Delinquency Committee

Mrs. Mary Dick -  
Policy Committee

Mrs. Mary Dick -  
Risk and Compliance Committee

### Year Under Review

The Supervisory Committee continued to monitor the application of policies as well as the overall performance of personnel and systems of the Credit Union. The scope of functions of the Committee also encompassed the observation and monitoring of the Board of Directors, Credit Committee, Customer Complaints, Loans and Credit Systems, Human Resources and Operations of the Branches.

### Meetings

The Committee convened twelve (12) regular monthly meetings; participated in specially convened Joint Board and Committee meetings as well as attended monthly work sessions at the Head Office.

### Record of Attendance

Members	Possible Sessions	Actual Attendance	Excuses/Absent
Mrs. Mary Dick	12	12	0
Ms. Tina Reid	12	11	1
Mrs. Dawn Steele	12	12	0
Mr. Aston Messam	12	12	0
Mr. Clayton Hall	12	12	0
Ms. Glecia Beckford	12	12	0
Ms. Andria Givans	8	8	0

### Files

Transaction files, including loan applications, which were selected randomly for examination at the Head Office and the branch offices amounted to one thousand one hundred and fifty-two (1,152). Additionally, the Supervisory Committee examined:

- Access Cards Records
- Branch Operation
- Accounting records relating to:
  - Furniture and Fixture
  - Insurance of Fixed Assets
  - Maintenance and Repairs Files
  - Payables
- Members' Files
- Volunteers' files

- Policies
- Minutes of Board Meetings

### Visits and Inspection

During the year, nine (9) of the eleven (11) branches were visited to ensure operational integrity, compliance, and member satisfaction. The Committee verified this by:

- Observing the operations as well as physical conditions and facilities of the offices;
- Examining files to ensure the processes of granting and securing loans were done in accordance with established standards;
- Checking inventories in an effort to ensure assets were being safeguarded;



- Ensuring that the systems and policies of the Credit Union were being adhered to at all branches.
- Receiving feedback from members about the quality service

Findings and Observations

- The Supervisory Committee is delighted to report that at all branches visited, the members present expressed satisfaction with the services received. For the majority of the branches, the members were pleased with the aesthetics.
- At the nine (9) branches visited, a total of one hundred and eighty-five (185) loan applications and withdrawals were reviewed as detailed below:

Loan Applications:

- Regular Loans – 64
- Loans Within Shares – 38

Withdrawals:

- Dividends – 10
- From Shares – 49
- From Deposits – 24

The files were found to be in good order at all the branches visited. There were general repairs and maintenance to the branch offices and head office during the year.

- The Portmore branch office was relocated and officially opened with members of the Committee in attendance. The new location is secure, spacious and aesthetically pleasing.

Training

The Credit Union continued its thrust towards the development of the knowledgebase, skills and competences of its staff and volunteers through training. As such, all Supervisory Committee members participated in the following training:

- Corporate Governance Workshop – confirm
- Anti-Money Laundering

Additionally, in June 2024, one member of the Supervisory Committee participated in the Caribbean Confederation of Credit Unions’ (CCCU) Convention held in St. Kitts.

Accounting Records

During the year, the Committee frequently examined accounting records to ensure loans were appropriately secured, applications correctly completed, and policy and procedural guidelines were adhered to. It was observed that the correct interest rates were applied and calculations computed according to established standards/principles. The Committee also reports that monthly payrolls were also examined, and deductions were made from staff salaries and paid to the relevant institutions.

Internal Audit

Monthly Internal Audit reports were submitted to the committee throughout the year. The overall objective of the audit is to provide management with assurance about the effectiveness of the key controls being operated in the organization, and the exposure to risk any control weakness may cause. Recommendations are made with a view to improving the adequacy, efficiency and effectiveness of controls based on the risk(s) identified.

The findings as well as the recommendations for improvements to procedures were perused by the Committee. Management and other personnel were invited to clarify issues in the reports where necessary. The reports were presented to the Board of Directors at their monthly meetings.

For the year, the Internal Audit Plan covered the key risk areas in the Credit Union and an audit was done each month. The Internal Audit Department examined the following areas:

- Accounts Payable
- Administrative Activities
- ATM Card Review
- Branch Operations & Returns
- Cash handling, Temporary Receipts and Petty Cash Review

- Continuity Plan
- Compromised Transactions
- Disaster Recovery Plan
- Furniture and Fixture
- Insurance of Fixed Assets
- Inconsistencies with the Calculation of Past Due Amounts on Universa
- Interest Dividend Verification
- Investments
- Know Your Customer Review
- Loan Write-off
- Management of Delinquent Accounts
- Members’ Files
- Policies
- Prospective Accounts
- Volunteers’ Files

Management and Staff

The Management and Staff of our Credit Union continued to demonstrate a high level of professionalism in the execution of their responsibilities. Their commitment to task and the members is commendable. We laud their efforts and acknowledge their invaluable contribution to the achievements of the Credit Union.

