



**National**  
Co-operative  
Credit Union

# 15<sup>TH</sup> ANNUAL REPORT

*Advancing in Unity:  
Strengthening Our Communities*

*Your  
Community  
Financial Partner.*



# Credit Union Prayer

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.*

*Oh 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*



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# Mission Statement

"To enhance the quality of life of all members consistent with co-operative principles by being the Premier Community Financial Partner."

## Our Co-operative Identity

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise.

### OUR CO-OPERATIVE PRINCIPLES

- ❖ Voluntary and Open Membership
- ❖ Democratic Member Control
- ❖ Member Economic Participation
- ❖ Autonomy and Independence
- ❖ Education, Training and Information
- ❖ Co-operation among Co-operatives
- ❖ Concern for the Community

### OUR CO-OPERATIVE VALUES

- ❖ Self-Help
- ❖ Self-Responsibility
- ❖ Democracy
- ❖ Equality
- ❖ Equity
- ❖ Solidarity

### OUR VALUES

- ❖ Integrity
- ❖ Professionalism
- ❖ Loyalty
- ❖ Innovation
- ❖ Human Resource Development
- ❖ Good Governance
- ❖ Responsiveness to Members' Needs
- ❖ Confidentiality
- ❖ Environmental Responsibility

# Standing Orders

## ANNUAL REPORT 2024

1. a) A member shall stand when addressing the Chair.  
b) Speeches are to be clear and relevant to the subject before the meeting.
2. A member shall only address the meeting when called upon by the Chairperson to do so, after which he shall immediately take his/her seat.
3. No member shall address the meeting except through the Chairperson.
4. A member shall not speak twice on the same subject except:  
a) The mover of a motion who has the right to reply.  
b) He/she rises to object or to explain (with the permission of the Chair).
5. The mover of a "Procedural Motion" (Adjournment, Lay on the Table, Motion to Postpone) shall have no right of reply.
6. No speeches are to be made after the "Question" has been put and carried or negated.
7. A member rising on a "Point of Order" is to state the point clearly and concisely. (A "Point of Order" must have relevance to the "Standing Orders").
8. a) A member shall not "call another member to order" but may draw the attention of the Chair to a "Breach of Order."  
b) In no event can a member call the Chair to order.
9. A "Question" shall not be put to the vote if a member desires to speak on it or move an amendment to it, except that a "Procedural Motion: The Previous Question", "Proceed to the Next Business" or the Closure: "that the Question be now put" may be moved at any time.
10. Only one amendment should be put before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it fails.
12. The Chairperson shall have the right to a "Casting Vote."
13. If there is equality of voting on an amendment, and if the Chairperson does not exercise his casting vote, the amendment is lost.
14. Provision is to be made for protection by the Chairperson from vilification (personal abuse).
15. No member shall impute improper motives against another member.
16. No member addressing the meeting shall use indecent, insulting, disrespectful or threatening language.
17. No member shall enter the meeting area unless he or she is modestly attired.
18. The video and audio recording of the business segment of the meeting is strictly prohibited except with the prior written consent of the Chairperson.
19. No member shall be involved in any behaviour which has the effect of disrupting the meeting.
20. The Chairperson will rule on any instance of disruptive behaviour or disorderly conduct by a member. The Chairperson may seek an apology from the member, take a short break, ask the member to leave the meeting or ask the security personnel to remove the member from the meeting. In extreme circumstances, the Chairperson may move a motion to adjourn the meeting. The Chairperson's ruling shall be final.

# Notice

Notice is hereby given that the 15<sup>th</sup> Annual General Meeting of the National Co-operative Credit Union [NCCU] Limited will be held on Wednesday, May 28, 2025, from 5:00 pm, at the St. Alphonsus Parish Hall, Goodwill, Dominica, under the theme:

***“Advancing  
in Unity:  
Strengthening  
Our  
Communities”***

# Agenda



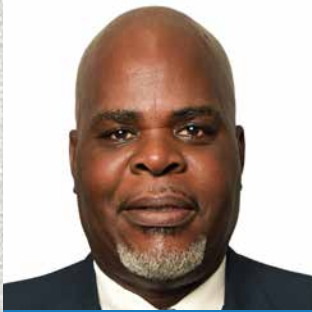
1. Ascertainment of Quorum
2. Call to Order
3. Credit Union Prayer
4. Apologies for Absence
5. Opening/Welcome Remarks
6. Adoption of Agenda
7. Reading and Confirmation of Minutes of the 14<sup>th</sup> AGM
8. Matters Arising from Minutes of the 14<sup>th</sup> AGM
9. Reports:
  - (a) Board of Directors
  - (b) Auditor and Treasurer
  - (c) Credit Committee
  - (d) Supervisory and Compliance Committee
10. Resolution(s)
11. Elections – Nominations Committee Report
12. Unfinished Business
13. New Business:
  - (a) Appropriation of Surplus
  - (b) Appointment of Auditor
14. Any Other Business:
  - (a) Remarks and Suggestions
  - (b) Lucky Bird Prizes
15. Adjournment

**Shannon Bedminister (Mr.)**

**Secretary**

*For and on Behalf of the Board of Directors*

# Board of Directors



Mr. Mc Dowill Paul  
*President*



Ms. Marjorie C. Roberts  
*Vice President*



Juliana Toussaint-Williams  
*Treasurer*



Mr. Shannon Bedminister  
*Secretary*



Mc Donald Thomas  
*Member*



Ms. Deann Daniel  
*Member*



Mrs. Lorna Prevost-Stephens  
*Member*



Mr. Wendell Gregoire  
*Member*



Ms. Yasmin John  
*Member*



Mr. Clement Marcellin  
*Member*



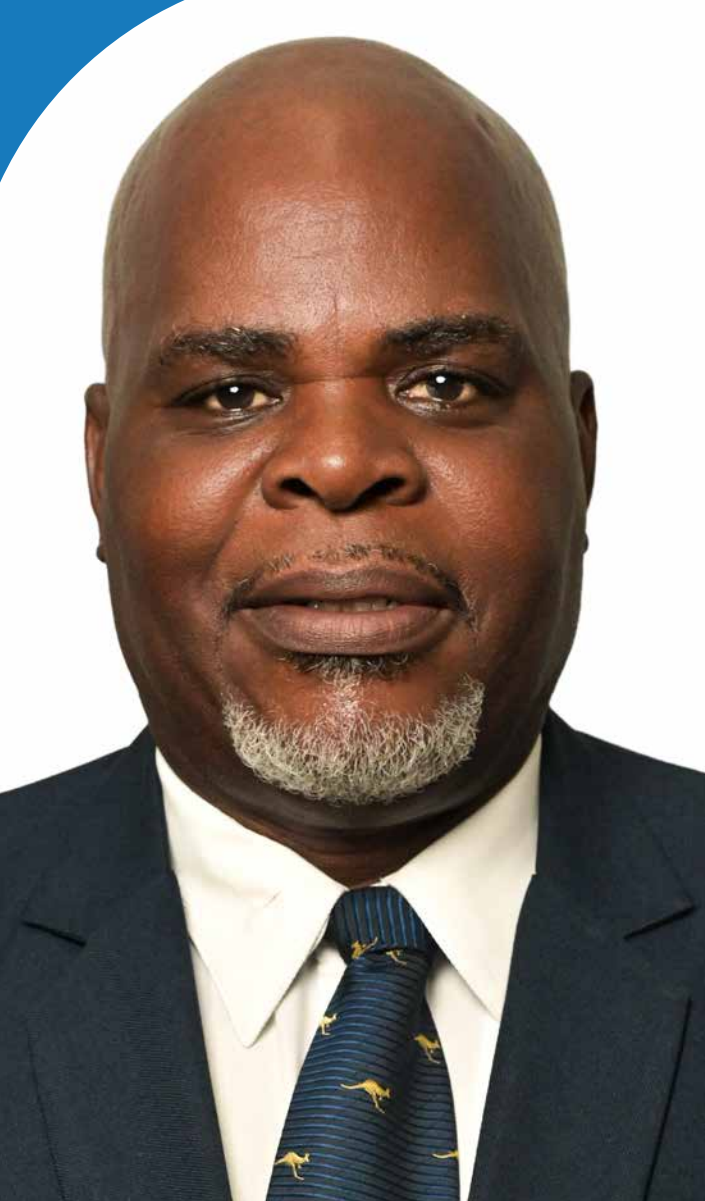
Mr. Gerald Fregiste  
*Member*



Mr. Yoland Jno Jules  
*Member (resigned Jan. 1, 2025)*



Mr. Carl Maynard  
*Member (resigned Jan. 27, 2025)*



**Mr. Mc Dowill Paul**  
*President - Board of Directors*

# BOARD OF DIRECTORS' REPORT

**FOR THE YEAR ENDED DECEMBER 31, 2024**

## OVERVIEW

Fellow Co-operators and Members,

Warm cooperative greetings to all members! Your Board of Directors is pleased to present its report on the operations and performance of the National Co-operative Credit Union Limited (NCCU) for the financial year ended December 31, 2024. This report highlights our achievements, operational milestones, community involvement, and strategic direction as we continue to strengthen our institution's position as a nationally and regionally recognized financial entity.

The year 2024 commenced with the implementation of our new Strategic Plan (2024-2027), which was developed through extensive stakeholder consultations over several months. This plan outlines a focused and complementary set of objectives, strategies and actions aimed at guiding management, staff and members in advancing the credit union's mission. Our commitment remains steadfast in ensuring sustainable growth, innovation and enhanced member services.

A key milestone of the year was the official launch of the Member Care Centre on January 30, 2024. This initiative was conceptualized to enhance the member experience by centralizing inquiries and ensuring prompt and efficient service. By streamlining our communication and support systems, we have

reinforced our dedication to member satisfaction and operational excellence.

Embodying the cooperative spirit of collaboration, solidarity, and mutual support, we signed a Memorandum of Understanding (MoU) with Nevis Cooperative Credit Union Ltd. in September 2024. This strategic partnership marks a significant step in expanding the accessibility and convenience of financial services for our members across the region, fostering greater financial inclusion and cooperation within the movement.

Despite a challenging and competitive financial landscape, your credit union achieved commendable performance, recording a comprehensive income of \$4.1 million. This success reflects the Board's unwavering commitment to growth while ensuring that the evolving financial needs of our valued members are met with professionalism, strategic foresight, and innovation. Leveraging the latest advancements in financial technology, we continue to enhance our service offerings to meet and exceed the expectations of our membership.

As we move forward with our strategic initiatives, we reaffirm our dedication to financial stability, member-centric service, and cooperative values.

Together, we build a stronger, more resilient credit union for the future.

## MEMBERSHIP GROWTH

The continued growth and success of the National Co-operative Credit Union Limited (NCCU) would not be possible without the unwavering support and commitment of our dedicated members. We are pleased to report an increase in membership from 52,628 at the end of 2023 to 53,448 at the end of 2024, an addition of 820 new members, representing a 1.56% growth rate. We warmly welcome our new members to the NCCU family and encourage you to take full advantage of our diverse range of products and services designed to meet your financial needs.

Furthermore, Member Share Capital experienced significant growth, increasing from \$7.1 million at the end of December 2023 to \$7.5 million as of December 31, 2024. This increase of \$0.39 million (4.72%) is a testament to the trust and confidence our members place in NCCU as their preferred financial institution.

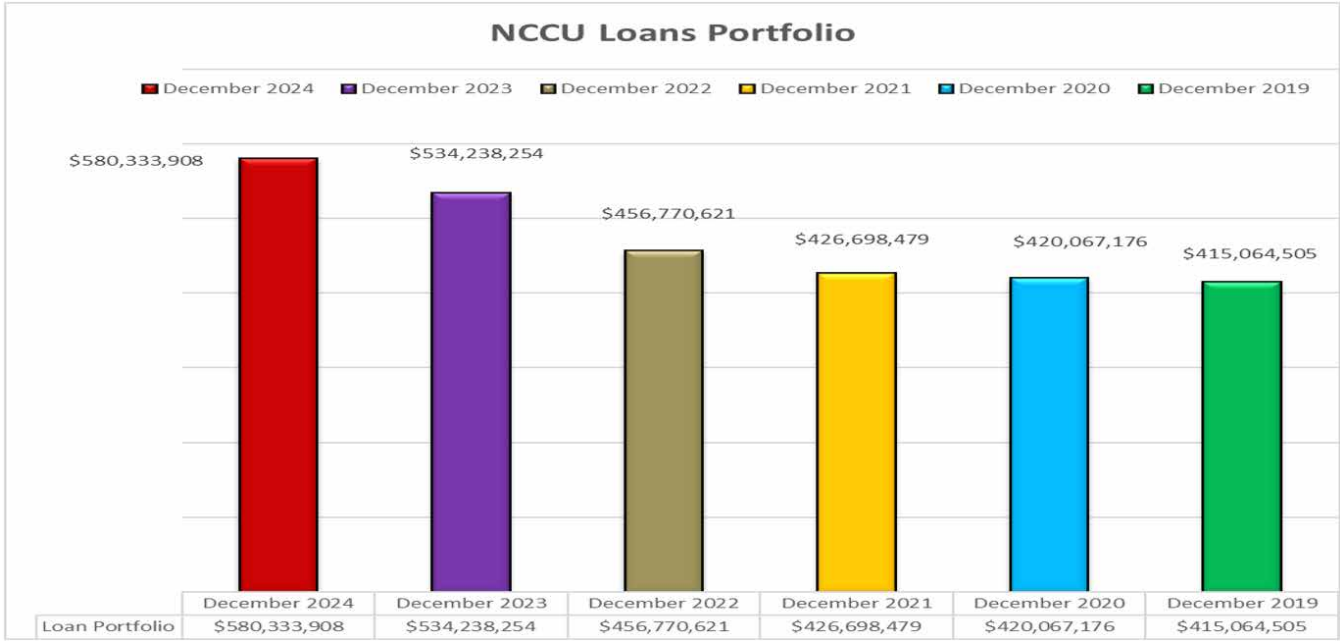
**Table 1.0 – Membership and Share Growth trend: 2020-2024**

Year	Value of Shares	No. of Members	Rate of Growth in Shares	Rate of Growth in Membership
2024	\$7,538,650	53,448	4.72%	1.56%
2023	\$7,199,050	52,628	7.51%	1.72%
2022	\$6,696,450	51,734	4.37%	2.11%
2021	\$6,416,000	50,664	3.71%	1.68%
2020	\$6,186,100	49,827	5.39%	1.77%

# LOANS PORTFOLIO

The National Co-operative Credit Union (NCCU) has achieved significant growth in its Loan Portfolio, increasing from \$534 million at the close of 2023 to \$580 million as of December 2024. This represents an impressive growth of \$46 million, or 8.6%, over a twelve-month period.

Graph 1.0 - Loan Portfolio Trends from December (2019 to 2024):



The NCCU's mortgage loan portfolio remains the largest, showing steady growth over the years, followed by Other Loans. The sharp increase in Other Loans in 2024 reflects a planned strategic shift toward short-term lending, to improve balance sheet stability.

Table 2.0 – Loan Portfolio by Category for the period: 2019-2024

YEARS	Personal \$	Mortgage \$	Vehicle \$	Land \$	Business \$	Other Loans \$
2024	142,732,286	376,117,718	14,827,208	25,439,634	15,577,778	5,573,976
2023	108,123,193	366,266,677	14,762,718	24,100,910	15,479,959	5,252,110
2022	104,178,556	278,999,067	14,589,310	23,417,604	15,995,823	19,746,103
2021	94,435,064	274,314,008	14,593,482	23,842,053	16,023,569	3,490,303
2020	98,498,734	255,954,975	18,266,340	23,531,225	17,382,608	4,812,158
2019	101,109,921	247,010,750	19,844,800	24,904,268	17,382,608	4,812,158

# COMMUNITY ENGAGEMENT

The NCCU, your trusted community financial partner, is unwavering in its commitment to community development, social responsibility, and our members’ overall well-being. Guided by Cooperative Principle #7 “**Concern for Community**”, the Board of Directors, Management and Staff actively participate in initiatives that make a positive and lasting impact across Dominica.

### Scholarships: Investing in Education

NCCU's scholarship program continues to be a cornerstone of our educational outreach. Since its inception in 2010, the program has supported 207 students, with 89 students benefitting as of December 31, 2024. Scholarships are awarded for five years and named in honour of Credit Union pioneers who have made enduring contributions to the cooperative movement.

These scholarships cover tuition, school fees, books, uniforms, transportation stipends and CXC exam fees. In 2024, NCCU invested \$118,053.66 into this vital program.

**Table 3.0 – Merit and Need Scholarships Awarded as of December 2024**

NAME OF SCHOLARSHIP	NUMBER OF SCHOLARSHIPS
NCCU Merit Scholarship	5
Shand Jolly	5
Dexter Ducreay	3
Marie Wilkins	5
Vernice Bellony	5
Haynes Baptiste	6
Ambrose Cuffy	5
Edward Elwin	24
Rodney Isidore Lewis	3
Myrtle Hilton	5
Hudson Saverin	9
Kenneth Richards	6
Derrick Lestrade	3
Johnson Joseph George Thomas	3
<b>Total</b>	<b>89</b>

In recognition of her outstanding contributions to the Credit Union movement, the Board of Directors has made the decision to rename the NCCU Merit Scholarship to the **Josephine Dublin Scholarship**. Mrs. Dublin, who served as President of NCCU from 2016 to 2022, has been a pioneer since the early 1980s, advocating for change, community involvement, and member satisfaction.

As we continue to champion education and youth development, NCCU remains committed to providing opportunities that empower the next generation, ensuring a brighter future for our communities.



*NCCU 2024 Scholarship Recipients at Scholarship Presentation Ceremony on August 13, 2024*

### ***Donations and Sponsorship***

Demonstrating our strong commitment to corporate social responsibility, NCCU actively supported a wide range of community-based groups, organizations, and institutions throughout 2024. Areas of funding included education, youth empowerment, cooperatives, sports, health, elderly care, safety, culture, and religious affairs.

NCCU has long played a pivotal role in community support and partnership through donations and sponsorships. In alignment with our tagline to serve as Your Community Financial Partner, we significantly increased our financial support, doubling the value of sponsorships and donations from **\$102,789** in **2022** to **\$204,715** in **2024**.

These contributions not only enhance the lives of our members and their families but also strengthen the bond between NCCU and the communities we serve. Through continued investment in community development, we reaffirm our dedication to fostering meaningful, lasting impact.

### ***Outreach Programs and Community Involvement***

In an effort to enhance member education, brand awareness, social responsibility and uphold our cooperative principle the following outreach activities were planned and executed during the year 2024:

❖ **2024 Carnival Support and Engagement**

- **National Carnival Parade 2024** – NCCU’s float, themed around Sensay and the *“Beyond the Mortgage”* loan product, earned the 2024 best Business Float.



- **Mahaut Village Carnival Opening** – Active participation by staff, volunteers, and members.