Acknowledgements

The Supervisory Committee wishes to extend congratulations and appreciation to the Management and Staff of the Jamaica Teachers’ Association Co-operative Credit Union for courageous leadership and tireless efforts in guiding our Credit Union with integrity and excellence despite the economic and social challenges of our economy.

The Committee extends our heartfelt sympathies to the family of Mr. Wentworth Gabbidon on his passing. Mr. Gabbidon served on the Supervisory Committee for

Volunteers’ Performance

The Board of Directors continued to provide excellent strategic direction and governance to ensure our Credit Union operates in the best interest of our members while succeeding in the planned initiatives undertaken for the year.

Credit Committee

The Credit Committee continued to meet weekly to approve loans and to ensure that loans were granted in accordance with the organization’s loan policies as well as the guidelines of the regulators.

The Supervisory Committee commends the members for their efficiency and dedication to the organization.

Volunteers and Staff Loans

CATEGORIES	TOTAL SAVINGS (\$M)	TOTAL LOAN (\$M)
Volunteers	96,926,000.00	164,075,987.76
Staff	156,885,109.70	450,714,370.18
TOTAL	166,577,709.70	614,790,357.94

several years. His unwavering dedication and contributions to the Committee and by extension the Credit Union will forever be cherished.

In conclusion, we extend our sincere gratitude to our esteemed members for the unswerving trust you have placed in us to represent you and serve this distinguished Credit Union. Your confidence humbles us, and we remain steadfast in our commitment to working diligently to safeguard our assets as the Jamaica Teachers’ Association Co-operative Credit Union continues its mission of Serving our Members ... Impacting Lives Positively.

Submitted and presented by:



Mary Dick,  
Chairman





## GENERAL MANAGER'S PROGRESS REPORT

“Success is not final;  
failure is not fatal:  
It is the courage to  
continue that counts.”

— Winston Churchill.

The past year has been a period of resilience, adaptation, and growth for the JTA Co-op Credit Union Ltd. Despite facing an ever-changing and competitive landscape, we achieved significant milestones. We improved our operational efficiencies and reinforced our market position. In 2024, we experienced remarkable growth in membership, demonstrating the wisdom in expanding the Credit Union's membership bond. Membership reached an all-time high of 1,983 new members.

We also enhanced service delivery to our members with the implementation of our Loan Origination System, making it much easier for them to apply for and secure loans with us. Furthermore, we improved our physical presence by renovating several locations and completely relocating the Portmore branch to more spacious and modern facilities.

As a result of our activities in 2024, along with our strong performance during the first quarter, our financial standing as of March 2025 is as follows:

**Savings- \$16,569**

**Net Loans- \$15,441**

**Assets- \$21,525**

**Membership- \$33,997**

The Board of Directors and managers held their annual strategic retreat in November 2024, during which key initiatives for the 2025 financial year were formulated and are now being implemented.

### Marketing and Communications

Throughout 2025, the Credit Union aims to enhance communication with its members and build stronger connections with key stakeholders. We will utilize our email marketing channel to send timely and relevant information that benefits our members in both their personal and financial lives. As we continue to expand our membership bond, we will introduce an e-book during the onboarding process for new members. This e-book will outline the rewards of membership, explain their roles as members, and describe what they can expect from our relationship.

To empower our members with additional financial knowledge, we will hold workshops and educational seminars. Our regular newsletter, “Members Circle,” will keep members informed about the latest activities and promotions at the Credit Union.

To recruit new members, we will conduct an island-wide canvassing activity. This initiative will involve key personnel from various regions dedicating specific days to recruiting new members and promoting our services.

We will also increase our online presence with engaging social media content and giveaways. Be sure to subscribe to our channels on Facebook, Instagram, YouTube, and LinkedIn, as we plan to expand to other platforms as well.

In 2025, the Credit Union will undertake rebranding activities, which will include redesigning our website and enhancing our branch offices. Additionally, we will continue our corporate social responsibility (CSR) initiatives, such as scholarships, bursaries, and grant programs.

### Banking Operations

The Banking Operations Department is at the core of our product and service delivery activities. This department includes our branch services network, the Credit Department, member

services, and the data collection, storage, and retrieval unit. The Operations Department has three primary goals for 2025:

1. Growth in Membership and Member Engagement: To drive membership and loan growth, the Credit Union will leverage technology to streamline the application and approval processes. Involvement from staff is critical for this initiative, and therefore, training will be provided. We will emphasize personal engagement with members through ongoing school visits to maintain a strong presence in the community.
2. Increasing Member Satisfaction: We aim to enhance accessibility by establishing an additional branch to meet the growing demands of the Kingston and St. Andrew region. The Credit Union will also enable members to perform key business activities remotely using technology, such as password resets, account transfers, and bill payments. We will enhance our online capabilities, allowing members greater freedom to complete transactions conveniently.
3. Strengthening Know Your Customer (KYC) and Data Protection Compliance: KYC compliance will be a special focus. To achieve this, staff members will receive ongoing training and updates on current regulations and industry standards. We will conduct a membership information update program throughout 2025. Additionally, the organization will schedule periodic audits to assess compliance with regulations and internal policies, ensuring the highest standards of data protection compliance.

### Credit Management

One of the key growth areas for the Credit Union is the work of the Credit Department. This department oversees the loan approval policies and procedures, manages collateral, and handles delinquency recovery. The Credit Department aims to enhance its collateral management system by evaluating its accuracy



and efficiency, enabling the Credit Union to identify and assess the potential risks associated with specific collateral used to secure loans.

For the financial year 2025, the Credit Union plans to strengthen its delinquency management procedures. This will involve categorizing all past-due accounts based on product and collateral type to evaluate the associated risks. A comprehensive record will be maintained of all correspondence with delinquent members, which will help expedite the collateral liquidation process and any necessary litigation.

Delinquent loans and the related bad debt provisions pose the greatest risk to the Credit Union’s viability. We will continue to implement the proactive delinquency management practices introduced last year, which have already yielded significant results. Remember that the Credit Union provides various channels for members to make payments and manage their accounts from anywhere in the world via:

- Our Website through Credit card
- Remittance agencies - Zoom via JMMB, and RIA via VMBS
- Bank transfer and Bill payment via BNS and NCB
- Wire transfer
- Standing orders

Information Technology

As the organization aims to shift and reposition itself, we will be offering improved online business opportunities for our members. The IT department will play a significant role in supporting the organization’s growth plans for 2025. During this financial year, the IT department will focus on the following areas:

1. The migration and expansion of IT infrastructure are ongoing initiatives. For the past three years, we have been upgrading our existing infrastructure, and this effort will continue, especially with the addition of new branches and the relocation of the head office. We will closely monitor critical equipment and infrastructure to ensure optimal performance and implement the

necessary security measures to mitigate current cyber threats.

2. The Credit Union will adopt enhancements and capabilities from the Universa core banking system to provide expanded services to its members. These services will include bill payment options, improved internal fund transfers, and the ability to submit loan applications online.
3. Enhancing and empowering the enterprise: Interventions will be introduced or improved to enhance banking operations. These improvements will include upgrading the company’s website, expanding electronic communications, and utilizing data analytics.
4. Document management solution- The Credit Union handles various complex transactions, including mortgages and motor vehicle loans, which necessitate extensive documentation. We will seek to identify an enterprise management electronic records solution and evaluate its value compared to a fully integrated core banking document solution.

The IT Department will continue to modernize and adopt technology that can be used to support the Credit Union’s digital transformation.

Risk & Compliance

The JTA Credit Union, like all financial institutions, faces various risks, including credit, operational, market, liquidity, reputational, and cybersecurity threats. We will continue to take a proactive approach to identifying and assessing these risks through routine risk assessments, robust internal audits, and monitoring key risk indicators. Our mitigation strategies will include improving internal controls, providing regular staff training, conducting stress tests, and implementing business continuity planning. We will regularly update the policies that govern our operations, at least annually, to ensure they align with current practices and reflect best practices in all areas. A strong risk management framework will support the Credit Union’s mission of protecting member assets, maintaining operational stability, and fostering long-term financial health.

Our Risk and Compliance plans prioritize data privacy and cybersecurity to protect member information and maintain trust. The Credit Union is satisfactorily registered under the Data Protection Act and has implemented all required measures to comply with emerging business regulations. In 2025, ensuring compliance with “Know Your Customer” documentation will also be a priority. Members will be asked to update their relevant information with the Credit Union to meet current regulatory requirements.

By integrating risk management and compliance into our daily operations, the Credit Union will enhance its ability to serve members responsibly and sustainably in a dynamic financial environment.