❖ **Community Talks and Engagement**

A new platform for grassroots connection, Community Talks highlight local voices and celebrate member achievements. They also provide empowering discussions on personal growth, finances, and community spirit.

- **Community Talks – Kalinago Territory**

The first Community Talks was held at the Salybia Primary School on 6<sup>th</sup> March 2024. Enlightened by guest presenters from the Territory on various topics:

- ❖ Adassa Lockhart Davis (Savings)
- ❖ Adicia Burton (Volunteerism)
- ❖ Kavem Hodge (Success)



- **Community Talks – Roseau Valley**

Community Talks Roseau Valley was held on 20<sup>th</sup> March 2024 at the Trafalgar Community Centre. Guest speakers:

- ❖ Pastor Drewdolph Valerie (Know your Worth)
- ❖ Joanne Bellot (Community Spirit)
- ❖ Stephan Pascal (Determination)
- ❖ Jorjanna Albert (Entrepreneurial Spirit)
- ❖ Casey Henry



- ❖ **Community in Motion**

The NCCU Ltd demonstrated its commitment to community development by supporting youth and sports empowerment in the Vielle Case community and surrounding areas. The T-10 cricket match held on April 20, 2024, highlights the organization's dedication to fostering local talent, encouraging teamwork, and promoting community engagement.



### ❖ **Adopt-a-School –Zero Waste Initiative**

In partnership with the Dominica Solid Waste Management Corporation, NCCU adopted four primary schools:

Salybia, Sineku, Giraudel, and Coulibistrie.

Supporting sustainability education and community cleanliness.



### ❖ **Corporate Outreach Snack N' Chat**

Collaborated with several businesses to promote financial literacy and products:

- ❖ Clear Harbor
- ❖ Roseau Police HQ & Fire Station
- ❖ HHV Whitchurch & Co. Ltd.



### ❖ Jazz n' Creole

Through sponsorship and participation by staff Brand Ambassadors, NCCU enhanced member engagement and brand visibility at this national cultural event.



### ❖ Beyond the Hours Initiative

Now an annual tradition, this December event includes:

- Promotion of the *Beyond the Mortgage* Product
- Extended opening hours for convenience
- Holiday treats and appreciation for members



### ❖ Diaspora Meet and Greet (Community of Paix Bouche)

An opportunity for returning members to reconnect with NCCU, explore new services, and receive updates on strategic changes.



### Additional Community Outreach Highlights

- ❖ Soup Kitchen – Mahaut Market
- ❖ In-Branch Community Talks
- ❖ Caribbean Baking Awards
- ❖ Progressivism 2024
- ❖ NCCU on the Street Campaign
- ❖ Creative Expression Through Art Competition
- ❖ Footy Fest (Youth Football)
- ❖ Dominica State College Job Fair
- ❖ Auto Trade Test Drive Event
- ❖ FOTA Programme – The Importance of Saving
- ❖ Financial Diet – Outreach to Secondary Schools
- ❖ Small Business Workshop
- ❖ Financial Information Month
- ❖ Kiddies Christmas Wish

Through these dynamic programs and initiatives, **NCCU reaffirms its commitment to being a socially responsible institution**, one that empowers, uplifts, and connects with the people it serves. As we look to the future, we remain deeply committed to strengthening our partnerships and expanding our reach to ensure sustained impact across all communities.

## CORPORATE GOVERNANCE

In an ever-evolving regulatory and compliance landscape, your Board of Directors has remained steadfast in providing strategic leadership, implementing effective policies, and fostering key relationships to ensure the sustained growth and stability of your credit union. Our commitment to sound governance is evident in the proactive measures taken to enhance operational efficiency, risk management, and member service delivery.

As part of our ongoing efforts to uphold the highest standards of corporate governance, we have

reinforced our commitment to accountability, fairness, and transparency. Through well-defined governance structures, policies, and strategic initiatives, the Board ensures compliance with regulatory requirements while prioritizing the best interests of our valued members.

### ❖ **Board Composition and Diversity**

The NCCU Board of Directors represents a diverse array of skills, experiences, and perspectives, key elements in providing effective oversight and strategic leadership. This diversity supports informed decision-making and strengthens our ability to meet the evolving needs of our members.

Throughout 2024, the Board prioritized advancing the organization's five strategic pillars. Particular emphasis was placed on the continued learning and empowerment of our directors, driving digitalization and innovation, enhancing and implementing policies, and conducting a comprehensive Human Resource Review.

At the conclusion of the 14<sup>th</sup> Annual General Meeting held on June 2, 2024, the following individuals were elected as new members of the Board of Directors:

- **Mr. Shannon Bedminister**
- **Ms. Deann Daniel**
- **Mr. Carl Maynard**
- **Mrs. Lorna Prevost-Stephens**

The Board extends its heartfelt appreciation to **Mr. Mc Dowill Paul**, retiring Director and President, for his invaluable contributions and steadfast leadership throughout his tenure with the Society.

### ❖ **Subcommittees of the Board of Directors**

To strengthen our governance framework and support effective decision-making, the Board of Directors operates through several specialized subcommittees. Each subcommittee plays a vital role in ensuring accountability, strategic oversight, and alignment with our institutional goals. These committees include:

- ✓ **Audit and Finance Committee** – Oversees financial reporting, budgeting, compliance, and risk management.
- ✓ **Remuneration/Negotiations Committee** – Responsible for determining compensation and benefits for senior management and contractual employees.
- ✓ **Nomination Committee** – Manages the nomination process for board and committee appointments, ensuring transparency and suitability of candidates.
- ✓ **Building Committee** – Provides oversight of infrastructure projects and the management of physical facilities.
- ✓ **Human Resource and Strategic Planning Committee** – Addresses workforce planning and drives long-term strategies.
- ✓ **Policies Review Committee** – Ensures that all policies remain current, relevant, and in compliance with regulatory and governance standards.
- ✓ **Delinquency Committee** – Assists in the management of delinquency.
- ✓ **Scholarship Committee** – Responsible for the selection of scholars (secondary school)
- ✓ **Members' Education and Members' Outreach Committee** – Supports outreach activities.

These subcommittees are composed of Board Directors, members of the Credit, Supervisory, and Compliance Committees, management representatives, and selected staff. Each committee is chaired by a Director, ensuring focused and unbiased oversight in their respective areas of governance.

#### ❖ Board Meetings and Participation

Your Board of Directors convened regular monthly meetings to conduct the business of NCCU. Additionally, special meetings were held when necessary to address specific issues related to policies, projects, operations, regulations, and compliance.

In 2024, a total of eighteen (18) board meetings were held, conducted both in-person and virtually. Directors' attendance was recorded accordingly, reflecting our commitment to active governance and effective leadership.



**Table: Meeting Attendance Record Jan. 2024- Dec 2024**

DIRECTORS	MONTHLY B.O.D. MEETINGS			SPECIAL B.O.D. MEETINGS			JOINT MEETINGS		
	Total Called	Attended	Excused	Total Called	Attended	Excused	Total Called	Attended	Excused
Mr. Mc Dowill Paul	12	12	00	03	03	00	03	03	00
Ms. Marjorie C. Roberts	12	11	01	03	03	00	03	03	00
Mrs. Juliana T. Williams	12	12	00	03	03	00	03	03	00
Mr. Wendell Gregoire	12	08	04	03	03	00	03	03	00
Mr. Mc Donald Thomas	12	11	01	03	03	00	03	03	00
Mr. Clement Marcellin Jr.	12	12	00	03	03	00	03	01	02
Ms. Yasmin C. John	12	11	01	03	02	01	03	02	01
Mr. Gerald Fregiste	12	10	02	03	03	00	03	03	01
Mr. Yoland Jno Jules	12	9	03	03	03	00	03	03	00
<b>ELECTED AT 14<sup>TH</sup> AGM HELD JUNE 2, 2024</b>									
Mr. Shannon Bedminister	07	07	00	02	01	01	03	03	00
Ms. Deann Daniel	07	06	01	02	01	01	03	03	00
Mr. Carl Maynard	07	06	01	02	02	00	03	03	01
Mrs. Lorna Prevost-Stephens	07	06	01	02	02	00	03	03	01
<b>RETIRED AT 14<sup>TH</sup> AGM HELD ON JUNE 2, 2024</b>									
Mr. Glenworth Ducreay	05	04	01	01	01	00	01	00	01
Ms. Sonia Williams	05	05	00	01	01	00	01	01	00
Mr. Shon Savarin	05	05	00	01	01	00	01	00	01
<b>RESIGNED EFFECTIVE MAY 1<sup>ST</sup>, 2024</b>									
Mrs. Ingrid Prosper-Bruno	05	05	00	01	01	00	01	00	01

## ❖ **Board of Directors Roles and Responsibilities**

The Board of Directors has clearly defined its roles and responsibilities to ensure strong governance, avoid conflicts of interest, and promote ethical and transparent conduct. In 2024, the Board undertook several key initiatives aligned with its oversight and strategic functions. These included:

### ➤ **Strategic Planning:**

Provided leadership in setting the strategic direction and oversaw the implementation of the 2024–2027 Strategic Plan.

### ➤ **Financial Oversight:**

Reviewed and approved the 2024 Budget, ensuring the accuracy of financial statements and the robustness of financial controls.

### ➤ **Risk Management:**

Monitored risk management practices to safeguard organizational assets and preserve member and stakeholder value.

### ➤ **Human Resource Development:**

Engaged a Human Resource consultancy – Mrs. Kay Robinson to conduct a comprehensive HR review to strengthen organizational structure and performance.

### ➤ **Strategic Oversight:**

Approved the purchase of the former First Domestic Insurance building as part of NCCU Ltd's long-term development and expansion strategy.

### ➤ **Governance and Policy Review:**

Contracted Development Cooperators Inc. Consultancy to conduct a full review of NCCU Ltd's policies, ensuring they remain current, effective, and aligned with regulatory requirements.

### ➤ **Internal Controls:**

Ensured the continued effectiveness of internal controls across the organization to maintain accountability and operational integrity.

These efforts reflect the Board's commitment to upholding the highest standards of governance, while strategically positioning the NCCU for sustainable growth.

## ❖ **Risk, Compliance and Governance**

The integration of risk management, regulatory compliance, and sound governance remains at the core of the ethical, responsible, and sustainable operations of the NCCU Ltd.

In 2024, the Board of Directors, in collaboration with the Credit, Supervisory and Compliance Committees, the Risk and Compliance Department, and the Management Team, continued to uphold robust governance structures. This collective effort ensures that the NCCU:

- Meets its institutional objectives
- Manages risk prudently and proactively
- Safeguards the interests of members and stakeholders

### **Key 2024 Initiatives:**

- Employment of a Cyber Security Officer to strengthen our cyber defense, in response to the global increase in cyber threats and digital vulnerabilities.
- Ongoing policy reviews and compliance updates to align with evolving regulatory requirements.
- Enhancement of internal controls and risk monitoring mechanisms to mitigate financial and operational risks.
- Support for a culture of compliance and accountability across all departments.

These measures reflect the NCCU's continued commitment to operational resilience, member protection, and long-term institutional sustainability.

## **TRAINING AND DEVELOPMENT**

In alignment with the cooperative principle of "Education, Training, and Information," the NCCU Ltd. remains committed to the continuous learning and development of its staff, elected representatives, and members. This principle is embedded in our organizational culture, ensuring that all stakeholders are empowered with the knowledge, skills, and competencies needed to thrive in a dynamic financial and cooperative environment.

### **❖ Staff Training & Development**

Members of staff participated in a variety of training and development sessions throughout 2024—virtually and in person—aimed at enhancing knowledge, building capacity, and strengthening operational effectiveness across the NCCU Ltd.

#### **1. Compliance, Legal, and Risk Management**

- Anti-Money Laundering (AML)
- AML/CFT/CFP Specialized Compliance Officer Training
- On-boarding & Updating Policies and Guidelines
- Preparation of Legal Documents
- Proper Document Completion & CRS for Onboarding
- Duty of Confidentiality, Oath of Secrecy
- Enterprise Risk Management for HR Professionals
- Anti-Robbery, Security & Safety Management
- Cooperative Societies Act
- DSF Policy Review
- Regulations and By-Laws
- Witnessing Documents
- NCCU Code of Ethics

#### **2. Leadership and Governance**

- Ethical Leadership
- Strategic Leadership Training
- Leader vs Manager
- Personal Financial Management

### 3. Member Services and Experience

- Team Building Activity – Development Workshop
- Member Onboarding and Updating Requirements
- Onboarding & Updating Policies and Guidelines
- Public & Human Relations

### 4. Technology and Innovation

- AI in the Caribbean: Exploring Possibilities and the Way Forward (ACCA Caribbean)
- New ATM training with Member Services Staff
- Verafin Sanctions Screening, Case Management, BSA Alert Management and Data Validation.
- Opcon Automation Software
- Advanced Microsoft Excel
- IFRS9 Software
- Advanced Microsoft Word

### 5. Finance and Accounting

- ECL (Expected Credit Loss) Computation
- Budget Preparation & Understanding
- Innovative Financial Mechanisms
- Financial Management
- Accounts Payable

### 6. Loan Underwriting and Credit Services

- Loan Underwriting & Policy Interpretation Refresher Training
- Understanding and Interpreting of Loan Underwriting
- Coping & Growing in the Small Business Sector Today

### 7. Security and Operational Procedures

- Crime Prevention Strategies
- Legal Authority of Private Security
- Monitoring and Patrolling
- ATM Crime Workshop
- Robbery and Response

### 8. Health, and Wellness

- Health & Wellness Session

Other notable training sessions attended by members of staff to enhance their skill set for their specific responsibilities include the following:

Training/Information Session	Staff Member
Caribbean Confederation of Credit Unions Training	Chief Executive Officer
	Human Resource Manager
	Branch Manager – Vieille Case
	Executive Secretary
Caribbean Credit Card Corporation [4Cs] Annual Client Seminar	Assistant Systems Administrator
	MSR-Finance Department

Training/Information Session	Staff Member
<b>Branch Managers Certification Programme</b>	Five (5) Branch Managers
	Member Service Manager
	Eight (8) Supervisors
	Six (6) Members of Staff
<b>UWI Professional Development Short Courses</b>	Thirty – Nine (39) Members of Staff
<b>Caribe DE</b>	Five (5) Members of Staff
<b>OECS Credit Union Summit</b>	Ten (10) Members of Staff

Additionally, several members of staff demonstrated commendable commitment to their personal and professional growth by pursuing higher education. As part of the NCCU's support for continuous learning, partial scholarships were awarded to staff members undertaking undergraduate programmes and certificate courses at various tertiary educational institutions.

### **Volunteers Training and Development**

Directors and committee members were provided with governance training, policy orientation, regulatory updates, and strategic planning workshops to strengthen oversight and decision-making capabilities as follows:

- DCSL Anti-Money Laundering Refresher Training
- CCCU Corporate Governance for Credit Unions
- Duties & Responsibilities of Board and Committees Under Act and By-Laws
- NCCU Loans Policy & Review of Loan Applications
- Governance Consultation with Development Cooperators Inc. (DCI)
- NCCU Annual AML Refresher Training for Volunteers
- DCSL Board of Directors Induction Training
- DCSL Induction Training for Volunteers
- DCSL Interpretation of Financial Statements
- CCCU Credit Union Governance Training for Volunteers
- Caribbean Development Education Program [Carib DE]
- CCCU Convention & AGM

### **Volunteers' Annual Retreat – 2024**

Board/Committee	Venue	Date
Board of Directors	Fort Young Hotel	August 31, 2024
Credit Committee	Rosalie Bay Resort	Oct. 11 – 12, 2024
Supervisory and Compliance Committee	Rosalie Bay Resort	Nov. 23 – 24, 2024

### **Members Training and Development**

Training and development for our membership continued to be a major focus of the NCCU during 2024 as the society facilitated training and education sessions on topics such as:

- Law Fair in the community of La Plaine

- Business Readiness
- Effective information use
- Understanding Target Market
- Small Business Training and Expos

Members also continue to receive financial counseling when they come in to access our products and services.

Additionally, the Business Development Unit organized Small Business Training in 2024. It was indeed a success and has assisted in strengthening the capacity of small business enterprises in this competitive environment. The Unit also held a Trade Expo at Castle Bruce providing small businesses in the area with an avenue to showcase their products and services.

## FUTURE OUTLOOK AND STRATEGIES

As we look beyond 2024, the National Cooperative Credit Union Ltd. (NCCU) stands at a pivotal juncture, poised for growth, innovation, and transformative change. Grounded in our core values and driven by a shared commitment to our members, our 2024–2027 Strategic Plan is built upon five foundational pillars designed to guide our institution through an era of progress and sustainability.

### 1) Excellent Member Services

At the heart of our operations is our unwavering dedication to serving our members. In 2024, we implemented several initiatives to elevate the member experience across all touchpoints:

- **Member Care Centre:** Established to centralize and improve the response time for member queries, ensuring prompt and efficient service.



- **MOU with Nevis Cooperative Credit Union** – Signed on September 27, 2024, to facilitate cross-border transactions and strengthen regional cooperation.



- **Member Service Advocate:** Introduced at the Roseau Branch to offer immediate, personalized support to members upon arrival.
- **ATM Fleet Replacement:** Enhancing reliability and accessibility of cash services.
- **New NCCU Website:** A refreshed, user-friendly interface designed to improve digital engagement and accessibility.
- **Major initiatives for 2025 include:**
  - ✓ **Construction of the New La Salette Branch in Pointe Michel**



- ✓ **Launch of the NCCU Virtual Branch** - A transformative service channel for digital member interaction.

- ✓ **NCCU Digital Transformation Project** - Modernizing operations and enhancing digital capabilities.
- ✓ **Continued Branch Restructuring** – Improving operational efficiency and service delivery across all branches.

## 2) Loan Growth

Loan portfolio expansion remains a critical priority as we continue to deliver accessible and innovative financing solutions:

- **Launch of VROOM Loan** – Officially introduced on May 31, 2024, catering to vehicle financing needs.



- **Relaunch of the Get It Now Seasonal Loan** – Relaunched on December 2, 2024, boosting engagement and reducing delinquency.
- **Automated Loan Application (ALA)** – Rolled out December 10, 2024, streamlining the loan process for faster approvals.
- **New Loan Facilities continues** – Including a 5% Snap Mortgage and a 6.5% Land Loan to meet evolving member needs.

## 3) Delinquency Management

Managing delinquency effectively is essential for institutional health and member support. Key initiatives include:

- **Collections Department Restructure** – Designed to improve recovery efforts and overall performance.
- **Interest Waiver Policy** – Offered relief to delinquent borrowers and encouraged regularization of accounts.
- **Fight Against Delinquency Initiative** – An institution-wide initiative held on November 23, 2024, fostering awareness and financial responsibility.

#### 4) Diversification of Income Stream

We continue to strengthen financial resilience through diversification:

- **Acquisition of the Former First Domestic Building** – Completed on February 29, 2024, now generating substantial monthly rental income and supporting long-term sustainability.