Human Resources and Administration

The JTA Co-op Credit Union Ltd. is dedicated to enhancing its human resources to better serve our members, staff, and overarching organizational goals. Our strategy for 2025 focuses on five key principles: people, processes, technology, compliance, and infrastructure.

**People:** In 2025, we aim to foster a supportive and growth-oriented culture, emphasizing employee engagement, professional development, and talent acquisition and retention. A strong focus on these aspects will be a priority.

**Processes:** We plan to improve the efficiency of our HR and administrative functions by standardizing workflows, minimizing redundancies, and concentrating on quality improvement.

**Technology:** Our goal is to integrate modern digital solutions that automate tasks, improve communication, and enhance our data management and analysis capabilities.

**Compliance:** We will maintain strict adherence to legal, ethical, and regulatory standards to protect the organization and its members.

**Infrastructure Renewal:** We will ensure that our facilities, equipment, and systems meet the evolving needs of our workforce and foster a productive work environment. In 2025, we will relocate our Head Office from 97 A Church

Street to 107 Constant Spring Road, and we will seek a more spacious location for the May Pen branch.

Annual Branch and Staff Awards

The dedication of our staff members cannot go unnoticed, as it is impossible to meet our goals and targets without their hard work. The following individuals were recognized for their outstanding performance during 2024:



Employee of the Year  
Faith Hull Loans Security Officer



Branch of the Year Montego Bay





Manager of the Year **Damion Campbell**



Salesman of the Year **Mark Thomas**

### Staff Movement

During 2024 the Credit Union said goodbye to four colleagues who proceeded on their retirement:



**Glenda Cole**



**Christine Ringrose**



**Veron Weston**



**Tatlyn Anderson**

Credit Union welcomed six (6) new members of staff and had four (4) staff resignations.

### Gratitude and Appreciation

Reflecting on the past year, the JTA Co-op Credit Union has shown remarkable adaptability and a strong commitment to excellence. Although challenges remain, our strategic direction, dedicated workforce, and strong leadership position us for continued success.

We would like to express our gratitude to the management team and all employees for their unwavering commitment and passion for excellence, which make our success possible. We also extend our heartfelt thanks to our members for the trust, loyalty, and confidence they place in our organization.

Special thanks go to the various school communities that support us in countless ways. We sincerely appreciate the faithful volunteers, including our Directors and Committee members, for their valuable contributions to our success over the years.

Finally, we give thanks to the Almighty God for His continued faithfulness in providing us with wisdom, guidance, and direction.

Robert Ramsay  
General Manager

## FEES! WHAT FEES?



The JTA Co-op Credit Union has no hidden or exorbitant fees to eat away your cash.

- NO** WITHDRAWAL
- NO** DEPOSIT
- NO** ACCOUNT HOLDING
- NO** ACCOUNT STATEMENT
- NO** MINIMUM BALANCE
- NO** ACCOUNT MAINTENANCE
- NO** ACCOUNT REACTIVATION

# FEES



We give it to you **FREE**, because we know that every dollar counts.



**Serving Our Members... Impacting Lives Positively.**

Contact us at: Tel. (876) 922-2009 / (876) 618-1706 or  
Email: [info@jtacreditunion.com](mailto:info@jtacreditunion.com) | Website: [www.jtacreditunion.com](http://www.jtacreditunion.com)





**MR. RUDOLPH SEWELL**  
CHAIRMAN



**MRS. DOROTHY TAYLOR**  
MEMBER



**MR. MICHAEL BROWN**  
MEMBER



**MR. ROBERT RAMSAY**  
GENERAL MANAGER,  
ADVISOR TO THE COMMITTEE

# REPORT OF THE NOMINATING COMMITTEE THE YEAR ENDED DECEMBER 31, 2024

The Nominating Committee met at the Jamaica Teachers' Association Co-operative Credit Union Limited, 97a Church Street, Kingston on April 9, 2025.

Present were:

Mr. Rudolph Sewell - Chairman

Mrs. Dorothy Taylor - Member

Mr. Michael Brown - Member

Mr. Robert Ramsay -  
General Manager,  
Advisor to the Committee

The Chairman welcomed all to the meeting, he outlined the responsibilities of the Committee and the objectives of the meeting. The main objective was to nominate persons who are to serve on the Board and Committees, as well as to nominate the delegates to the Jamaica Co-operative Credit Union League's Annual General Meeting

The said Nominating Committee reports as follows: Retiring members are:

Board of Directors

Mr. Cyril Lebert At Large

Mr. Ray Howell At Large

Mr. Huit Johnson  
Region 1  
(Kingston, St Andrew, St Catherine)

Mrs. Melva Humes-Johnson  
Region 3  
(St Mary, St Ann, Trelawny)