#### 5) Staff Development and Welfare

Our people are our greatest asset. To support the achievement of our strategic goals, we focused on:

- **Staff Month (May 2024)** – Celebrated with recognition, team-building activities, and professional development.



- **HR Audit and Policy Consultation** – Advancing our people management and organizational structure.
- **Training and Development Programs** – Delivered throughout the year to enhance capacity and performance.
- **Team Building Initiatives across the Branches** – Conducted across branches to strengthen collaboration and morale.



- **Staff and Volunteers Cocktail (May 2024)** – An opportunity to express gratitude, celebrate and foster camaraderie.

**Table: Employees Recognized at 2024 NCCU Staff and Volunteers social event**

Department	Awardees			
CEO Award	Michelle Matthew – Legal Officer			
Head Office	Bethany George-Brooks	Christon Carrette, Marcia Sorhaindo, Henry Williams		
Roseau Branch	Chelsea Dailey-Pascal	Sernelkah A Durand	Vernella Toussaint	Keri-Lynn Simon
La Salette Branch	Cecilia Alfred	Stanna Denis		
St. Paul Branch	Semon C Etienne	Avlyn Stephenson		
St. Vieille Case Branch	Davidson Marcellin	Hermine John		
South East Branches	Remicia Ernest	Manarah Bedminister	Decima James-Hilaire	
For Excellent & Consistent Initiative Leadership Determination	Wendy Walsh			

# Staff Awards



# Staff Awards



## CONDOLENCES

The Board of Directors extends its heartfelt condolences to the families, relatives, and friends of our departed members and loved ones who passed away during the year 2024.

We share in your sorrow and offer our sincere sympathy during this time of loss. May you find comfort in the cherished memories of your loved ones and solace in the celebration of their lives. Our thoughts and prayers remain with you.

## ACKNOWLEDGMENTS

The Board of Directors extends heartfelt gratitude to our many stakeholders who contributed to the NCCU's achievements in 2024. Your support has been vital to our progress and success.

We especially acknowledge our loyal members, whose continued trust fuels our growth, dedicated volunteers, who selflessly give their time and expertise, and hard-working staff, whose commitment and professionalism underpin all our accomplishments.

We express deep appreciation to the Caribbean Confederation of Credit Unions (CCCU), Dominica Co-operative Societies League, Financial Services Unit, Financial Intelligence Unit, Our sister credit unions, both regionally and locally. Your contributions have significantly advanced our mission and strategic objectives.

Special commendation is due to the Credit Committee and the Supervisory and Compliance Committee, whose voluntary service and oversight remain essential to our credit and operational governance.

To our Management and Staff, we offer our deepest thanks. Your dedication, innovation, and resilience continue to drive the NCCU forward. We recognize the value of your work, your connection with our members, and your essential role in achieving our vision.

## CONCLUSION

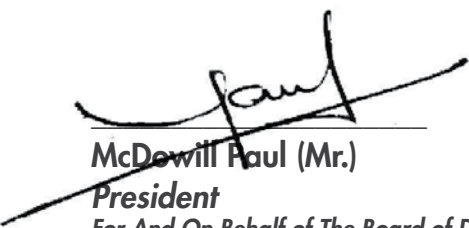
The year 2024 marked a period of substantial progress and notable achievements for the National Cooperative Credit Union Ltd. Despite external economic challenges, we have made strategic advancements that strengthened our performance and member value.

Our financial health remains strong, reflecting both the soundness of our strategy and the dedication of our team and volunteers. These achievements provide a solid foundation as we look ahead to 2025 and beyond.

We are confident in our ability to capitalize on new opportunities, remain resilient in the face of challenges, and continue delivering value to our members. The Board of Directors and Management

Team remain committed to driving sustainable growth, enhancing financial inclusion, and upholding the core values that define us as a cooperative.

Thank you for your continued trust, confidence, and partnership in making NCCU a leading and thriving cooperative institution.

  
McDowell Paul (Mr.)  
President  
For And On Behalf of The Board of Directors



National  
Co-operative  
Credit Union



**BEYOND**

**THE MORTGAGE**

2

2% SAVINGS

4

4% RETIREMENT  
SOLUTION

6

6% LOAN

GREEN ENERGY

VACATION

EDUCATION

FURNITURE

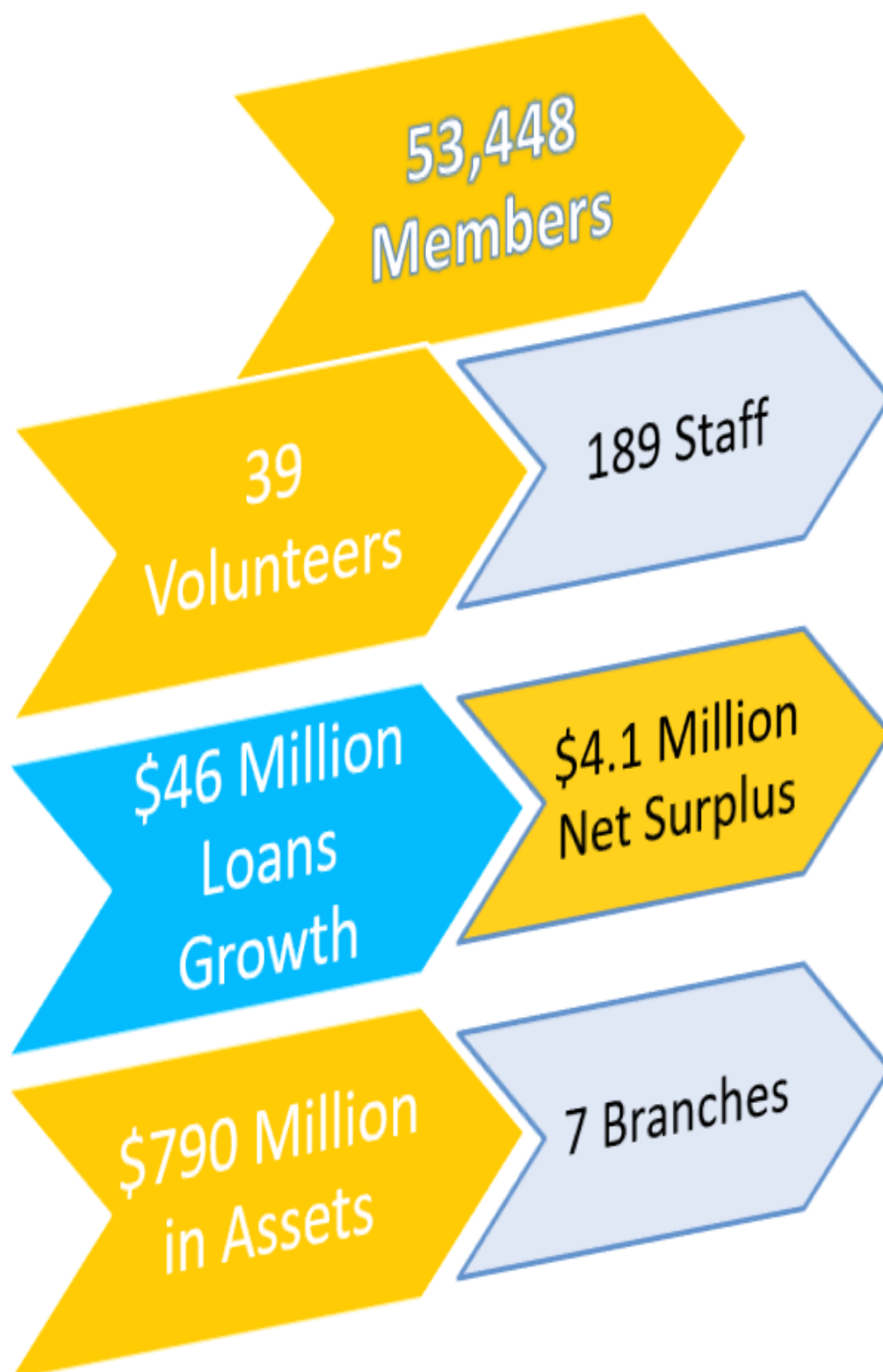
MEDICAL

PERSONAL  
DEVELOPMENT

\*SPECIAL BTM LINE OF CREDIT AVAILABLE\*

TERMS AND CONDITIONS APPLY

# 2024 Major Highlights



# Chief Executive Officer & Branch Managers



**Mr. Curth Charles**  
*Chief Executive Officer*



**Mrs. Glenda Smith-Baron**  
*Branch Manager - Roseau*



**Mrs. Maria Etienne-Pascal**  
*Branch Manager - La Salette*



**Ms. Casmire M. John**  
*Branch Manager - St. Paul*



**Mrs. Joan Thomas**  
*Branch Manager - Veille Case*



**Mrs. Jacqueline Roberts**  
*Co-ordinator - South East Branch*

# Executive Managers



**Ms. Michelle Matthew**  
*Legal Officer*



**Mr. Albert Paul**  
*Loans and Collection Manager*



**Ms. Nigel George**  
*Chief Financial Officer*



**Mrs. Shari Pascal-Maronie**  
*Marketing Manager*



**Ms. Lise Dangleben\***  
*Risk and Compliance Manager*



**Mr. Kelton Woodman**  
*Systems Administrator*



**Mrs. Veronica Evans-Shillingford**  
*Human Resource Manager*



**Mr. Marcel Harrigan**  
*Internal Auditor*

*\* Resigned on Oct. 6, 2024*



**Mrs. Juliana Toussaint-Williams**  
*Treasurer*

# TREASURER'S REPORT

**For the Year Ended December 31, 2024**

## OVERVIEW

Fellow Cooperators, I am honored to present to you an overview of the financial performance of the National Cooperative Credit Union (NCCU) Ltd, for the year ended December 31, 2024.

During 2024, our Credit Union operated in an unprecedented environment that presented both opportunities and challenges. Nevertheless, our continued trajectory of viability and value creation materialized during the period under review, as reflected in our growth in loans, total assets and member equity. Despite prevailing economic uncertainties, the Board, Management and staff have succeeded in achieving significant milestones and strengthening the Credit Union's position in terms of asset size, profitability and capital adequacy. The continued growth in our members' assets and overall improved performance of NCCU Ltd are indicative of sound management practices.

The Credit Union achieved strong financial results during the reporting period, driven by effective cost management and target growth strategies and new refreshed product offerings.

The following table provides a year-on-year comparison of NCCU's performance for 2024 v 2023 financial year.



**Table 1: Breakdown of Financial Highlights for 2024**

YEAR ENDED DECEMBER 31	2024 \$	2023 \$	INCREASE/DECREASE 2023-2024 \$	GROWTH/ DECLINE %
<b>Operating Results</b>				
Gross Income	42,487,969	43,659,274	-1,171,305	-2.68%
Total Expenses	38,385,680	38,807,662	- 421,982	- 1.09%
Net Surplus	4,102,289	4,851,612	-749,323	-15.44%
<b>Financial Position</b>				
Loans to members	580,268,600	533,985,567	46,283,033	8.67%
Investments	153,511,825	159,084,108	-5,572,283	-3.50%
Total Assets	790,693,998	767,534,196	23,159,802	3.02%
Savings and Deposits	505,560,128	486,237,167	19,322,961	3.97%
Member Ret. Account	50,347,569	46,495,642	3,851,927	8.28%
Total Liabilities	704,809,130	685,757,514	19,051,616	2.78%
Member Capital	7,538,650	7,196,108	342,542	4.76%
Members Equity	85,884,868	81,776,682	4,108,186	5.02%

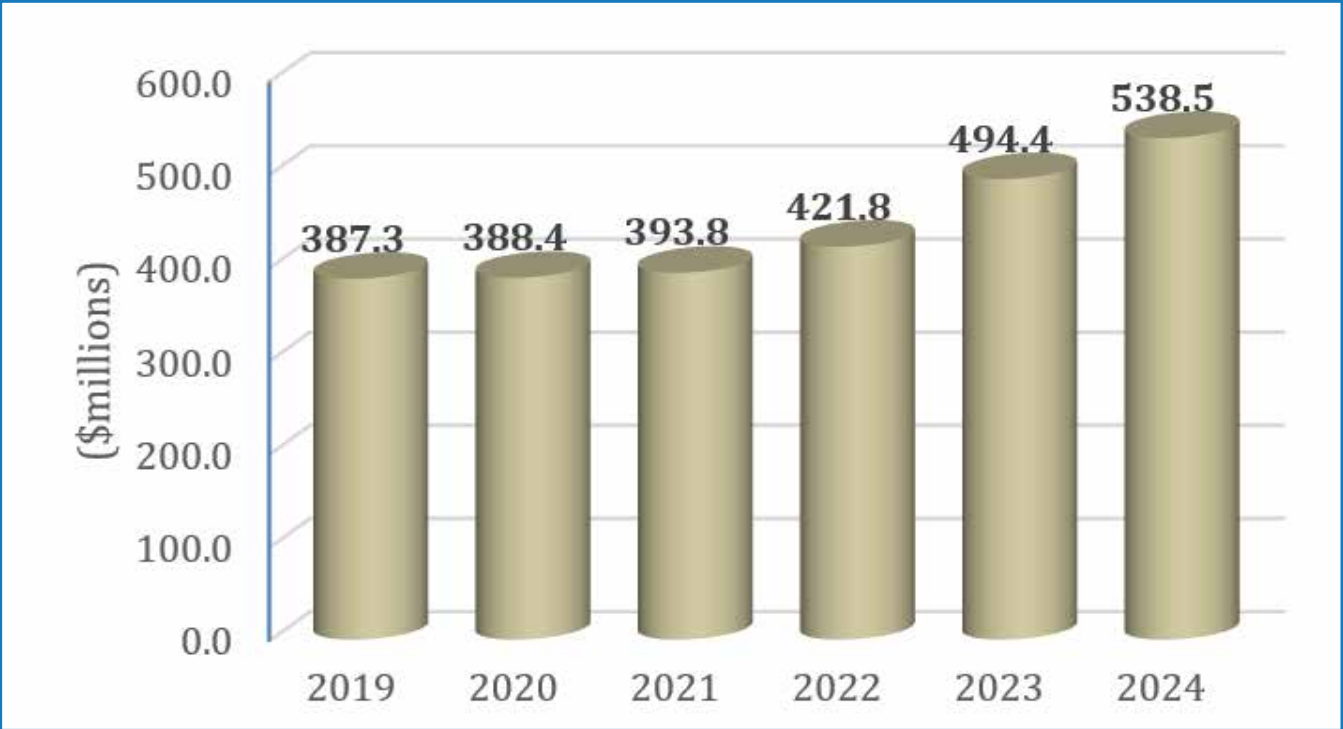
## STATEMENT OF FINANCIAL POSITION

### Assets

Total Assets at the end of December 2024 stood at **\$790.7 million**, representing an increase of **3.02%** over the 2023 figure of **\$767.5 million**. The Society's assets are categorized into earning and non-earning assets. Earning assets experienced a net growth of **\$52.0 million** in 2024 and now represents **88.5%** of Total Assets. Changes in the major asset portfolios were as follows:

- Cash: Our cash position declined from **\$52.0 million** to **\$31.8 million**, characterized by the growing demand for credit facilities by you, our members.
- Investment Securities: The investment portfolio decreased by **\$5.8 million (3.5%)**, a direct result of the expansion in our loan portfolio. The Board remains committed to pursuing the most lucrative and low-risk investment opportunities to yield substantial returns for the membership.
- Loan Portfolio: The net loan portfolio (net of Provision for Risk Assets) increased by an impressive **\$44.1 million** or **8.92%** as the Society continued to listen to and meet the demands of its members by providing suitable products tailored to your needs, such as the VROOM vehicular loan launched in May 2024. Consequently, the Net Loans to Total Assets ratio increased from **64.41%** at the end of 2023 to **68.10%** at the end of 2024.

Graph 1: Net Loans Portfolio over the past six (6) years.



- Investment Property: In February 2024, your Credit Union finalized the purchase of the former First Domestic Insurance property, with the objective of generating rental income. The Board approved this key strategic acquisition as part of our broader initiative to diversify income streams, cognizant of the fact of low interest rates on regional securities and to reduce the reliance on loan products.

Liabilities

Liabilities represent the financial obligations of the Credit Union and detail our indebtedness to persons and institutions. Our main liabilities are members’ deposits and savings which experienced net growth of **\$10.8 million** or **4.35%** from 2023. This growth resulted from an increase in deposit shares, which offset a decline in term deposits.

The institution also observed an increased rate of investment in the Member Retirement Account (MRA), which grew by **8.28%** as members continue to save towards their retirement goals. The NCCU offers favorable interest rates, and the MRA is considered one of the most attractive investment opportunities currently available locally.

Equity

Member’s Equity serve as the financial backbone of our Credit Union, supporting our growth initiatives, dividend payouts, and providing a buffer against economic instability. It represents the excess of assets over liabilities and experienced healthy growth of **\$4.1 million** or **5.02%** over 2023.



Permanent Shares grew by **\$342,542** or **4.76%** from 2023, and Reserves and Other Funds increased by **\$3.7 million** or **5.05%**.

The Credit Union continues to encourage members to invest further in the institution by purchasing permanent shares. Our prudential ratio is severely below the standard goal of 10%, ending the year at just **0.95%**.

## FINANCIAL PERFORMANCE

### Gross Revenue

The Society generated gross revenue of **\$42.5 million**, a marginal decline by **\$1.2 million** or **2.68%** over the previous year. While loan interest income grew, there was a decline in investment income and other income streams.

Year	Total Income	% Change
2020	\$36.2	1.97%
2021	\$38.8	7.18%
2022	\$37.4	-3.61%
2023	\$43.7	16.74%
2024	\$42.5	-2.68%

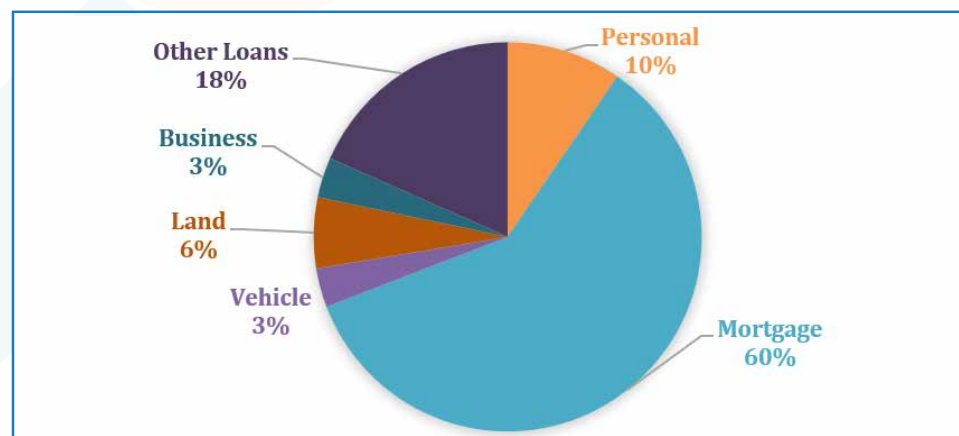
**Table 2: Comparative breakdown of Gross Income 2024/2023**

Income Type	YTD 2024	YTD 2023	Change	
	\$	\$	\$	%
Loans Interest	36,821,303	36,476,138	345,165	0.95%
Investment Income	3,624,276	4,633,035	-1,008,759	-21.77%
Other Income	2,042,390	2,550,101	-507,711	-19.91%
Total	42,487,969	43,659,274	-1,171,305	-2.68%

### Loan Interest Income

Interest generated from loans remains the institution's primary source of income, accounting for 86.66% of total gross revenue. There was a modest increase of **\$345,165** or **0.95%** relative to 2023, directly reflecting the robust growth experienced in the loan portfolio, however this growth was somewhat tempered by the impact of delinquency.