Mrs. Lou Ann Bramwell-Shakes  
Region 5  
(St Elizabeth, Manchester, Clarendon)

The Committee nominated the following persons to serve for three (3) years:

Mr. Cyril Lebert  
At Large

Mr. Ray Howell  
At Large

Mr. Huit Johnson  
Region 1 (Kingston, St Andrew,  
St Catherine)

Mrs. Melva Humes-Johnson  
Region 3 (St Mary, St Ann, Trelawny)

Mrs. Lou Ann Bramwell-Shakes  
Region 5 (St Elizabeth, Manchester,  
Clarendon)

**Credit Committee Retiring members are:**

Mrs. Anne Geddes Nelson  
Mr. Norman Allen  
Ms. Debbie Meek

**Members nominated to serve for two (2) years are:**

Mrs. Anne Geddes Nelson  
Mr. Norman Allen  
Ms. Debbie Meek

**Supervisory Committee**

**All members are retiring:**

Mrs. Mary Dick  
Mrs. Dawn Steele  
Mr. Aston Messam  
Mrs. Glecia Beckford  
Mr. Clayton Hall  
Ms. Tina Reid  
Ms. Andria Givans

**Members nominated to serve for one year are:**

Mrs. Mary Dick  
Mrs. Dawn Steele  
Mr. Aston Messam

Mrs. Glecia Beckford  
Mr. Clayton Hall  
Ms. Tina Reid  
Ms. Andria Givans

**Delegates to the League's Annual General Meeting**

Delegates nominated are as follows:

Delegates  
President and Treasurer  
Alternate Delegates to be named by the Board of Directors

**Volunteers Retiring in the Year 2026**

Volunteers retiring will be as follows:

**Board of Directors**

Mrs. Ena Barclay  
Region 2 (Portland, St Thomas)

Mr. Lebert Drysdale  
Region 3 (St Mary, St Ann, Trelawny)

Mr. Alfred Thomas  
Region 4 (St James, Hanover,  
Westmoreland)

Mrs. Sancia Stewart-Williams

Mr. Lincoln James  
Region 4 (St James, Hanover,  
Westmoreland)

**Credit Committee**

Mrs. Lena Russell Mr. Lealon Nash

Supervisory Committee

(All persons nominated in 2025)