**Graph 2: Composition of Loan Interest Income by Sector for 2024:**



### Other Income

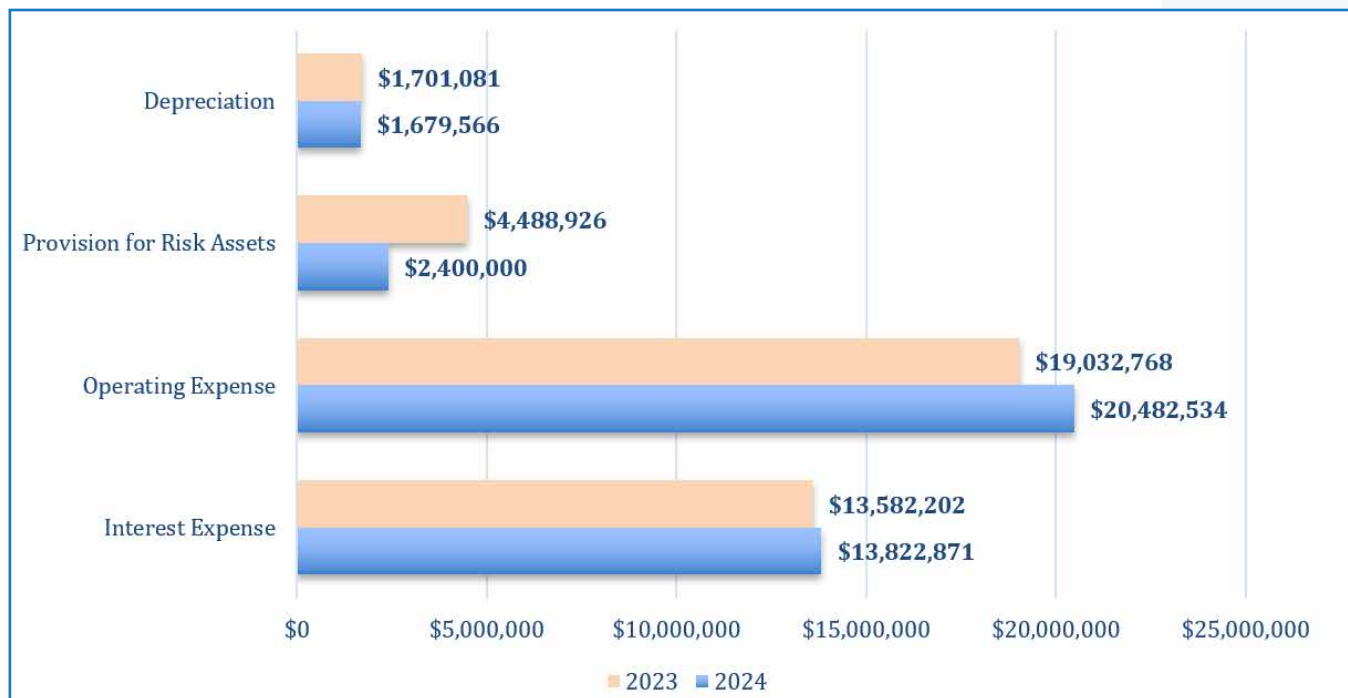
Other sources of income represent **13.34%** of gross revenue. Investment income fell by **\$1.0 million** or **21.77%** from prior year as the institution strategically cancelled deposits to meet the growing needs of the members, hence reducing the accumulated returns on the investment portfolio. The sum of \$377,164 was generated from the investment property in 2024.

Other income sources, which are largely service fees, have also declined by **\$507,711** or **19.91%**. This decrease is attributed to the reduced use of traditional services (such as bill payments, cheque books, and bank statements), as technological changes have impacted consumer behavior. As a result, the institution has begun realigning its strategies to better meet your evolving technological needs.

### Expenses

Total expenditure for 2024 totaled **\$38.3 million** compared to last year when **\$38.8 million** was recorded, a decrease of **\$421,982** or **1.09%**.

**Graph 3: Total Expenses by Category for the Year 2024/2023**



- Operating Costs increased by **\$1.45 million** or **7.62%** due to the cost of inflation and unavoidable costs. These include the implementation of water tariffs, increased software maintenance fees, and operating costs related to the new investment property.
- Provision for Risk Assets decreased by **\$2.0 million** or **46.54%**. In compliance with IFRS 9 guidelines, the institution continues to provide based on risk analysis, considering the security held against non-performing loans—even as delinquency levels have increased.

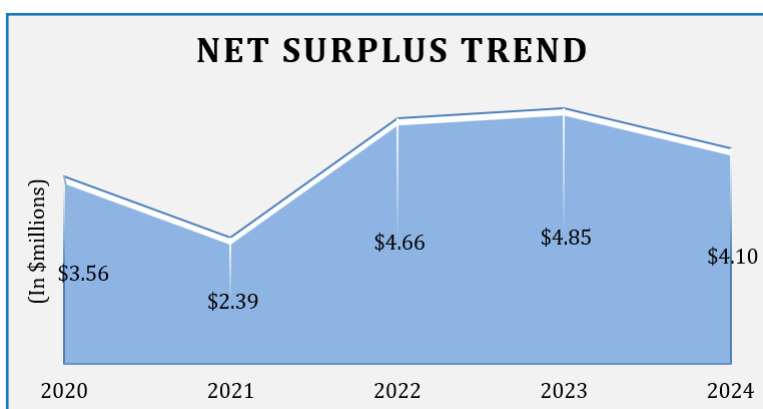
- Interest Expense increased marginally by **\$240,670** or **1.77%** as a byproduct of higher member deposits.

*The table below shows the member deposits relative to the financial costs from year 2020 to 2024.*

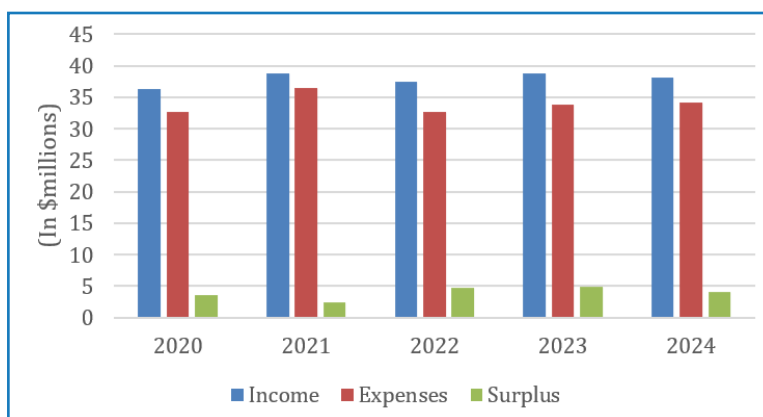
Year	2020	2021	2022	2023	2024
Total Member Deposits	\$ 539,368,189	\$ 567,533,058	\$ 605,301,795	\$ 620,114,578	\$ 630,921,220
Interest Expense	\$ 12,059,136	\$ 12,450,180	\$ 12,986,616	\$ 13,582,202	\$ 13,822,872

### Surplus Before Appropriation

The Credit Union realized a surplus of **\$4.1 million** for the 2024 financial year, a decline of **\$749,323** or **15.44%** relative to the prior year reported total of **\$4.8 million**. The institution has continued to implement strategies focused on stability and sustainability in the post-pandemic environment.



The graph shows the comparison of the Society's Total Income and Expenses versus Net Surplus generated from 2020 to 2024.



### Delinquency Management

As of December 31, 2024, the delinquency ratio for the financial year reached **13.97%**, exceeding the standard PEARLS ratio set at 5% and representing a **2.06%** increase compared to the previous year's rate of **11.91%**.

The management of non-performing loans continues to be a top priority for the Credit Union. Despite our sustained efforts, this remains a persistent challenge. Strategies were developed and implemented focused on controlling delinquency. Emphasis was placed on fostering closer working relationships with our members, exploring possibilities for refinancing and restructuring delinquent loans. We understand and empathize with the hardships faced by our members and our dedicated team is actively working to find effective solutions to mitigate them, reduce the delinquency rate, while maintaining the long-term financial stability.

## PRUDENTIAL RATIOS

The PEARLS Prudential Ratios serves as a management tool used to monitor the financial performance of credit unions. These ratios are based on internationally recognized prudential standards established by the World Council of Credit Unions.

Below is a synopsis of NCCU's financial health as at December 31, 2024, presented in accordance with the PEARLS framework.

Performance Ratio	Goal	2024	2023
<b>Protection:</b>			
<i>Allowance for Loan Loss</i>	<b>100%</b>	<b>88.84%</b>	<b>86.36%</b>
<b>Effective Financial Structure:</b>			
<i>Net Loans/Total Assets</i>	<b>70%-80%</b>	<b>68.10%</b>	<b>64.41%</b>
<i>Institutional Capital/Total Assets</i>	<b>10%</b>	<b>8.30%</b>	<b>9.00%</b>
<i>Savings/Total Assets</i>	<b>70%-80%</b>	<b>86.16%</b>	<b>86.85%</b>
<b>Asset Quality:</b>			
<i>Total Delinquency/Gross Loan Portfolio</i>	<b>5%</b>	<b>13.97%</b>	<b>11.91%</b>
<i>Non-Earning Assets/Total Assets</i>	<b>5%</b>	<b>11.12%</b>	<b>14.75%</b>
<b>Rates of Return &amp; Cost</b>			
<i>Total Expenditure /Total Income</i>	<b>&lt;=85%</b>	<b>90.34%</b>	<b>88.89%</b>
<b>Liquidity:</b>			
<i>Liquid Assets/Total Deposit</i>	<b>15-20%</b>	<b>22.27%</b>	<b>27.58%</b>
<i>Liquid Reserve/Total Savings Deposit</i>	<b>10%</b>	<b>9.89%</b>	<b>3.33%</b>
<i>Non-Earning Liquid Assets/Total Asset</i>	<b>&lt;1%</b>	<b>4.04%</b>	<b>7.39%</b>
<b>Signs of Growth</b>			
<i>Growth in Loans</i>	<b>&gt;=10%</b>	<b>8.67%</b>	<b>16.90%</b>
<i>Growth in Institutional Capital</i>	<b>&gt;5%</b>	<b>5.75%</b>	<b>6.69%</b>
<i>Growth in Membership</i>	<b>&gt;12%</b>	<b>4.76%</b>	<b>7.46%</b>

The NCCU continues to implement strategies to improve areas that have not met the required goal.

## CONCLUSION AND ACKNOWLEDGMENT

The 2024 financial results underscore the Society's dedication to prudent financial management and its commitment to meeting the evolving needs of members. NCCU Ltd. remains focused on empowering our members with financial freedom while simultaneously working to address the areas of concern.

Whilst we are deeply grateful for the ongoing support and confidence placed in the institution, we encourage members to continue to honor their commitment to the Credit Union and to work as we strive to transform their dreams and goals into reality.

I wish to thank you, our Members, for your ongoing patronage, the Board of Directors, Committee Members, Management and Staff and stakeholders for their dedication and service throughout 2024. We continue to solicit your support as we work together to make 2025 a successful year in these uncertain times.



**Juliana Toussaint-Williams (Mrs.)**  
**Treasurer**  
*(For and on behalf of the Board of Directors)*

**Member  
Care  
Centre**  
**255-2126**

[membercare@nccudominica.com](mailto:membercare@nccudominica.com)



# The NCCU Family



La Salette Branch



St. Paul Branch



Vieille Case Branch

**Orlando Allan Richards FCCA CA**  
**CHARTERED CERTIFIED ACCOUNTANT**  
P.O. Box 202  
Independence Street  
Roseau  
Dominica

# INDEPENDENT AUDITOR'S REPORT

**To the Members of National Co-operative Credit Union Limited**

## **Opinion**

I have audited the accompanying financial statements of the National Co-operative Credit Union Limited which comprise the statement of financial position as at December 31, 2024, and the statement of income and appropriation, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the National Co-operative Credit Union Limited as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and comply with the Co-operative Societies Act No. 2 of 2011 and the Co-operative Societies Regulations S.R.O 26 of 2001 of the Laws of the Commonwealth of Dominica.

## **Basis for Opinion**

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am independent of the Society in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Dominica, and I have fulfilled my ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements



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

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

1. 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 my 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.

2. 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 League's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
5. 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.

I 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 I identify during my audit.

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

### Other Information

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

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

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

### Other Matters

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



Roseau, Dominica  
April 22, 2025

# STATEMENT OF FINANCIAL POSITION

## AS AT DECEMBER 31, 2024

	Notes	2024 \$	2023 \$
<b>ASSETS</b>			
Cash and bank balances	5	31,822,002	52,022,670
Investment securities	6	153,511,825	159,084,108
Loans and advances to members	7	538,477,625	494,373,431
Other Assets	8	22,188,484	24,681,212
Property, plant and equipment	10	37,166,422	37,372,474
Investment property	9a	7,503,510	-
Leasehold improvements	9	24,130	301
<b>TOTAL ASSETS</b>		<b>790,693,998</b>	<b>767,534,196</b>
<b>LIABILITIES</b>			
Members' savings/ordinary deposits	11	505,560,128	486,237,167
Term deposits	12	125,361,093	133,877,411
Accounts payable and provisions	13	20,594,054	15,821,821
Member retirement account	14	50,347,569	46,495,642
Accrued interest payable	15	2,946,286	3,325,473
<b>TOTAL LIABILITY</b>		<b>704,809,130</b>	<b>685,757,514</b>
<b>MEMBERS' EQUITY</b>			
Share capital	16	7,538,650	7,196,108
Statutory reserve (guarantee fund)	17	24,821,655	23,988,497
Education fund	18	261,645	281,533
Loan protection fund	19	686,876	686,876
Capital reserve		498,301	498,301
Capital contribution	20	4,797,344	4,797,344
Revaluation surplus	21	10,938,195	10,938,195
Fair value reserve	6	358,133	284,102
Development fund	22	371,026	330,003
Retained surplus		35,613,043	32,775,723
<b>TOTAL MEMBERS' EQUITY:</b>		<b>85,884,868</b>	<b>81,776,682</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>		<b>790,693,998</b>	<b>767,534,196</b>

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

Approved by The Board on April 22, 2025 and signed on behalf of the Board of Directors by:

  
PRESIDENT

  
TREASURER

# STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED DECEMBER 31, 2024

	Member Share	Statutory				Education				Development				Revaluation				Capital				Loan				Total
		Capital	Reserve	Fund	Surplus	Capital	Reserve	Fund	Surplus	Capital	Reserve	Fund	Surplus	Capital	Reserve	Fund	Surplus	Capital	Reserve	Fund	Surplus	Capital	Reserve	Fund	Surplus	
<b>Balance –December 31, 2022</b>	<b>6,696,450</b>	<b>23,005,955</b>	<b>303,032</b>	<b>281,487</b>	<b>8,634,580</b>	<b>498,301</b>	<b>4,797,344</b>	<b>590,873</b>	<b>247,087</b>	<b>29,902,007</b>	<b>74,957,116</b>															
Appropriation	-	970,322	-	48,516	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,018,838
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	169,000
Net surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,663,774
Payments	-	-	(21,499)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(94,496)
Receipts	499,658	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	499,658
Entrance fee	-	12,220	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,220
Fair value gain at FVOCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,015
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,032,305
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(518,748)
<b>Balance –December 31, 2023</b>	<b>7,196,108</b>	<b>23,988,497</b>	<b>281,533</b>	<b>330,003</b>	<b>10,938,195</b>	<b>498,301</b>	<b>4,797,344</b>	<b>686,876</b>	<b>284,102</b>	<b>32,775,723</b>	<b>81,776,682</b>															
<b>Balance –December 31, 2023</b>	<b>7,196,108</b>	<b>23,988,497</b>	<b>281,533</b>	<b>330,003</b>	<b>10,938,195</b>	<b>498,301</b>	<b>4,797,344</b>	<b>686,876</b>	<b>284,102</b>	<b>32,775,723</b>	<b>81,776,682</b>															
Appropriation	-	820,458	-	41,023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	861,581
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000
Net surplus	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,140,808
Payments	-	-	(19,888)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(119,888)
Receipts	342,542	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	342,542
Entrance fee	-	12,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12,700
Fair value gain at FVOCI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	74,031
Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	253,231
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(556,719)
<b>Balance –December 31, 2024</b>	<b>7,538,650</b>	<b>24,821,655</b>	<b>261,645</b>	<b>371,026</b>	<b>10,938,195</b>	<b>498,301</b>	<b>4,797,344</b>	<b>686,876</b>	<b>358,133</b>	<b>35,613,043</b>	<b>85,884,868</b>															



# STATEMENT OF INCOME AND APPROPRIATION

FOR THE YEAR ENDED DECEMBER 31, 2024

	NOTES	TOTAL 2024 \$	TOTAL 2023 \$
Interest and investment income	23	40,445,579	41,109,173
Interest expense	23	(13,822,871)	(13,582,202)
<b>Net interest income</b>		<b>26,622,708</b>	<b>27,526,971</b>
Other Income	24	2,042,390	2,550,100
<b>Operating income</b>		<b>28,665,098</b>	<b>30,077,071</b>
Operating Costs	25	(20,482,534)	(19,032,768)
Provision for Loan impairment	6(b)	(2,400,000)	(4,488,926)
Depreciation		(1,679,566)	(1,701,081)
Leasehold/ amortisation		(709)	(2,684)
<b>Surplus before appropriation</b>		<b>4,102,289</b>	<b>4,851,612</b>
<b>Appropriations</b>			
Transfer to statutory reserve (20%)		(820,458)	(970,322)
Transfer to development fund (1%)		(41,023)	(48,516)
Transfer to loan protection fund		(100,000)	(169,000)
<b>Net surplus/loss for the year</b>		<b>3,140,808</b>	<b>3,663,774</b>
Fair value gain on investment at FVOCI		74,031	37,015
<b>Total comprehensive income for the year</b>		<b>3,214,839</b>	<b>3,700,789</b>

# STATEMENT OF CASH FLOWS

## FOR THE YEAR ENDED DECEMBER 31, 2024

	Notes	2024 \$	2023 \$
<b>Cash flows from operating activities</b>			
Surplus for year		4,102,289	4,851,612
<b>Adjustments for:</b>			
Depreciation		1,679,566	1,701,081
Expected Credit Losses		2,400,000	4,488,926
Leasehold amortization		709	2,684
Loss on disposal of property, plant and equipment		-	18,000
<b>Cash flows before changes in operating assets and liabilities</b>		8,182,564	11,062,303
Increase in originated loans		(46,504,193)	(77,035,625)
(Increase) / Decrease in other assets		2,492,727	(9,957,640)
Increase in members' savings/demand deposits		19,322,961	17,550,317
Decrease in term deposits		(8,516,318)	(2,737,534)
Increase in members' retirement account		3,851,926	1,785,778
Increase in accounts payable and provisions		4,772,233	3,587,225
Increase (Decrease) in accrued interest payable		(379,187)	28,275
<b>Net Cash from operating activities</b>		(16,777,287)	(55,716,901)
<b>Cash flow from investing activities</b>			
Purchase of fixed assets		(1,406,743)	(799,910)
Purchase of investment property		(7,595,160)	-
Purchase of investment securities		5,646,315	(1,964,762)
<b>Net cash from investing activities</b>		(3,355,588)	(2,764,672)
<b>Cash flow from financing activities</b>			
Members' share capital		342,542	499,658
Dividend paid		(556,719)	(518,748)
Payment from funds		(119,888)	(94,496)
Adjustment /prior year etc.		253,572	(139,996)
Entrance fee		12,700	12,220
<b>Net cash from financing activities</b>		(67,793)	(241,362)
<b>Net cash flows</b>		(20,200,668)	(58,722,935)
<b>Cash at beginning of year</b>		52,022,670	110,745,605
<b>Cash at end of year</b>		31,822,002	52,022,670



# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 1. General Information

The National Co-operative Credit Union Limited (NCCU) was registered under the Co-operatives Societies Act No. 2 of 2011 of the Laws of the Commonwealth of Dominica.