Rudolph Sewell  
Chairman

# EXECUTIVE MANAGERS



**ROBERT RAMSAY**  
FCCA, FCA, MBA  
General Manager



**LISA TAYLOR**  
MBA, BA, DIP  
Assistant General Manager/  
Banking Operations



**MAXINE NUGENT**  
MBA, BSc  
Manager, Finance



**FABIAN WEBB**  
MBA, BSc  
Manager, Information Technology



**SUEZETTE  
HEMMINGS-BRYAN**  
MBA, BSc  
HRD & Administration Manager



**ANGELLA HARTLEY**  
Regional Officer  
Port Antonio, Port Maria  
& Brown's Town



**MAISE HAYLES**  
Regional Officer  
Mandeville, Santa Cruz



**MARK THOMAS**  
Regional Officer  
Montego Bay, Savanna-La-Mar



**MILLICENT WESTCARR**  
REGIONAL OFFICER  
PORTMORE, MORANT BAY



**ROWAN MCFARLANE**  
Regional Officer  
Linstead, May Pen

# REGIONAL OFFICERS



# GENERAL MANAGER'S OFFICE & INFORMATON TECHNOLOGY



**ROBERT RAMSAY**  
General Manager



**ANDREA REEVES**  
Executive Secretary



**KEMEISHA SEWELL**  
Clerk-Typist



**FABIAN WEBB**  
Manager, Information  
Technology



**ALTHEA SIMMS**  
Audit Officer



**J'REEENEEN DIXON**  
Audit Clerk



**TIFFANNI ROBINSON**  
Risk & Compliance  
Manager



**DAVID WAITE**  
IT Operations Officer



**DENISE WALKER**  
Marketing & PR Officer



**GERTLINE WHITE**  
Assistant  
Marketing & PR Officer



**DAMION CAMPELL**  
System Support Technician



**SUEZETTE  
HEMMINGS-BRYAN**  
HRD & Administration  
Manager



**NICKEISHA VERMONT**  
Human Resource  
Development Officer



**HEATHER HIGGINS**  
Secretary, HRD &  
Administration



**SHANNIA SOLEY**  
Office Attendant



**SHEREEN DUDHI**  
Office Attendant



**MARCIA WILLIAMS**  
Office Attendant



**LATOYA GOODEN-  
REID**  
Supervisor Office Services



**NORVAL GORDON**  
Courier Clerk



**ROBERT MURRAY**  
Messenger



**RESHA CROSDALE**  
Porter

# HUMAN RESOURCE & ADMINISTRATION



CREDIT  
DEPARTMENT



**MARIE MORGAN**  
Credit Manager



**DAVE BLACKWOOD**  
Supervisor Loans,  
Mortgage Officer



**FAITH HULL**  
Loans Securities Officer



**CALOO PINNOCK**  
Loans Officer



**PETHREL GREEN**  
Loans Securities Clerk



**TREY ADMAN**  
Loan Securities Clerk



**ALEXIA WILLIAMS**  
Loans Officer



**NAKITA SMITH**  
Delinquency Officer



**RUSHANE DALEY**  
Delinquency Clerk



**DANE LAZARUS**  
Delinquency Clerk



**MAXINE NUGENT**  
Manager, Finance



**MARCIA MCINTYRE-THOMAS**  
Accountant



**SHERINE GOODEN-BLOUNT**  
Accounts-Data Systems  
SUPPORT OFFICER



**FLETCHER JACOBS**  
Member Service  
Representative



**ANECIA CAMPBELL-FYNE**  
Accounts Supervisor



**OPAL CARTY**  
Accounts Clerk



**TERRY-ANN BROWN**  
Accounts Clerk/Journal

FINANCE  
DEPARTMENT



**MAXINE NICHOLSON**  
Secretary, Finance



**ANDRE JOHNSON**  
Investment Officer



**JAZERENE REID**  
Accounts Clerk



**TIFFANY CLARKE**  
Member Service  
Representative



**VANESSA FARQUHARSON**  
Accounts Clerk/Branch  
Reconciliation



**TORI STYLE**  
Accounts Clerk  
- Expense payable



# BANKING OPERATIONS



**LISA TAYLOR**  
Assistant General Manager/  
Banking Operations



**PAULINE  
STEWART- TIBBY**  
Secretary, Banking



**SHAWNA SYMISTER**  
Member Information Clerk



**ALICIA SIMPSON**  
Registry Supervisor



**TONI-ANN FRASER**  
Member Services Co-  
ordinator



**SHANIEK MAYNE-  
JONES**  
Member Information Officer



**LISA SMITH**  
Registry Clerk



**JAYSON BARNETT**  
Registry Clerk

# REGIONAL OFFICES

## BROWN'S TOWN



**ANGELLA HARTLEY**  
Regional Officer Port Maria, Port  
Antonio and Brown's Town



**SHAIEKIA  
BOWERS-BLACK**  
Branch Supervisor



**LOTOYA  
SIMPSON-ALLISON**  
Member Service  
Representative



**MOESHA GREAVES**  
Branch Clerk



**NICOLE LAWRENCE**  
Branch Clerk



**STEPHANIE JACKSON**  
Office Attendant

## LINSTEAD



**ROWAN MCFARLANE**  
Regional Officer  
May Pen & Linstead



**KERENE GRIFFITHS**  
Branch Supervisor



**KERRISHA FACEY**  
Member Service  
Representative



**FAYONA EDWARDS**  
Branch Clerk



**TANEEL RAINFORD**  
Branch Clerk



**MICHELLE RODNEY**  
Office Attendant



REGIONAL  
OFFICES

MANDEVILLE



**MAÏSE HAYLES**  
Regional Officer Mandeville  
& Santa Cruz



**NOVA SWABY**  
Branch Supervisor