The Society's Head Office is located at 31-37 Independence Street, Roseau. Other branches are located at Pointe Mitchel, Mahaut, Riviere Cyrique, Castle Bruce, La Plaine and Vielle Case, with sub-Branches at Penville, Paix Bouche and Thibaud.

### 2. Material Accounting Policy Information

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

#### a) Basis of preparation

##### (i) *Compliance with IFRS*

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

##### (ii) *Historical cost convention*

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

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

##### (iii) *Going Concern*

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### a) Basis of preparation cont'd

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

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

#### b) Cash and cash equivalents

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

#### c) Financial assets and liabilities

##### **Measurement methods**

##### *Amortised cost and effective interest rate*

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

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate, such as origination fees.

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### c) Financial assets and liabilities cont'd

##### *Interest income*

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

##### *Initial recognition and measurement*

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

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

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

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

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### c) Financial assets and liabilities cont'd

##### Financial assets

##### (i) *Classification and subsequent measurement*

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

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

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

##### *Debt instruments*

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

Classification and subsequent measurement of debt instruments depend on:

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

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

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'Interest Income' using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Net Investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.



# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### c) Financial assets and liabilities cont'd

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within 'Net trading income' in the period in which it arises, unless it arises from debt instruments that were designated at fair value or which are not held for trading, in which case they are presented separately in 'Net investment income'. Interest income from these financial assets is included in 'Interest income' using the effective interest rate method.

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

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

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### c) Financial assets and liabilities cont'd

##### *Equity instruments*

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

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

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

##### *(ii) Impairment*

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

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

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### c) Financial assets and liabilities cont'd

#### *(iii) Modification of loans*

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

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

If the terms are substantially different, the Society derecognises the original financial asset and recognises a 'new' asset at fair value and recalculates a new effective interest rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred.

However, the Society also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in profit or loss as a gain or loss on derecognition.

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### c) Financial assets and liabilities cont'd

##### *(iv) Derecognition other than on a modification*

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

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

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

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

#### **Financial liabilities**

##### *(i) Classification and subsequent measurement*

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

- Financial liabilities at fair value through profit or loss: this classification is applied to financial liabilities designated as such at initial recognition. Gains or losses on financial liabilities designated at fair value through profit or loss are presented partially in other comprehensive income (the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability, which is determined as the amount that is not attributable to changes in market conditions that give rise to market risk) and partially profit or loss (the remaining amount of change in the fair value of the liability). This is unless such a presentation would create, or enlarge, an accounting mismatch, in which case the gains and losses attributable to changes in the credit risk of the liability are also presented in profit or loss;



# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### c) Financial assets and liabilities cont'd

- Financial liabilities arising from the transfer of financial assets which did not qualify for derecognition, whereby a financial liability is recognised for the consideration received for the transfer. In subsequent periods, the Society recognises any expense incurred on the financial liability; and
- Financial guarantee contracts and loan commitments Note 2 (d).

##### *(i) Derecognition*

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

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

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

#### d) Financial guarantee contracts and loan commitments

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### d) Financial guarantee contracts and loan commitments cont'd

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

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

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

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

#### e) Functional and presentation currency

##### *(i) Functional and Presentation Currency*

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

##### *(ii) Transactions and Balances*

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

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### e) Functional and presentation currency cont'd

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

#### f) Property, plant and equipment

Land and building are stated at valuations carried out in 2012 and 2023 with subsequent additions at cost, less subsequent depreciation for building. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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

Building	25-50 years
Furniture fixtures and equipment	5-7 years
Computer Systems	3-5 years
Motor Vehicles	4 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Society policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### g) Intangible assets

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

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

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

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

#### h) Investment property

Investment property is initially measured at cost, which includes purchase price and directly attributable costs like legal fees and property transfer fees. Depreciation is charged on the investment property building.

#### i) Payables

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

#### j) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

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



# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### k) Dividends

Dividends on shares are recognized in equity in the period in which they are declared.

Section 5 of the Regulations to the Co-operative Societies Act authorizes the Society to pay a dividend on its shares at a rate which is not greater than three percent above savings rate set by the Eastern Caribbean Central Bank (ECCB). As at December 31, 2024 the ECCB savings rate was two percent.

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

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

#### l) Revenue recognition

##### Interest income and expense

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

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

##### Dividend and other income

Dividend income and other income are recognized when received.

#### m) Provisions

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### l) Provisions cont'd

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

#### m) Employee benefits

##### (i) *Short-term obligations*

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

##### (ii) *Other long-term employee benefit obligations*

The Society also has liabilities for staff retirement that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

#### n) Taxation

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 2. Material Accounting Policy Information cont'd

#### o) Comparatives

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

#### p) Rounding of amounts

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

### 3. Critical accounting estimates and judgement

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

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

#### Measurement of the expected credit loss allowance

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

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

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

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management

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

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

#### a) Credit risk

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

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

#### Maximum exposure to credit risk

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

	2024	2023
<b>On-balance sheet</b>	\$	\$
Cash and bank balances	26,655,799	47,188,579
Investments	153,511,825	159,084,108
Loans and advances to members	538,477,625	494,373,431
Other Assets (receivables)	17,631,424	20,512,895
	<u>736,276,673</u>	<u>721,159,013</u>
<b>Off-balance sheet</b>		
Loan commitments	9,710,346	16,207,530
Future lease commitments	54,300	52,500
	<u>9,764,646</u>	<u>16,260,030</u>
	<u>746,041,319</u>	<u>737,419,043</u>

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management cont'd

#### a) Credit risk cont'd

##### Credit risk measurement

##### Loans and advances (incl. loan commitments and guarantees)

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

##### Credit risk grading

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

##### Expected credit loss measurement

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

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Society.
- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Please refer to section below for a description of how the Society determines when a significant increase in credit risk has occurred.
- If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. The section on 'Forward-looking information incorporated in the ECL models' includes an explanation of how the Society has incorporated this in its ECL models.

Further explanation is also provided of how the Society determines appropriate groupings when ECL is measured on a collective basis.

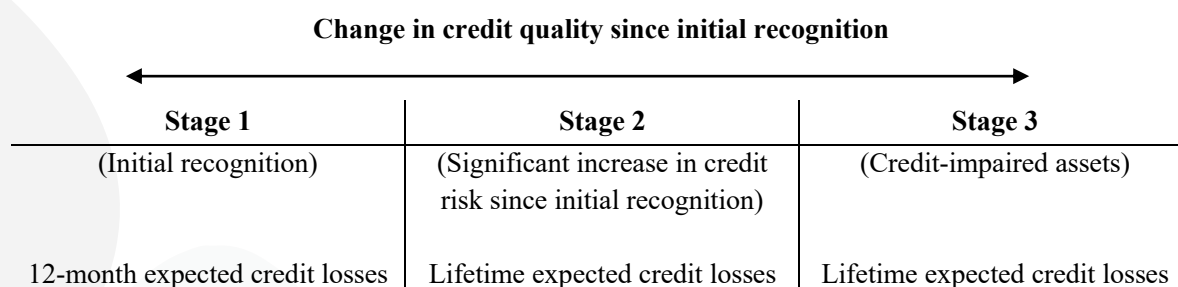
# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management cont'd

#### a) Credit risk cont'd

The following diagram summarises the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):



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

#### Significant increase in credit risk (SICR)

##### Qualitative criteria:

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

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

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

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

The assessment of SICR incorporates forward-looking information and is performed on an annual basis at a portfolio level for all financial instruments held by the Society.

The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the independent Credit Risk team.

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management cont'd

#### a) Credit risk cont'd

##### Definition of default and credit-impaired assets

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

##### Quantitative criteria

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

##### Qualitative criteria

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

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

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

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management cont'd

#### a) Credit risk cont'd

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

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

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

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

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management cont'd

#### a) Credit risk cont'd

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

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

Forward-looking economic information is also included in determining the 12-month and lifetime PD, EAD and LGD. These assumptions vary by product type.

The assumptions underlying the ECL calculation - such as how the maturity profile of the PDs and how collateral values change etc. - are monitored and reviewed on an annual basis.

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

#### **Forward-looking information incorporated in the ECL models**

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Society has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Society considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Society's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management cont'd

#### a) Credit risk cont'd

##### Grouping of instruments for losses measured on a collective basis

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

##### Retail - Groupings for collective measurement

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

The following exposures are assessed individually:

##### Retail

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

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

##### Loss allowance

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

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management cont'd

#### a) Credit risk cont'd

Expected Credit Loss (ECL) on loans to members are analysed

	Gross Amount \$	ECL \$	Net Amount \$
Stage 1	512,680,472	5,031,202	507,649,270
Stage 2	5,077,561	2,604,736	2,472,825
Stage 3	62,510,567	34,155,037	28,355,530
As at December 31, 2024	580,268,600	41,790,975	538,477,625
As at December 31, 2023	533,985,567	39,612,136	494,373,431

#### Write-off policy

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

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

#### Modification of financial assets

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

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

This is only the case for assets which have performed in accordance with the new terms for six consecutive months or more.

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

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management cont'd

#### b) Liquidity risk

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

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

#### Maturities of Financial Assets and Liabilities

	Up to 1 year \$	1 to 5 years \$	Over 5 years \$	Total \$
As at December 31, 2024				
<b>Assets</b>				
Cash and bank balances	31,822,002	-	-	31,822,002
Investments	113,639,376	27,430,000	12,442,449	153,511,825
Loans and advances to members (Gross)	26,256,658	118,033,923	435,978,019	580,268,600
Other Assets	8,724,757	2,539,904	6,366,763	17,631,424
<b>Total Financial Assets</b>	<b>180,442,793</b>	<b>148,003,827</b>	<b>454,787,231</b>	<b>783,233,851</b>
<b>Liabilities</b>				
Members' savings/ordinary deposits	505,560,128	-	-	505,560,128
Term deposits	56,925,579	68,435,514	-	125,361,093
MRA	2,561,082	16,415,235	31,371,252	50,347,569
Other liabilities	19,052,010	1,542,044	-	20,594,054
Accrued interest payable	883,886	2,062,400	-	2,946,286
<b>Total Financial Liabilities</b>	<b>584,982,685</b>	<b>88,455,193</b>	<b>31,371,252</b>	<b>704,809,130</b>
<b>Liquidity gap</b>	<b>(404,539,892)</b>	<b>59,548,634</b>	<b>423,415,979</b>	<b>78,424,721</b>
As at December 31, 2023				
Total financial assets	171,556,155	158,308,631	436,812,581	766,667,367
Total financial liabilities	559,621,310	95,212,400	30,923,804	685,757,514
Liquidity gap	(388,065,155)	63,096,231	405,888,777	80,919,853

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 4. Financial Risk Management cont'd

#### c) Market Risk

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

#### d) Currency Risk

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

#### e) Operational Risk

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

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

### 5. Cash and Bank Balances

	2024	2023
	\$	\$
Cash on hand	5,166,204	4,834,091
Current account	26,655,798	47,188,579
	<u>31,822,002</u>	<u>52,022,670</u>

### 6. Investment Securities

	2024	2023
	\$	\$
Investment Securities measured at FVTPL (a)	11,657,260	11,657,260
Investment Securities measured at amortised cost (b)	141,069,376	146,715,690
Investment securities measured at FVOCI (c)	785,189	711,158
	<u>153,511,825</u>	<u>159,084,108</u>

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 6. Investment Securities Cont'd

Investment securities measured at FVTPL (a)

	2024	2023
	\$	\$
Equity shares	5,657,260	5,657,260
Preference shares	6,000,000	6,000,000
	<u>11,657,260</u>	<u>11,657,260</u>

Investment securities measured at amortised cost (b)

	2024	2023
	\$	\$
Government treasury bills	11,751,331	11,965,052
Government bond	3,000,000	3,003,200
E.C. Home Mortgage bonds	8,000,000	8,500,000
Fixed deposits at banks and other institutions	94,348,808	100,707,775
Fund with brokers for investment	10,804,255	9,723,083
Statutory reserve deposit	20,907,880	20,559,478
	<u>148,812,274</u>	<u>154,458,588</u>
Provision for impairment	<u>(7,742,898)</u>	<u>(7,742,898)</u>
	<u>141,069,376</u>	<u>146,715,690</u>

The provision for impairment constitutes 100% impairment of the investments in Colonial Life Insurance Company (CLICO) and British American Insurance Company (BAICO), both of which are insolvent.

Investment securities measured at FVOCI (c)

	2024	2023
	\$	\$
Quoted shares	629,259	555,228
Unquoted shares	155,820	155,820
Unit Trust income fund	110	110
	<u>785,189</u>	<u>711,158</u>

Unrealized gains or losses on quoted shares reflect the difference between the fair value through other comprehensive income (OCI) at cost and their fair value.

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 7. Originated Loans

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

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

Originated loans at amortised cost include the following:

	2024 \$	2023 \$
<b>(a) Loans and advances to Members</b>		
Member Loans	560,621,682	515,394,603
Overdraft	2,133,324	1,840,532
Staff Advances and loans	17,513,594	16,750,432
	580,268,600	533,985,567
Less: Allowance for Expected Credit Losses	(41,790,975)	(39,612,136)
	538,477,625	494,373,431
Current portion	26,256,658	25,285,651
Non-current portion	554,011,942	508,699,916
Total loans	580,268,600	533,985,567
<b>(b) Allowance for Expected Credit Losses</b>		
	2024 \$	2023 \$
Provision at beginning of year	39,612,136	34,943,889
Bad debts recovered	184,410	644,033
Bad debts Written Off	(405,571)	(464,712)
	39,390,975	35,123,210
Expected credit loss	2,400,000	4,488,926
Closing Allowance for Expected Credit Losses	41,790,975	39,612,136
<b>(c) Originated Loans - Sectoral Analysis</b>		
	2024 \$	2023 \$
Personal	142,732,286	108,123,193
Mortgage	376,117,718	366,266,677
Vehicle	14,827,208	14,762,718
Land	25,439,634	24,100,910
Business	15,577,778	15,479,959
Other Loans (Litigated)	5,573,976	5,252,110
	580,268,600	533,985,567

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 8. Other Assets

	2024	2023
	\$	\$
Interest receivable on investments	3,364,161	2,853,524
Inventory of stationery/office Supplies	829,542	787,373
Prepayments	671,619	461,858
Deferred expenses	3,055,899	2,919,086
Loans receivable interest	8,396,712	7,513,885
Debtors	2,285,682	7,444,806
Receivable staff education	58,203	58,203
Clearing Accounts	3,518,407	2,640,917
Other Receivables	1,080,386	1,073,687
	23,260,611	25,753,339
Less: Expected Credit Losses	1,072,127	1,072,127
	22,188,484	24,681,212

### 9. Leasehold Improvements

	2024	2023
	\$	\$
Balance beginning of the year	301	2,985
Additions	24,538	-
Amortised during the year	(709)	(2,684)
	24,130	301

#### 9.(a) Investment Property

In February 2024, NCCU Ltd acquired the land and building of the Former First Domestic Property, located on King George V Street. The property is classified as an Investment Property and is currently leased to multiple tenants. During the year, the property accumulated rental income totalling \$377,004 while operating costs amounted to \$115,830.