**ALEX HIGGINS**  
Branch Clerk



**VENNEL TAI**  
Office Attendant

MAY PEN



**ROWAN MCFARLANE**  
Regional Officer Linstead  
& May Pen



**ALDERENE ROYE**  
Branch Supervisor



**SHEVELLE GRANT**  
Member Service  
Representative



**TISHAWN HIBBERT**  
Branch Clerk



**TYRONE PINNOCK**  
Branch Clerk



**MICHELLE HENDERSON**  
Office Attendant



**MARK THOMAS**  
Regional Officer  
MONTEGO BAY &  
SAV-LA-MAR

MONTEGO  
BAY



**CLAUDIA SMITH**  
Branch Supervisor



**TANIA SHIPPY**  
Member Service  
Representative



**MARJORIE-ANN  
BROWN**  
Branch Clerk



**KIMBERLY NEIL**  
Branch Clerk



**NATANYA FOSTER**  
Branch Clerk



**SYLVIA MULLINGS**  
Office Attendant

REGIONAL  
OFFICES

MORANT BAY



**MILLICENT WESTCARR**  
Regional Officer  
Portmore & St. Thomas



**MELLISSA  
MARSHALLECK**  
Branch Supervisor



**CHENECKA WILLIAMS LOUZA**  
Member Service  
Representative



**CHRIS ANN HITCHMAN**  
Branch Clerk



**DONNA HAMILTON**  
Office Attendant

REGIONAL  
OFFICES

PORTMORE



**MILLCENT WESTCARR**  
Regional Officer  
Portmore & St. Thomas



**KERIN MITCHELL**  
Branch Supervisor



**KIMBERLY MATTIS**  
Member Service  
Representative



**LATOYA EDIE**  
Branch Clerk



**CAMILLE CLARKE**  
Office Attendant

PORT ANTONIO



**ANGELLA HARTLEY**  
Regional Officer Port Maria, Port  
Antonio and Brown's Town



**TANISHA SCOTT**  
Branch Supervisor



**SHERRI-GAE BROWN**  
Member Service  
Representative



**PAULA WILLIAMS**  
Branch Clerk



**KAREN WHITE-CASSIE**  
Office Attendant



**TORI-ANN  
CLEGHORN**  
BRANCH clerk

REGIONAL  
OFFICES

PORT MARIA



**ANGELLA HARTLEY**  
Regional Officer Port Maria, Port  
Antonio and Brown's Town



**SHANTEL  
DUCKIE-DANVERS**  
Branch Supervisor



**JOAN SUER SOMIREDDY**  
Member Service  
Representative



**KAREN FLYNN**  
Office Attendant

SANTA CRUZ



**MAISE HAYLES**  
Regional Officer  
Manchester & St. Elizabeth



**NAGRA BENNETT**  
Branch Supervisor



**LEONARD SMITH**  
Member Service  
Representative



**KISHANN  
ROCHESTER-DYER**  
Branch Clerk



**SIMONE HENDRICKS**  
Branch Clerk



**MELLODY KERR**  
Office Attendant



## REGIONAL OFFICES

### SAVANNA-LA-MAR



**MARK THOMAS**  
Regional Officer  
Montego Bay & Sav-La-Mar



**AMANDA HERON**  
Branch Supervisor



**DEIDRE-ANN  
WILLIAMS**  
Branch Clerk



**SASHAWNA  
EDWARDS**  
Branch Clerk



**GIFFET SHAKES**  
Office Attendant



**JTA Co-operative  
Credit Union Limited**



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Credit Union Limited**

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**DEADLINE**  
Friday, July 18, 2025

# Let Us Create **BETTER SCHOOLS**



**2 SCHOOLS  
WILL WIN**

**1<sup>ST</sup> PRIZE  
\$1,000,000**  
**2<sup>ND</sup> PRIZE  
\$500,000**

The JTA Co-Op Credit Union is now  
accepting proposals for the

**BETTER** SCHOOLS,  
JAMAICA *Project*

Tell us about a school project you have started or wish to start that needs financial support and will positively impact your students' learning capacity and experiences.



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Find us on: [www.jtacreditunion.com](http://www.jtacreditunion.com) | [Instagram](#) [Facebook](#) : @JTACCU



## PRAYER OF **ST. FRANCIS OF ASSISI**

Lord,  
make me an instrument of your peace,  
Where there is hatred, let me sow love;  
Where there is injury, Pardon;  
Where there is doubt, Faith;  
Where there is despair, Hope;  
Where there is darkness, Light 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. Amen





# 2024 OBITUARIES

BECKFORD-HANSON GLENDA  
BENNETT PHYLLIS  
BOYD LINETT  
BRADSHAW IVY  
BROWN-MONTIQUE JOYCE  
BROWN-HOWELL KEISHA  
BROWN MARLENE  
CAMPBELL-RICHARDS ANDREA  
CHAMBERS LEONIE  
CORK ROAN  
DENNIS AINSLEY  
DILLON-WILLIAMS CHARLENE  
DOUGLAS-HAMILTON JUANITA  
DUNCAN CLAUDETTE  
EARLE PERLINA  
EDWARDS-EVEREST CLAUDETTE  
FORREST-MORANT CLAUDETTE  
GABBIDON WENTWORTH  
GILZINE-FORSYTHE ACYNTIA  
GRANT BLOSSOM  
GRANT ROBERT  
GOLDSMITH ROHAN  
HARTLEY PATRIC  
HARRIS MELBA  
HAUGHTON ALTIMAN  
HAUGHTON LLOYD  
HEADLEY ANTONETTE  
HENRY LYN  
HENRY MERVIS