	King George V St.		
	Land EC\$	Building EC\$	Total EC\$
Balance at December 31, 2023	-	-	-
Additions for the year	2,507,120	5,088,040	7,595,160
Depreciation	-	(91,650)	(91,650)
Balance at December 31, 2024	2,507,120	4,996,390	7,503,510

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 10. Property, Plant and Equipment

	Land	Building	Furniture & Equipment	Computer Systems	Motor Vehicle	ATM	Legal Library	TOTAL
<b>COST</b>								
Balance - December 31, 2022	3,782,060	35,017,504	9,611,969	10,877,160	473,000	3,993,762	19,525	63,774,980
Additions for the year	-	34,372	476,380	60,768	187,000	41,390	-	799,910
Adjustment	797,200	1,506,415	-	-	-	-	-	2,303,615
Disposal	-	-	(2,951)	-	(180,000)	-	-	(182,951)
<b>Balance - December 31, 2023</b>	<b>5,255,260</b>	<b>35,882,291</b>	<b>10,085,398</b>	<b>10,937,928</b>	<b>480,000</b>	<b>4,035,152</b>	<b>19,525</b>	<b>66,695,554</b>
Additions for the year	-	39,099	268,540	657,422	-	421,120	-	1,386,181
Adjustment	-	-	(3,977)	-	-	-	-	(3,977)
Disposal	-	-	(28,976)	(268,110)	-	-	-	(297,086)
<b>Balance - December 31, 2024</b>	<b>5,255,260</b>	<b>35,921,390</b>	<b>10,320,985</b>	<b>11,327,240</b>	<b>480,000</b>	<b>4,456,272</b>	<b>19,525</b>	<b>67,780,672</b>

### ACCUMULATED DEPRECIATION

Balance - December 31, 2022	-	5,157,735	7,940,500	10,651,683	316,167	3,570,026	19,525	27,655,636
Eliminated on disposal	-	-	(2,951)	-	(162,000)	-	-	(164,951)
Adjustments	-	131,388	(74)	-	-	-	-	131,314
Charge for the period	-	761,863	595,250	220,905	59,467	63,596	-	1,701,081
<b>Balance - December 31, 2023</b>	<b>-</b>	<b>6,050,986</b>	<b>8,532,725</b>	<b>10,872,588</b>	<b>213,634</b>	<b>3,633,622</b>	<b>19,525</b>	<b>29,323,080</b>
Eliminated on disposals	-	-	(28,976)	(268,110)	-	-	-	(297,086)
Adjustments	-	-	341	-	-	-	-	341
Charge for the period	-	785,923	550,202	113,054	66,400	72,336	-	1,587,915
<b>BALANCE at December 31, 2024</b>	<b>-</b>	<b>6,836,909</b>	<b>9,054,292</b>	<b>10,717,532</b>	<b>280,034</b>	<b>3,705,958</b>	<b>-</b>	<b>30,614,250</b>
<b>NET BOOK VALUE</b>								
December 31, 2023	5,255,260	29,831,304	1,552,673	65,340	266,367	401,530	-	37,372,474
December 31, 2024	5,255,260	29,084,480	1,266,695	609,708	199,966	750,313	-	37,166,422



# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 11. Members Savings/Ordinary Deposits

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

	2024 \$	2023 \$
Members' savings/ordinary deposits – interest rate 2%	505,560,128	486,237,167

### 12. Term Deposits

	2024 \$	2023 \$
Interest bearing fixed deposit at rates in range 1.75% to 3%	125,361,093	133,877,411

### 13. Accounts Payable and Provisions

	2024 \$	2023 \$
Accounts payable and Provisions	18,882,626	14,319,857
Accrued staff gratuity	1,651,428	1,450,964
Audit	60,000	51,000
	20,594,054	15,821,821

### 14. Member Retirement Account

The Credit Union operates two (2) retirement savings plan for the benefit of its members. Under the MRA and MRA Gold, enjoy a rate of interest higher than the normal deposit interest rate on condition that the savings are not with-drawn before the member has reached the retirement age. Currently members' savings are limited to EC\$1,000 per month to a maximum of \$12,000 in any calendar year. As at year end, the rate offered to members was 4% per annum.

	2024 \$	2023 \$
	50,347,569	46,495,642



# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 15. Accrued Interest Payable

	2024 \$	2023 \$
Accrued interest payable	2,946,286	3,325,473

### 16. Share Capital

	2024 \$	2023 \$
Issued and fully paid 150,773 shares at December 31, 2024 of \$50 (par value) per share		
Balance - beginning of year	7,196,108	6,696,450
Issued during the year	342,542	499,658
	<u>7,538,650</u>	<u>7,196,108</u>

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

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

### 17. Statutory Reserve

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

	2024 \$	2023 \$
Movements during the year were as follows:		
Balance - beginning of year	23,988,497	23,005,955
Add: Entrance Fee	12,700	12,220
Appropriation from surplus	820,458	970,322
	<u>24,821,655</u>	<u>23,988,497</u>

### 18. Education Fund

This represents funds appropriated from surplus for members' education.

	2024 \$	2023 \$
Balance - beginning of year	281,533	303,032
Less: disbursements	(19,888)	(21,499)
Appropriation from surplus	-	-
	<u>261,645</u>	<u>281,533</u>

This represents funds appropriated from surplus for member education.

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 19. Loan protection fund

This fund represents amounts set aside by the Society to cover that portion of members' loan not covered under the CORP-EFF Insurance Company Limited Scheme up to \$100,000.

	2024 \$	2023 \$
Balance - Beginning of period	686,876	590,873
Disbursements	(100,000)	(72,997)
Appropriation from surplus	100,000	169,000
	<u>686,876</u>	<u>686,876</u>

### 20. Capital Contribution

	2024 \$	2023 \$
This represents:		
Members' contribution (a)	738,794	738,794
Credit balance on amalgamation of 7 Credit Unions (b)	4,058,550	4,058,550
	<u>4,797,344</u>	<u>4,797,344</u>

(a) Members' contributions to the construction cost of the Society's office building on Independence Street, Roseau

(b) Five Credit Unions namely Roseau, La Salette, St. David, St. Paul and Vielle Case amalgamated in accordance with the Co-operative Societies Act to form the National Co-operative Credit Union Limited (NCCU). The assets and liabilities of the five (5) former Credit Unions were vested in the NCCU in accordance with the Co-operative Societies Act as of November 1, 2010. In 2016 and 2017 respectively, the assets and liabilities of the Caste Bruce and South East Credit Union were transferred to the NCCU. The resulting credit balance on amalgamation of the seven Credit Unions is accounted for under Members' Equity as capital contribution.

### 21. Revaluation Surplus

This represents the surplus on valuation over cost of the Society's land and building following valuations carried out in December 2012 and in May 2023 by McKenzie Architect and Construction Services Incorporated. The valuations were accepted by the Board of Directors. The Excess of the revalued amount over cost is included under Revaluation Surplus as follows:

	2024 \$	2023 \$
Surplus on revaluations carried out as at December 2012	8,634,580	8,634,580
Surplus on May 2023 revaluation	2,303,615	2,303,615
	<u>10,938,195</u>	<u>10,938,195</u>

# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 22. Development Fund

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

	2024 \$	2023 \$
Balance beginning of year	330,003	281,487
Disbursements	-	-
Appropriation from surplus	41,023	48,516
	<u>371,026</u>	<u>330,003</u>

### 23. Net Interest and Investment income

#### Interest Income

	2024 \$	2023 \$
Income from Loans	36,821,303	36,476,138
Income from Investments	708,068	1,218,398
Interest on Fixed Deposits	2,916,208	3,414,637
	<u>40,445,579</u>	<u>41,109,173</u>

#### Interest expense

	2024 \$	2023 \$
Interest on term deposits	2,713,095	2,895,684
Interest on members Savings	9,198,995	8,895,170
Interest on MRA	1,888,964	1,774,005
Interest on Christmas clubs	21,817	17,343
	<u>13,822,871</u>	<u>13,582,202</u>

#### Net interest and investment income

	<u>26,622,708</u>	<u>27,526,971</u>
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# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 24. Other Income

	2024 \$	2023 \$
Rent	377,164	16,223
Cheque Book fees	110,130	112,013
Sale of rule and pass book	24,025	25,575
Professional services	997,068	1,068,663
Sundry Services Charge	229,394	176,025
Bad debts/Investment recovered	59,878	-
Commissions	157,289	73,147
Other fees	87,442	1,078,454
	<b>2,042,390</b>	<b>2,550,100</b>

### 25. Operating Cost

	2024 \$	2023 \$
Personnel expenses (See note 26)	10,543,550	9,885,260
Governance	332,424	369,668
License Fees	100,000	-
Risk & compliance expenses	81,289	2,684
Corp-EFF Insurance	1,748,754	1,582,449
Annual General Meeting	108,525	102,931
Scholarship	118,054	93,683
Overseas Travel and conferences	187,793	155,333
Computer services and expenses	1,293,562	1,028,490
Stationery and office supplies	275,114	368,115
Fraternity expenses	257,753	267,547
Audit Fee	60,000	51,000
Occupancy expenses	1,340,046	1,056,918
Insurance Building and content	518,055	449,080
General expenses (See note 28)	3,517,615	3,619,610
	<b>20,482,534</b>	<b>19,032,768</b>

### 26. Personnel Expenses

	2024 \$	2023 \$
Salaries, staff benefits & allowances	9,357,106	8,802,135
Social Security	603,561	543,369
Uniforms allowances and transportation	582,883	539,756
	<b>10,543,550</b>	<b>9,885,260</b>



# NOTES TO FINANCIAL STATEMENTS

## FOR THE YEAR ENDED DECEMBER 31, 2024

### 27. Key Management Compensation

	2024 \$	2023 \$
Salaries and Allowance	2,084,552	1,925,307
Gratuity	375,792	381,557
	<b>2,460,344</b>	<b>2,306,864</b>

### 28. General Expenses

	2024 \$	2023 \$
Security services	249,943	213,633
Advertising, publicity and promotions/dues	512,408	628,037
4cs expenses	598,141	422,780
Donations	204,715	193,903
ATM services and expenses	452,622	489,465
Entertainment	190,714	206,475
Maintenance of fixed assets	507,975	475,841
Bank charges	270,927	396,417
Other	530,170	593,059
	<b>3,517,615</b>	<b>3,619,610</b>

### 29. Related Party Transactions

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

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

	2024 \$	2023 \$
<b>Loans</b>		
Directors & Volunteers	3,495,378	3,800,668
Key Management Staff	6,056,071	4,403,055
<b>TOTAL LOANS</b>	<b>9,551,449</b>	<b>8,203,723</b>
<b>Deposits</b>		
Directors & Volunteers	1,884,595	2,111,081
Key Management Staff	3,348,534	2,844,068
<b>TOTAL DEPOSITS</b>	<b>5,233,129</b>	<b>4,955,149</b>

# The NCCU Family



Head Office, CEO's Office, Legal, Human Resource, Compliance, Marketing, Information Technology, Collections, Business Development Unit, Audit and Finance



Loans Department - Roseau Branch



Member Services - Roseau Branch

# Credit Committee



**Ms. Neresa Marcellin**  
**Chairperson** *(Current)*



**Ms. Renita Charles**  
**Secretary**



**Mr. Cecil Joseph**  
**Member**



**Mr. Michael Augustine**  
**Member**



**Ms. Noala Blanc**  
**Member**



**Mr. David Maximea**  
**Member**



**Mr. George Maxwell**  
**Member**



**Mrs. Leandra Savarin**  
**Member**



**Ms. Natasha Nation**  
**Member**



**Ms. Elma Boland**  
**Member**



**Mr. Jefferson Durand**  
**Member** *(resigned Jan. 9, 2025)*



**Ms. Keturah Deschamps**  
**Chairperson** *(resigned Jan. 6, 2025)*



**Mr. Dorian Harris**  
**Member** *(resigned Feb. 28, 2025)*

# CREDIT COMMITTEE'S REPORT

For the Year Ended December 31, 2024

## INTRODUCTION

In keeping with the Co-operative Societies Act No. 2 of 2011 and the By-laws of the National Co-operative Credit Union, the Credit Committee is pleased to present its 2024 report to the membership. This report highlights the Committee's activities, key achievements, and financial performance over the past year.

Our primary focus remains on ensuring responsible lending practices, maintaining portfolio quality, and supporting the financial well-being of our members.

Throughout 2024, we navigated various economic challenges while continuing to provide accessible and sustainable credit solutions. We are proud to report steady growth in loan approvals, enhanced risk management strategies, and improved member satisfaction. These achievements reflect our commitment to sound financial stewardship and the trust you place in us.

In the sections that follow, we will provide a detailed analysis of loan portfolio performance, credit risk management, policy updates, and future initiatives.

## MEETINGS

The Credit Committee comprises thirteen (13) members.

**Table 1** below summarizes the various meetings scheduled and attended by the Committee Members during the period under review.

**Table 1 – Meetings attended by Committee Members: January – December 2024**

Names	No. of meetings Scheduled	No. of Meetings Attended	No. of Meetings Scheduled and Cancelled	No. of Meetings Attended on Behalf of Others
Ms. Renita Charles	40	37	08	08
Mrs. Leandra D. Savarin	35	29	03	01
Mr. Cecil Joseph	35	24	03	00
Mr. George Maxwell	39	30	09	02
Mr. David Maximea	36	27	08	02

Names	No. of meetings Scheduled	No. of Meetings Attended	No. of Meetings Scheduled and Cancelled	No. of Meetings Attended on Behalf of Others
Ms. Noala Blanc	39	28	11	00
Mr. Jefferson Durand	38	31	08	03
Ms. Keturah Deschamps	39	33	03	02
Mr. Dorian Harris	40	33	09	05
<b>January – May 2024</b>				
Mr. Andre Cadette	18	15	03	00
Ms. Ayisha Challenger	16	16	03	04
Mr. Julian Benjamin	17	13	03	01
<b>June – December 2024</b>				
Ms. Neresa Marcellin	22	20	03	02
Mr. Michael Augustine	14	09	05	00
Ms. Natasha Nation	22	12	10	00
Ms. Elma Boland	22	17	01	00
<b>June – July 2024</b>				
Mr. Jervin Gian Benjamin	05	04	00	00

## Overview

The NCCU remains dedicated to developing loan products that cater to the evolving needs of its members. Despite challenges in the current economic climate, the institution continues to offer attractive interest rates and reduced requirements to enhance accessibility.

However, despite these accommodations, there was a significant decline in approved loans in 2024 compared to 2023. For instance, mortgage approvals experienced a notable reduction of 60%.

Additionally, the introduction of the VROOM (Variable Rates On Our Motor Vehicle) designed to offer flexible financing, still resulted in a decline of 11.45% in motor vehicles loans.

## Loans (Analysis)

During the review period, the total number of loans approved was 7,311 as compared to 8,256 in 2023 which represents a 11.45% decrease.

**Table 2: No. of Loans Approved – 2024 & 2023**

NO. OF LOANS APPROVED			
2024	2023	VARIANCE	
Vol.	Vol.	Vol.	%
7,311	8,256	945	11.45

For the year ended December 2024 there was a decrease in the number of loans approved by approximately 11.5% while the value of loans recorded a drop 38.81%.

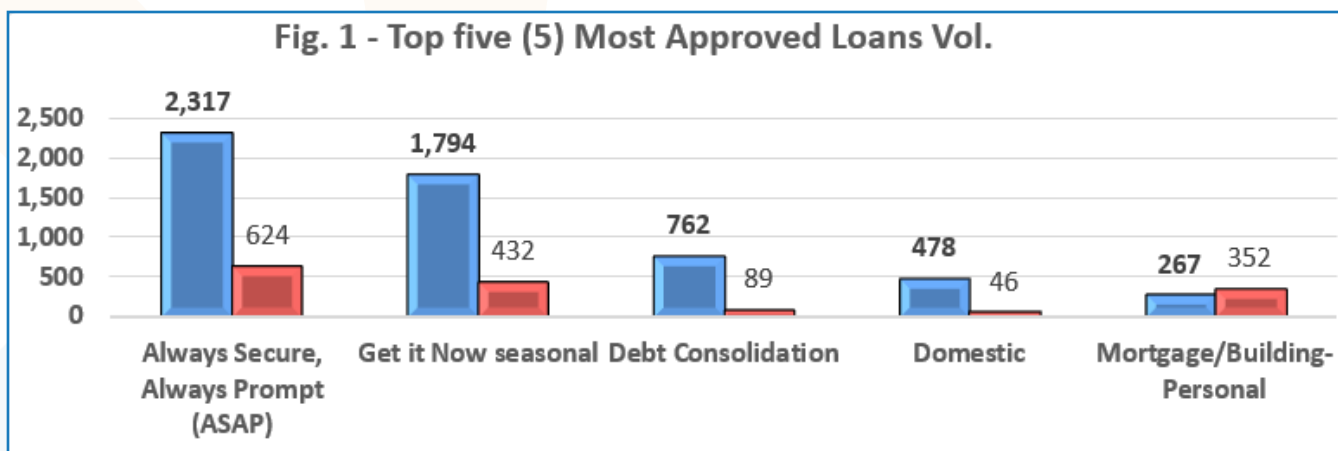
**Table 3: Value of Loans Approved – 2024 & 2023**

VALUE OF LOANS APPROVED			
2024	2023	VARIANCE	
\$	\$	\$	%
101,867,975.66	166,471,581.57	64,603,605.91	38.81

The top five (5) loans approved for the financial year 2024 are listed in the table below:

**Table 4: Top 5 most approved loans (Vol.) – 2024 vs. 2023**

	2024			2023		
	No. Of Loans Approved	Value of Loans Approved	No. of Loans Approved	Value of Loans Approved	Variance	
LOAN CATEGORY	#	\$	#	\$	#	\$
Always Secure, Always Prompt (ASAP)	2,317	17,750,893.95	1,693	12,499,947.89	624	5,250,946.06
Get it Now Seasonal	1,794	10,129,257.80	2,226	13,481,157.10	432	3,351,899.30
Debt Consolidation	762	7,915,035.46	673	6,859,924.64	89	1,055,110.82
Domestic	478	1,739,823.66	524	1,823,193.28	46	83,369.62
Mortgage/ Building- Personal	267	37,661,368.78	619	95,205,700.67	352	57,544,331.89
Total	5,618	75,196,379.65	5,735	129,869,923.58	1,543	67,285,657.69



**Fig. 2 - Top five (5) Most Approved Loans (\$)**

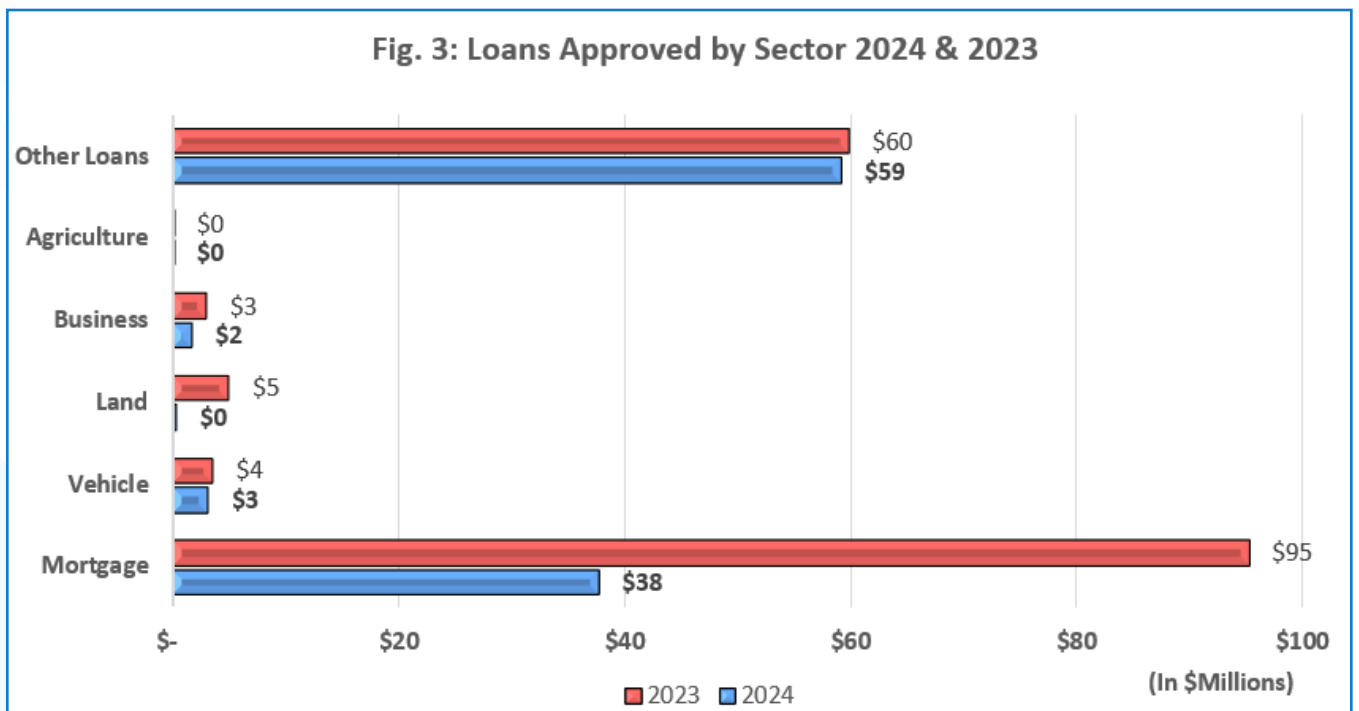


The ASAP loans continued on a trajectory of increase; however, the seasonal loans did the opposite. This is directly attributed to management's decision to suspend the seasonal loans and restructure its policy to minimize the risk to the institution. With the relaunching, it is hoped that the seasonal loans will meet the objective of serving the members needs at minimal risk to the NCCU.