HIBBERT MARIA  
HIGGINS VELETA  
HOBBS KATHLEEN  
HOILETT NIGEL  
JACKSON DELORES  
MAY SELVIN  
MARCH-LEE SONIA  
MCDERMOTT-MURRAY  
FREDERICKA  
MCLEOD-MCFARLANE MARJORIE  
MCNEIL MEGIL  
MITCHELL FERGUS  
MORGAN BLANCHE  
LEWIS-THOMAS COLLETH  
PATTERSON RANIQUE  
NEVERS VERNA  
PEDLY CYNTHIA  
PRATT SIMONE  
PRYCE DANIEL  
REID DAVID  
REID THERESA  
RENFORD CAROL  
RANGLING SYLVIA  
SCARLETT EVADNE  
SMITH ALDITH  
SAPPLETON SOPHIA  
SCOTT-SAMUDA PAULINE  
SMALLING SAMEIKA  
SMALLING SAMUEL

SMITH-CARR ANDREA  
SMITH BLANCHE  
SMITH HYACINTH  
SMITH LONNA-GAY  
SMITH-ASHMAN LYNEINE  
SMITH TAMMI-TERRELLE  
SPENCER-HALL GEORGIA  
STANLEY KERRI-ANN  
WALKER TAMMI-TERELLE  
WALKER GEORGIA  
WALTERS LEISA  
WHITE-ECCLESTON GRACE  
WILLIAMS ARLENE  
GENUS KAYDEAN  
WOODCOCK BROWN KAYDIAN  
WRIGHT MCCARTHY KERRY-ANN  
YOUNG ARLENE

# OUR LOCATIONS

**BROWN’S TOWN**  
Court Street, Browns Town, St. Ann  
Tel: 876-975-2420, 876-619-0799  
**MANAGER: ANGELLA HARTLEY**  
Email:branch08@jtacreditunion.com

**KINGSTON**  
**Head Office**  
97a Church Street  
Kingston  
Tel: 876-618-1706  
Email: info@jtacreditunion.com

**LINSTEAD**  
1-2, 26 Kings Street,  
Linstead, St. Catherine  
Tel: 876-985-2721, 876-618-1760  
**MANAGER: ROWAN MCFARLANE**  
Email:branch06@jtacreditunion.com

**MANDEVILLE**  
5 1/2 Caledonia Road,  
Mandeville, Manchester  
Tel: 876-962-1318, 876-619-0796  
**MANAGER: MAISE HAYLES**  
Email:branch09@jtacreditunion.com

**MAY PEN**  
2 Bryant’s Crescent,  
May Pen, Clarendon  
Tel: 876-986-2150, 876-618-1761  
**MANAGER: ROWAN MCFARLANE**  
Email:branch07@jtacreditunion.com

**MONTEGO BAY**  
Lot 3 Freeport, Bogue,  
Montego Bay, St. James  
Tel: 876-952-5205, 876-619-0797  
**MANAGER: MARK THOMAS**  
Email:branch12@jtacreditunion.com

**MORANT BAY**  
2 Georges Street, Morant Bay, St. Thomas  
Tel: 876-982-2468, 876-619-0791  
**MANAGER: MILLICENT WESTCARR**  
Email:branch03@jtacreditunion.com

**PORTMORE**  
Suite 23 & 24 West Trade Way,  
Portmore, St. Catherine  
Tel: 876-988-7439, 876-619-0788  
**MANAGER: MILLICENT WESTCARR**  
Email:branch13@jtacreditunion.com

**PORT ANTONIO**  
Shop #8 West Harbour Plaza,  
Port Antonio, Portland  
Tel: 876-975-2420, 876-619-0789  
**MANAGER: ANGELLA HARTLEY**  
Email:branch04@jtacreditunion.com

**PORT MARIA**  
Little Bay, St. Mary  
Tel: 876-994-2525, 876-619-0785  
**MANAGER: ANGELLA HARTLEY**  
Email:branch05@jtacreditunion.com

**SANTA CRUZ**  
La Beadle Plaza, Santa Cruz, St. Elizabeth  
Tel: 876-966-2481, 876-619-0792  
**MANAGER: MAISE HAYLES**  
Email: branch10@jtacreditunion.com

**SAVANNA-LA-MAR**  
110 Great Georges Street,  
Savanna-la-mar, Westmoreland,  
Tel: 876-55-2977, 876-619-0794  
**MANAGER: MARK THOMAS**  
Email: branch11@jtacreditunion.com



**JTA Co-operative  
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[info@jtacreditunion.com](mailto:info@jtacreditunion.com)  
[specialservices@jtaccul.com](mailto:specialservices@jtaccul.com)

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