In addition, the number of mortgage loans approved would be considerably lower, attributable to the exceptional year of 2023, therefore any decrease would be amplified in comparison.

**Table 5: Loans Approved by Sector 2024 & 2023**

LOAN CATEGORY	2024	2023	Variance	
	\$	\$	\$	%
Mortgage	37,661,369	95,205,701	57,544,332	60
Vehicle	3,112,175	3,504,909	392,734	11
Land	303,888	4,967,759	4,663,871	94
Business	1,646,741	2,963,607	1,316,866	44
Agriculture	2,000	21,500	19,500	91
Other Loans	59,141,803	59,808,106	666,303	1
<b>Total</b>	<b>101,867,976</b>	<b>\$166,471,582</b>	<b>64,603,606</b>	<b>39</b>



Every sector experienced a decline in the value of approved loans, with land and agricultural loans decreasing by an alarming 90% and above. With the imminent threats of food security the NCCU encourages farmers and members at large to invest in sustainable food production in growing their own food.

### Loans Portfolio

The loans portfolio at the end of 2024 was **\$580,268,600** as compared to **\$533,985,567** at the end of 2023 an increase of **\$46,283,033** or **8.67%**. Sectors like mortgage, VROOM and ASAP were able to materialize growth, albeit at a declining rate, which contributed to the increase in the portfolio as a whole.

**Table 6 - Loans Portfolio as at Dec. 31, 2024 & Dec. 31, 2023**

LOANS PORTFOLIO			
2024	2023	Variance	
\$	\$	\$	%
\$580,268,600	\$533,985,567	46,283,033	8.67%

Fig.4- Loans Portfolio as at Dec. 31, 2024 & Dec. 31, 2023

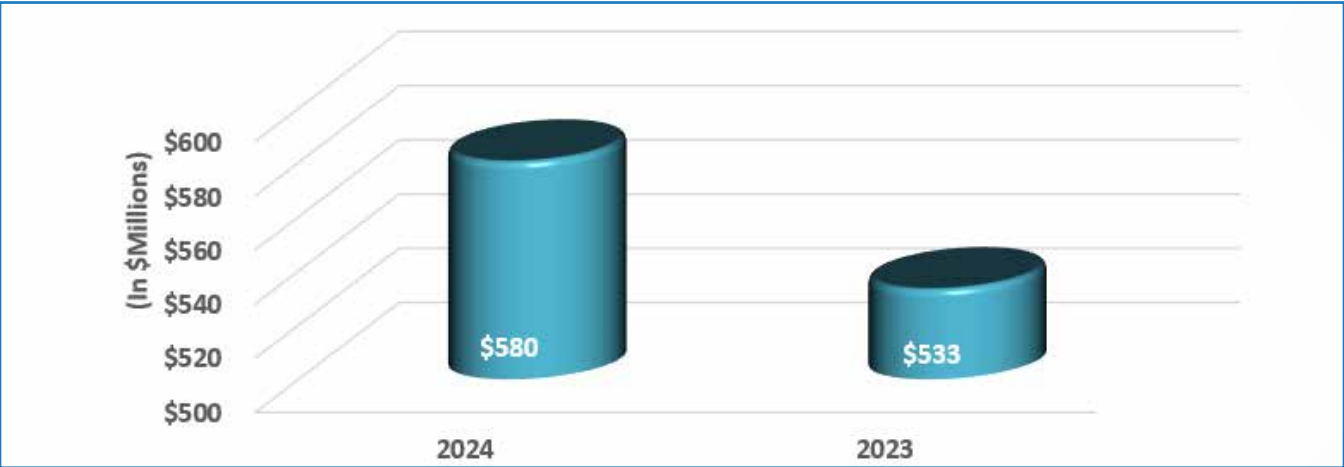
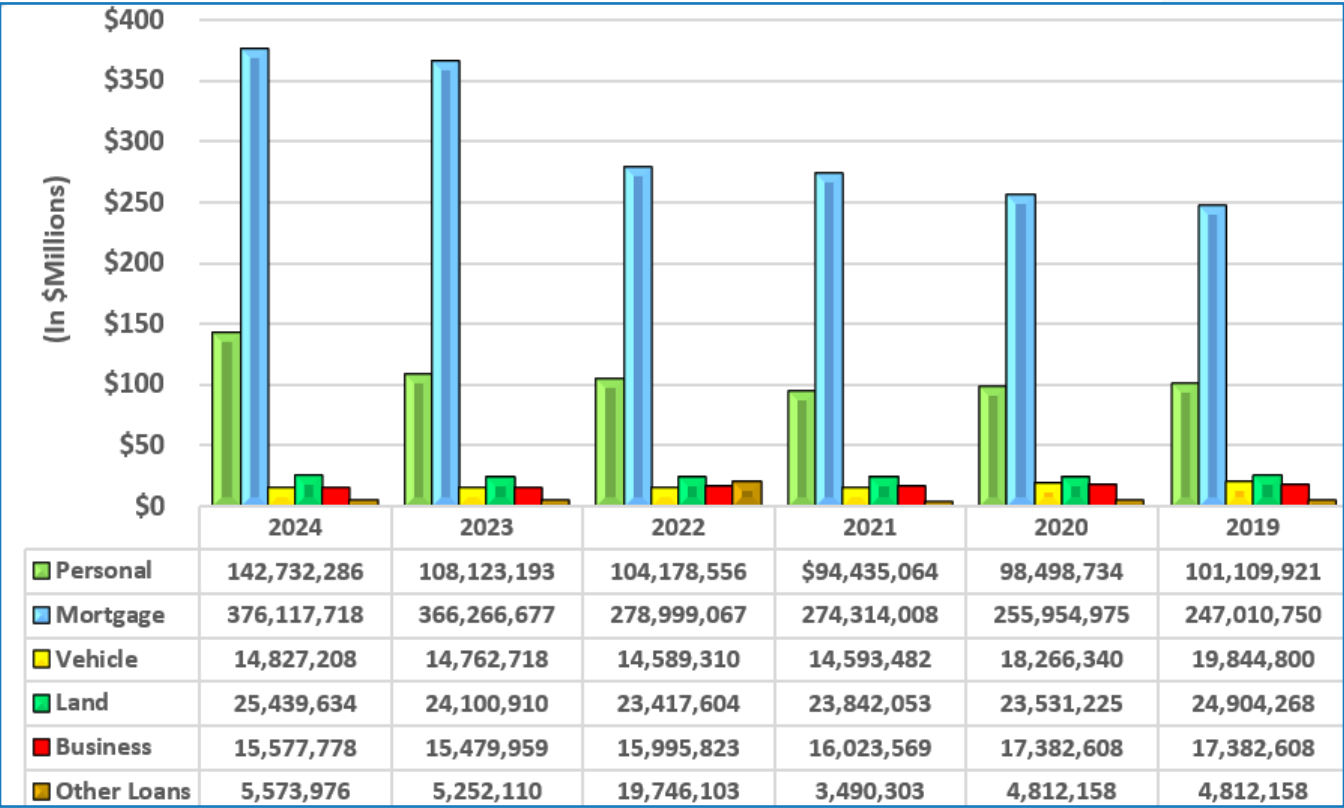


Fig. 5: Loans Portfolio by Category for the Year Ended Dec. 31, 2024 vs. 2023



### Delinquency

As per the PEARLS ratio the accepted delinquency rate should not exceed 5% of the loans portfolio. However, by the end of 2024, the delinquency rate stood at 13.97%, a figure significantly above the acceptable threshold.

To mitigate this variance a special task force was established and has implemented several initiatives, including:

- Delinquency Drive (Saturday calls): Focused efforts to contact delinquent borrowers.
- Disposal of chattel drive: Strategic action to recover outstanding debts through asset liquidation.
- Member Engagement: Increased outreach to members, with a goal of increasing the number of refinanced and restructured loans to ensure more manageable terms.

### Oversight Responsibility

As part of the team's Annual Work Plan, outreach initiatives were conducted across the loan departments of all seven branches. These sessions provided staff with an opportunity to:

- ❖ Discuss departmental strengths and weaknesses;
- ❖ Identify areas for improvement in loan management;
- ❖ Enhance collaboration between the Loan Officers, Branch Managers and the Credit Committee.

**Table 8: Credit Committee Outreach Program: Jan. – Dec. 2024**

Branch Visited	Date of Visit
St. Paul	July 23, 2024
La Salette	August 14, 2024
Castle Bruce & South East	September 14, 2024
Vielle Case	September 21, 2024
Roseau	November 21, 2024

### Representation

To ensure the Committee continues to function effectively, regular training sessions and social interactions were incorporated into the annual work plan. Members actively participated in both local and regional programs.

### Key Training & Events in 2024

- ❖ **May:** Caribbean Development Education Program (CaribDE) – attended by one (1) member
- ❖ **September:** OECS Summit in Dominica - attended by four (4) members
- ❖ **October:** Annual Retreat with a focus on:
  - Roles and Responsibilities of the Credit Committee
  - Loan underwriting and
  - Risk and Compliance
- ❖ **December:** Compliance Training - Covering AML (Anti-Money Laundering), PF (Proliferation Financing), CFT (Countering the Financing of Terrorism)
- ❖ **December:** Community Outreach Donations to the Roseau Infirmary

## RECOMMENDATIONS

At the NCCU, member centricity forms the cornerstone of our operations, guiding every decision and initiative we undertake. We are deeply committed to fostering a robust financial partnership with you, our valued members, by encouraging proactive engagement in managing your financial well-being. Your active participation not only empowers your personal financial journey but also strengthens the sustainability of our institution, ensuring that we continue to offer exceptional services and meet the evolving needs of our community. Together, we can build a resilient financial future, grounded in mutual support and shared success.

Below are some suggestions on how members can contribute to this shared success:

- ★ **Honour your commitments** - Stay consistent with loan repayments and financial obligations.
- ★ **Practice financial prudence** - Be mindful of spending and save whenever possible.
- ★ **Borrow responsibly** - Take only what you truly need to manage debt effectively.
- ★ **Utilize financial counseling** - Seek guidance to make informed financial decisions.
- ★ **Uphold ethical standards** - Maintain integrity and professionalism in all financial dealings.

## CONCLUSION

The Credit Committee extends heartfelt gratitude to our esteemed members for their unwavering loyalty and commitment, which have been instrumental in ensuring the National Co-operative Credit Union remains a steadfast community financial partner. The sustainable growth and success of our institution are deeply rooted in the continued support and active participation of all members. We also express our sincere appreciation to the Board of Directors, Supervisory and Compliance Committee, Management, and Staff for their dedication and hard work throughout the year. Together, as a cohesive and dedicated team, we remain poised to uphold our position as the premier financial institution in Dominica.



Neresca Marcellin (Ms.)

**Chairperson – Credit Committee**  
(For and on Behalf of the Credit Committee)

FOR THE YEAR ENDED DECEMBER 31, 2024 and 2023

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# Supervisory and Compliance Committee



**Ms. Nadette J. Williams**  
*Chairperson*



**Ms. Lynn Delsol**  
*Secretary*



**Mr. Magerie Francis**  
*Member*



**Ms. Daina Matthew**  
*Member*



**Mrs. Julie Shillingford-Durand**  
*Member*



**Mr. Daniel Marie**  
*Member*



**Ms. Leandra Laidlow**  
*Member*



**Mr. Aaron Dalrymple**  
*Member*



**Ms. Petillia Jno. Baptiste**  
*Member*



**Ms. Sandra Maxwell**  
*Member*



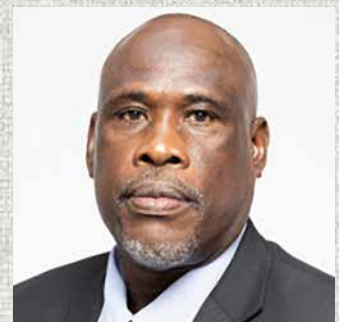
**Ms. Shellyn Jno. Jules**  
*Member*



**Ms. Rubyanha Bedneau**  
*Member*



**Ms. Michelle P. Joseph**  
*Member (resigned Sep. 5, 2024)*



**Mr. Vernon Martin O'Brien**  
*Member (resigned Feb. 28, 2025)*

# SUPERVISORY AND COMPLIANCE COMMITTEE'S REPORT

**For the Year Ended December 31, 2024**

Greetings to the members of the National Cooperative Credit Union (NCCU) Ltd.

This report provides an overview of the activities and achievements of the Supervisory and Compliance Committee (S&CC) from January to December 2024. Our efforts are guided by the principles set forth in the Co-operative Societies Act of 2011 and the NCCU's By-Laws of 2023. This period has seen significant initiatives and developments as we continue to ensure that our operations not only comply with regulatory standards but also align with best practices that safeguard the interests of our members.

**Table 1: Members serving on the Committee: Jan. to Dec. 2024**

Committee Members	Position
Ms. Nadette Williams	Chairperson
Ms. Lynn Delsol	Secretary
Ms. Rubyanha Bedneau	Member
Mr. Aaron Dalrymple	Member (Nov. - Dec.)
Mr. Magerie Francis	Member (Jul. - Dec.)
Ms. Petillia Jno Baptiste	Member
Ms. Shellyn Jno Jules	Member (Jul. - Dec.)
Ms. Leandra D. Laidlow	Member (Jul. - Dec.)
Mr. Daniel Marie	Member
Ms. Daina Matthew	Member (Jul. - Dec.)
Ms. Sandra Maxwell	Member
Mr. Vernon Martin O'Brien	Member
Mrs. Julie Shillingford-Durand	Member
Ms. Bernadette Austrie	Member (Jan. - Jun.)
Mr. Shannon Bedminister	Member (Jan. - Jun.)
Ms. Nadine Riviere	Member (Jan. - Jun.)
Ms. Michelle Joseph	Member (Jan. - Sept.)



**Table 2: Meeting Attendance: Jan. to Dec. 2024**

Committee Members	No. of Meetings Scheduled		Total No. of meetings Scheduled	No. of Meetings Attended	No. of Meetings Excused
	Regular	Joint			
Ms. Nadette Williams ( <i>Chairperson</i> )	15	3	18	17	1
Ms. Petillia Jno Baptiste ( <i>Secretary - Jan. - June</i> )*	15	3	18	16	2
Ms. Lynn Delsol ( <i>Secretary - June - Dec.</i> )*	15	3	18	16	2
Ms. Bernadette Austrie ( <i>Jan. - June</i> )**	6	1	7	5	2
Mr. Shannon Bedminister ( <i>Jan. - June</i> )**	6	1	7	4	3
Ms. Rubyanha Bedneau	15	3	18	16	2
Mr. Aaron Dalrymple ( <i>Nov. - Dec.</i> )*	2	1	3	2	1
Mrs. Julie Durand - Shillingford	15	3	18	17	1
Mr. Magerie Francis ( <i>July - Dec.</i> )*	8	1	9	8	1
Ms. Shellyn Jno Jules	9	2	11	9	2
Ms Michelle P. Joseph ( <i>Jan. - Oct.</i> )	15	3	18	9	3
Ms. Leandra Laidlow	9	2	11	9	2
Mr. Daniel Marie*	15	3	18	15	3
Ms. Daina Matthew	9	2	11	9	2
Ms. Sandra Maxwell*	15	3	18	17	1
Mr. Vernon O'Brien	15	3	18	16	2
Ms. Nadine Riviere ( <i>Jan. - June</i> )**	6	1	7	6	1
Mr. Terry Royer ( <i>Deceased</i> ) ( <i>Jan. - Mar.</i> )	2	0	2	2	0
*Up for Re- Election		** Term Ended June 2024			

## SUMMARY OF MAJOR ACTIVITIES

Mandate	Activities	Outcome
1. To monitor and evaluate NCCU's adherence to regulations, laws, policies, sound management practices and ethical conduct.	<ul style="list-style-type: none"> <li>➤ Board Observations</li> <li>➤ Board Evaluation</li> </ul>	<ul style="list-style-type: none"> <li>• S&amp;CC members observed monthly board meetings. Identified strengths, weaknesses and gaps in board governance.</li> <li>• The Board of Directors was evaluated and feedback provided.</li> </ul>

Mandate	Activities	Outcome
	<ul style="list-style-type: none"> <li>➤ Credit Committee Meeting Observations and Loan Processes Observations</li> <li>➤ Reviewed new and existing policies</li> <li>➤ Observance of Management Meetings</li> <li>➤ Meeting with Heads of Departments</li> </ul>	<ul style="list-style-type: none"> <li>• To evaluate compliance and transparency in credit approval processes.</li> <li>• Reviewed Loans Policy   HR Audit   Supervisory &amp; Compliance Charter</li> <li>• Observed Management Meetings and gained valuable insights into the managerial decision-making process</li> <li>• Met with various Heads of Departments to strengthen interdepartmental communication and fostered a collaborative approach to policy implementation and compliance.</li> </ul>
2. To investigate concerns raised by members, staff and volunteers	<ul style="list-style-type: none"> <li>➤ Read incident reports</li> <li>➤ Documented and reported findings</li> <li>➤ Researched and investigated all complaints / grievances</li> </ul>	<ul style="list-style-type: none"> <li>• Upon investigations, the Committee made recommendations to relevant parties for resolution.</li> <li>• Formal reports submitted to the relevant stakeholders.</li> </ul>
3. Adherence to section 66. 1 (b) & (c) - Fiduciary duties & functions	<ul style="list-style-type: none"> <li>➤ Inspection of security</li> <li>➤ Cash accounts</li> <li>➤ Loans Portfolio</li> </ul>	<ul style="list-style-type: none"> <li>• Security measures were reviewed and deemed satisfactory.</li> <li>• Cash accounts were examined, showing accurate and up-to-date records.</li> <li>• The Loans portfolio was assessed for compliance, with some irregularities observed.</li> </ul>

Mandate	Activities	Outcome
4. To ensure Committee members are well equipped to fulfill their oversight responsibilities effectively.	<ul style="list-style-type: none"> <li>➤ Random sampling of membership passbooks</li> <li>➤ Annual Retreat</li> <li>➤ Trainings (National &amp; Regional)</li> <li>➤ Formulation of workplan</li> </ul>	<ul style="list-style-type: none"> <li>• Random sampling of membership passbooks: Confirmed proper maintenance and consistency with internal records.</li> <li>• Committee members demonstrated improved understanding and application of their oversight roles, resulting in more effective governance and accountability.</li> </ul>

## PHYSICAL PLANT INSPECTION AND CASH COUNT

**Physical Plant Inspection:** The Committee conducted thorough inspections of NCCU's physical facilities. The focus of these inspections was to ensure a safe and comfortable environment for members and staff. Observations and recommendations were submitted for follow-up action

**Cash Counts:** Conducted detailed audits of cash on hand to ensure accuracy in financial reporting and compliance with financial controls.

### S&CC in Action



Examination and Verification of Passbooks Aug. 2024



Branch Visit and Cash Count at Vieille Case, Aug. 2024

## CHALLENGES AND RESOLUTIONS

During this period, we also encountered the resignations of several valued volunteers, which presented both challenges and opportunities for growth and restructuring within our teams.

Additionally, a number of investigations were initiated to address specific compliance concerns and operational irregularities. These investigations are critical for maintaining the integrity of our

operations and ensuring that our practices reflect the high standards expected by our members and regulators. Each issue has been handled with the utmost seriousness and thoroughness, reflecting our commitment to transparency and accountability.

While these investigations were important, they temporarily derailed some of our planned activities as we prioritized resolving them. Despite it all, we persevered - blessed with a dedicated team that consistently went above and beyond the call of duty.

## FUTURE DIRECTIONS

As we look ahead, the Supervisory and Compliance Committee remains committed to strengthening the governance, risk management, and compliance culture within the NCCU. Building on the foundation laid in previous years, we aim to reinforce our oversight function and ensure that the credit union continues to operate with integrity, accountability, and transparency.

### *Training and Capacity Building*

To remain effective in our role, the Committee intends to prioritize continuous training and professional development. Regular sessions will be organized to ensure members stay abreast of evolving regulatory requirements, best practices in risk management, and modern compliance techniques. This will empower us to provide more informed and proactive oversight.



*S&CC's Training Retreat – Nov. 2024*

### *Review and Enhancement of Compliance Frameworks*

We recognize that the regulatory landscape is constantly changing. As such, one of our key goals is to regularly review and strengthen our internal compliance frameworks. This will involve assessing and updating existing policies, procedures, and internal controls to ensure they remain aligned with both regulatory obligations and the operational realities of the NCCU.

### *Performance Monitoring and Reporting*

Establishing clear performance indicators for compliance and risk management will allow the Committee to better evaluate its impact. Moving forward, we will develop and regularly review a set of performance metrics, with progress reports presented to the Board of Directors. These metrics will help track areas of improvement and highlight successes.

In all our efforts, we will remain steadfast in upholding the core values of the NCCU and supporting its mission to serve members with excellence and accountability. The Supervisory and Compliance Committee is committed to continuous improvement and will work diligently to fulfill its responsibilities in the years to come.

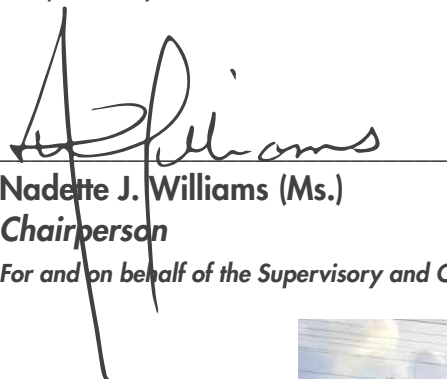
## CONCLUSION

The Supervisory and Compliance Committee remains committed to its role in safeguarding the assets and interests of the NCCU members. We pledge to continue our efforts to enhance the governance and operational standards of the Society in the coming years.

The Committee would like to express our sincere gratitude to the Management and Staff, the Board of Directors and the Credit Committee and to you our members for your unwavering support during the year.

Most importantly, I would like to thank the members of the Supervisory and Compliance Committee for their unbreakable resolve to uphold their roles and responsibilities in the face of seemingly difficult situations. Your support, guidance, collaboration and innovation made our service to the members of NCCU a rewarding experience.

Respectfully submitted.



**Nadette J. Williams (Ms.)**

**Chairperson**

*For and on behalf of the Supervisory and Compliance Committee*



*Visit to graveside of S&CC Volunteer, Terry Royer – Aug. 2024*

# NOMINATIONS COMMITTEE'S REPORT

To Members at the 2025 Annual General Meeting

## OVERVIEW

The Nominations Committee was duly appointed by the Board of Directors in accordance with the Society's By-Laws 59(a) to propose and recommend members to serve on the Board of Directors, Supervisory and Compliance and Credit Committees and tasked to recommend one (1) member to fill each vacancy.

The Nominations Committee comprised of the following persons:

- Mr. Mc Donald Thomas - Chairperson
- Mr. Shannon Bedminister
- Ms. Nadette Williams
- Ms. Renita Charles
- Mr. Curth Charles

Announcements were placed in the media from March 18, 2025 inviting members to nominate eligible and willing members to serve as volunteers on the various Committees by the deadline of April 7, 2024.

At the Nominations Committee meeting held on April 11, 2025, the Committee perused the applicable legislation and By-Laws which provide guidelines for eligibility of volunteers as follows:

- ❖ Co-operative Societies Act No. 2 of 2011, Section 53(4);
- ❖ Financial Services Unit Act No. 18 of 2008, Section 27; and
- ❖ The Society's By-Laws No. 3 of 2023, Sections 59 – 61.

Prior to determining the list of nominees to be recommended, the existence of vacancies was verified and preliminary due diligence was carried out in addition to reviewing individual activity of members nominated on the Society's computer system, in order to determine their eligibility to serve on the Board and Committees. In addition, the attendance records of all Volunteers nominated to serve a second term were perused.

Biographical data of members nominated were reviewed to ensure that they met the requirements of the FIT and Proper Guidelines dated March 23, 2020 from the Financial Services Unit (FSU), issued in accordance with the FSU Act No. 18 of 2008 and posted on the Society's web page.

Section 3.1 of the Guidelines which follows was also included in the nominations notice:

*“In accordance with governing legislation, a person is considered to be fit and proper if the person essentially is of good character, competent, honest, financially sound, reputable, reliable and discharges or is likely to discharge his/her responsibilities fairly.”*

The Committee is pleased to report that in keeping with the guidelines, all nominees are in good standing and are able to serve the Society.

**Outgoing volunteers of the Society as at AGM 2025 are as follows:**

**BOARD OF DIRECTORS - Seven (7) Vacant Positions**

Served two (2) consecutive terms [not eligible for re-election]:
1. Mr. Mc Dowill Paul
Served one (1) term [eligible for re-election]:
2. Ms. Marjorie Carleen Roberts
3. Mrs. Juliana Toussaint-Williams
4. Mr. Clement Marcellin Jr.
5. Ms. Yasmin Charmina John
Resignations:
1. Mr. Yoland Jno Jules [Jan. 01, 2025] – 2 <sup>nd</sup> term: 2023-2026
2. Mr. Carl Maynard [Jan. 27, 2025] – 1 <sup>st</sup> term: 2024-2027

**SUPERVISORY AND COMPLIANCE COMMITTEE - Seven (7) Vacant Positions**

Served one (1) term [eligible for re-election]:
1. Ms. Petillia Jno Baptiste [unavailable to serve a 2 <sup>nd</sup> term]
2. Ms. Lynn Delsol
3. Ms. Sandra Maxwell
4. Mr. Daniel Marie
Resignations:
5. Mr. Vernon Martin O’ Brien [Feb. 28, 2025] – 2 <sup>nd</sup> term: 2024-2027
6. Ms. Michelle Joseph [Sept. 5, 2024] – 2 <sup>nd</sup> term: 2022 -2025 [Mr. Aaron Dalrymple co-opted in Nov. 2024 up to AGM 2025]
Deceased - Feb. 2024 while serving 2 <sup>nd</sup> term: 2023 – 2026:
7. Mr. Terry Royer [Mr. Magerie Francis co-opted in Jul. 2024 up to AGM 2025]



## CREDIT COMMITTEE - Eight (8) Vacant Positions

Served two (2) consecutive terms [not eligible for re-election]:

1. Ms. Renita Charles
2. Mr. Cecil A. Joseph
3. Mr. George Maxwell

Served one (1) term [eligible for re-election]:

4. Mrs. Leandra L. Savarin

Resignations:

5. Ms. Keturah Deschamps [Jan. 06, 2025] – 1<sup>st</sup> term: 2023-2026
6. Mr. Dorian Harris [Feb. 28, 2025] – 2<sup>nd</sup> term: 2024-2027
7. Mr. Jefferson Durand [Jan. 09, 2025] – 2<sup>nd</sup> term: 2024-2027
8. Mr. Jervin G. Benjamin [July 2024] – 1<sup>st</sup> term: 2022-2025 [Mr. Michael Augustine co-opted in Aug. 2024 up to AGM 2025]

Following the Committee's deliberations, the Committee decided to recommend the following nominees to you the members, a sufficiently diverse list of the members to serve on the Board of Directors, Credit and Supervisory and Compliance Committee:

## BOARD OF DIRECTORS

Seven (7) persons are nominated to serve:

<b>Ms. Marjorie C. Roberts</b>	<ul style="list-style-type: none"><li>• Currently serving first term on NCCU Board as Vice President</li><li>• National Authorizing Officer of European Development Fund.</li><li>• Trained in Project Preparation &amp; Appraisal and Impact Assessment</li><li>• Master of Science in Agricultural Economics</li></ul>
<b>Mrs. Juliana Toussaint-Williams</b>	<ul style="list-style-type: none"><li>• Currently serving first term on NCCU Board as Treasurer</li><li>• Association of Chartered Accountants (ACCA) Qualified Accountant: CAT Certified</li><li>• Financial Controller at Digicel Dominica</li><li>• Past Senior Accountant at Central Co-op. Credit Union</li></ul>
<b>Mr. Clement Marcellin Jr.</b>	<ul style="list-style-type: none"><li>• Currently serving first term on NCCU Board of Director</li><li>• Self-employed Project Manager</li><li>• President – D/ca. Cricket Association &amp; Winward Island Cricket Board</li><li>• MBA in Project Management.</li></ul>
<b>Ms. Yasmin C. John</b>	<ul style="list-style-type: none"><li>• Currently serving first term on NCCU Board of Directors</li><li>• Germplasm Technician – Min. of Agriculture.</li><li>• Active member of National Association of Youth in Agriculture and Vieille Case Branch Young Action Club</li><li>• BSc. Degree in Agricultural Science</li></ul>

<b>Ms. Kayan Toussaint</b>	<ul style="list-style-type: none"> <li>• Past member of the NCCU Supervisory and Compliance Committee</li> <li>• Member of the Rotary Club of Dominica.</li> <li>• State Attorney - Chambers of Attorney General and Legal Aid Clinic; Acting Deputy Registrar - Eastern Caribbean High Court of Justice, Dominica Circuit. Over 11 years' experience in the Legal field.</li> <li>• Masters of Law (LLM) in Legislative Drafting</li> </ul>
<b>Ms. Kimara Joseph</b>	<ul style="list-style-type: none"> <li>• Senior Graduate Teacher - North East Comprehensive Secondary School</li> <li>• Executive Committee Member – Vieille Case Roman Catholic Church</li> <li>• Tutor at One-On-One Learning, Vieille Case</li> <li>• Masters of Arts in Special Education and Human Development</li> </ul>
<b>Dr. Damien Dublin</b>	<ul style="list-style-type: none"> <li>• Past Vice President of NCCU Board of Directors and Past Chairperson of NCCU Credit Committee</li> <li>• Dentist</li> <li>• Well-known Community Activist. Member of numerous civic groups.</li> </ul>

## SUPERVISORY AND COMPLIANCE COMMITTEE [S&CC]

Seven (7) persons are nominated to serve.

<b>Ms. Lynn Delsol</b>	<ul style="list-style-type: none"> <li>• Currently serving first term on NCCU S&amp;CC</li> <li>• Director of ICT Unit – Min. of Public Works</li> <li>• Member of Pointe Michel Development Committee</li> <li>• Master's - Business Administration</li> <li>• BSc. Degree - Information Technology</li> </ul>
<b>Mr. Daniel Anthony</b>	<ul style="list-style-type: none"> <li>• Currently serving first term on NCCU S&amp;CC</li> <li>• Employee of FLOW Dominica</li> <li>• BSc. Degree in Management Studies</li> </ul>
<b>Ms. Sandra Maxwell</b>	<ul style="list-style-type: none"> <li>• Currently serving first term on NCCU S&amp;CC.</li> <li>• Administrative Officer at Ministry of Finance</li> <li>• BSc Management Studies</li> <li>• Background in Human Resource Management</li> </ul>
<b>Mr. Aaron Dalrymple</b>	<ul style="list-style-type: none"> <li>• Currently serving on NCCU S&amp;CC [coopted in 2024]</li> <li>• Retired Accountant</li> <li>• Employed as Manager - Dominica Co-operative Societies League from 2010-2017</li> </ul>
<b>Ms. Linda Gonzalez-Peltier</b>	<ul style="list-style-type: none"> <li>• Past Chairperson of NCCU S&amp;CC and Current Member of DCSL S&amp;CC</li> <li>• Currently employed at AID Bank</li> <li>• Member of Carnival Road Parade and Church Committees</li> <li>• Information Technology Specialist</li> </ul>

<b>Ms. Devi C. S. St. Luce</b>	<ul style="list-style-type: none"> <li>• Parliamentary Counsel (Legislative Drafter) Attorney General Chambers</li> <li>• Owner of printing business 'Da-Vie's Printing Biz' in Grand Bay</li> <li>• Bachelor's Degree in Law (LLB)</li> </ul>
<b>Ms. Palestrina Rolle</b>	<ul style="list-style-type: none"> <li>• Assistant Research Analyst – Office of the Integrity Commission</li> <li>• Masters Degree in Diplomacy and BS in Criminology</li> <li>• Employed with Gov't. of Dominica for past 18 years.</li> </ul>

## CREDIT COMMITTEE

**Seven (7) persons are nominated to serve. One (1) to be nominated from the floor.**

<b>Mrs. Leandra Savarin</b>	<ul style="list-style-type: none"> <li>• Currently serving first term on NCCU Credit Committee.</li> <li>• Senior Officer-Personnel (Ag.) - Office of the Prime Minister</li> <li>• BSc in Business Administration</li> </ul>
<b>Mr. Michael Augustine</b>	<ul style="list-style-type: none"> <li>• Currently serving on NCCU Credit Committee [coopted in Aug. 2024]</li> <li>• Past NCCU Director and Board President</li> <li>• Past NCCU Credit Committee member</li> <li>• Teacher at the Dominica Grammar School</li> </ul>
<b>Ms. Jane-Ann Joseph</b>	<ul style="list-style-type: none"> <li>• Accounts Manager at DCP Successors Ltd.</li> <li>• Seventeen (17) years of experience in Accounting; held key positions as Accounts Manager locally and regionally.</li> </ul>
<b>Ms. Jodie Johnson</b>	<ul style="list-style-type: none"> <li>• Assists in managing Convent High School's Credit Unionette</li> <li>• Science and Music Teacher at Convent High School</li> <li>• Bachelor of Arts in Music with Emphasis in Education.</li> </ul>
<b>Ms. Calvia Timothy</b>	<ul style="list-style-type: none"> <li>• Local Manager of Digicel Dominica</li> </ul>
<b>Ms. Marie-Elissa Arielle Tonge</b>	<ul style="list-style-type: none"> <li>• Assistant Internal Auditor – Dominica Social Security</li> <li>• Member of JCI Dominica and Dominica Dementia Foundation</li> </ul>
<b>Mr. Julian L. Benjamin</b>	<ul style="list-style-type: none"> <li>• Past member of the NCCU Credit Committee</li> <li>• Deputy Principal of Pierre Charles Secondary School</li> <li>• 1<sup>st</sup> Vice President of D/ca. Teachers Association.</li> <li>• Assists in numerous civic and church groups.</li> </ul>

## RECOMMENDATION

The Nominations Committee recommends the above-named nominees to the 15th Annual General Meeting of the National Co-operative Credit Union Ltd.

The following were additional nominations received from members:

Board of Directors	Supervisory and Compliance Committee	Credit Committee
Mr. Olujide O. Obonyo	Ms. Syra P. Lloyd	Ms. Sade Samuel
Mr. Andre Cadette	Ms. Rhona Riley	

## CONCLUSION


The Nominations Committee is pleased to present this report to you the members at the 15<sup>th</sup> Annual General Meeting of the National Co-operative Credit Union Ltd.


  
Mr. McDonald Thomas

  
Mr. Shannon Bedminister

  
Ms. Nadette Williams

  
Ms. Renita Charles


  
Mr. Curth Charles



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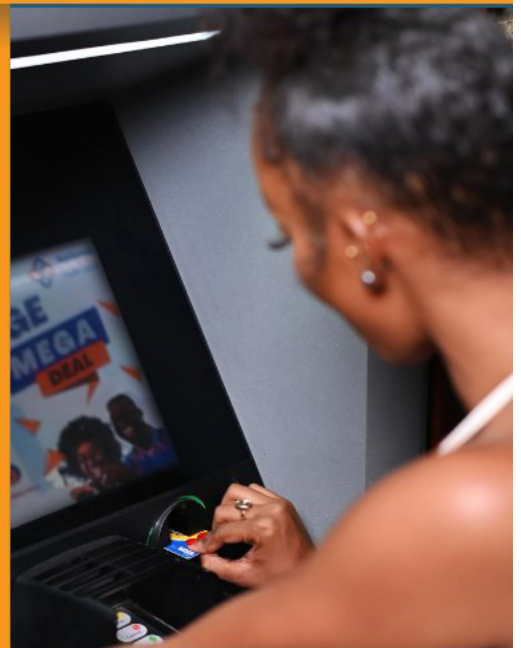


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Your NCCU International Debit Card puts the world and your money at your fingertips but safety is a MUST. Here are a few tips on protecting your information & your savings:

- Keep your Card number, pin number and CVV number private
- Designate a specific sub-account for using your Card
- Keep limited funds on the sub-account attached to your Card
- Use CUCall to block your Card if you suspect fraudulent activity
- Use CU Online to monitor your account and set withdrawal alerts

Report suspicious activity immediately at [membercare@nccudominica.com](mailto:membercare@nccudominica.com) or call 1-767-255-2126 / 2119 / 2121



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### **NCCU Member Care Centre**

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Tel: 255 2126

### **Vieille Case Brance**

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Commonwealth of Dominica, W.I.  
Tel: 255 2241

### **St. Paul Branch**

Cnr of Main Road & Campbell Rd.  
Mahaut  
Commonwealth of Dominica, W.I.  
Tel: 255 2215

### **La Salette Branch**

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