



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



*Celebrating 60 Years of
Marching Forward... Building Wealth*

**61ST ANNUAL GENERAL MEETING
ANNUAL REPORT 2023**





JAMAICA DEFENCE FORCE
**CO-OPERATIVE
CREDIT UNION LTD.**



Membership Drive 5000!

**FEEL THE
POWER OF
membership**

REFERRAL PROGRAM

- Existing members referring families and coworkers

IN-BRANCH SPOT PRIZES

- Special in branch spot prizes at the Cross Roads and Montego Bay branches

DISCOUNT

- Special Discounts
- Automatic qualification for Advance Plus Loans

Who Can Join THE JDFCCU?

- ✓ Govt. Ministries, Depts & Agencies' Employees
- ✓ Utility Companies' Employees
- ✓ Members of the Security Forces (JDF, JCF, DCS)
- ✓ JDF Business Partner Organisations
- ✓ JDF CU Business Partner Organisations
- ✓ Adult Members of the JCCF
- ✓ Family Members of all of the Above



SCAN ME



LOCATIONS

Head Office
Up Park Camp
Kingston 5

Cross Roads
19 Eureka Crescent
Kingston 5

Montego Bay
Unit 28, Blue Diamond Plaza
Ironshore, Montego Bay

876-926-3870 | 876-549-0013 | 876-517-7740 | 876-419-9929 | 876-546-8665



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Mission Statement

To enhance the financial
well-being of our members

Core Values

Integrity | Efficiency | Member-Centric
Professionalism | Innovation



JCCUL Convention 2023... Highest Solvency Award

J A M A I C A D E F E N C E F O R C E

CO-OPERATIVE CREDIT UNION LIMITED 60TH ANNIVERSARY:

PAST TO PRESENT

The Jamaica Defence Force Credit Union Limited was registered on December 19, 1963, by civilians of the Jamaica Defence Force.

The Credit Union which was first located at the Telephone Exchange on Camp (with only two rooms) had a total of 100 members who injected a total of Six Hundred and Sixty-two Pounds, One Shilling and Six Pence (£662.16).

The first Annual General Meeting was held in January of 1964. Mr. Basil Williamson was elected as the first President, with Mr. Ervin Grey as Treasurer, Mrs. Cynthia Bruff as Assistant Treasurer and Ms. Joyce Marshall as Secretary.

In the year 1965, the Credit Union was awarded 3rd prize in the International Credit Union Day Celebrations Competition. These awards have paved the way for JDF Credit Union to be JCCUL nine (9) times Award Winning Credit Union of the Year.

The Credit Union experienced a embellished history over its sixty (60) years of existence and has now built resilience and capacity to provide more and more opportunities.

The Credit Union developed and maintained an enviable reputation for providing financial services to over 12,000 members of which 90% are service members.

The Credit Union, which was first located at the Telephone Exchange, had a total of 100 members.

Through the planned and implemented strategies of the volunteers, managers, and staff plus the lauded support of the members, the assets of the Credit Union grew to \$3.4 billion at the end of 2023.

The Credit Union is operated and accepted as the premier financial institution of the members; and the Credit Union is being positioned to continue being the financial partner to all its members.

The JDF Credit Union therefore celebrates these achievements at our 61st Annual General Meeting. Additionally, these achievements were also tabled at the 83rd JCCUL Annual General Meeting as a 60th Anniversary Resolution.





JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.

Home EQUITY



Use the equity in
your existing property

Get up to
\$17M
at **9.99%**
Interest Rate



- ✓ Use for home improvement
- ✓ Purchase solar energy equipment
- ✓ Pay off your debts
- ✓ Take a vacation
- ✓ Start a business
- ✓ Pay off school fees and more!



876-419-9929
876-546-8665
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876-517-7740



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Conditions Apply

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The Prayer of **St. Francis of Assisi**

Lord, make me an instrument of Thy peace;
Where there is hatred, let me sow love;
Where there is injury, pardon;
Where there is error, the truth;
Where there is doubt, the faith;
Where there is despair, hope;
Where there is darkness, light;
And where there is sadness, joy.

O Divine Master, Grant that I may not so much seek
To be consoled, as to console;
To be understood, as to understand;
To be loved as to love. For it is in giving that we receive;
It is in pardoning that we are pardoned;
And it is in dying that we are born to eternal life.

Amen.



Agenda >

*Celebrating 60 Years
of Marching Forward...
Building Wealth*



1. Ascertainment of Quorum
2. Notice of the Meeting
3. Call to Order and Prayer
4. Welcome and Acknowledgements
5. Chairman's Opening Remarks
6. Reading and Confirmation of the Minutes of the 60th Annual General Meeting
7. Matters Arising
8. Reports of:
 - a. Board of Directors
 - b. Auditor
 - c. Treasurer
 - d. Credit Committee
 - e. Supervisory Committee
9. Resolutions:
 - Proposal for Appropriation of Surplus
 - Proposal for the Fixing of Maximum Liability
10. Election of Volunteers:
 - Nominating Committee Report
 - Elections to:
 - Board of Directors
 - Supervisory Committee
 - Credit Committee
11. Other Business
12. Presentations
13. Vote of Thanks
14. Adjournment





**JAMAICA DEFENCE FORCE
CO-OPERATIVE CREDIT UNION LIMITED**
Up Park Camp, Kingston 5
Marching Forward...Building Wealth

NOTICE

Notice is hereby given that the **61st ANNUAL GENERAL MEETING** of the **Jamaica Defence Force Co-operative Credit Union Limited** will be held in hybrid format at the Caribbean Military Academy, JDF, Up Park Camp, Kingston 5 on **Wednesday, June 12, 2024**, commencing at 12 noon; to transact the ordinary business of the society. We can accommodate a maximum of 300 members at the physical location.

Members are invited to attend the meeting physically or virtually using Zoom. Live streaming will be available via Instagram, Facebook, and YouTube.

An electronic version of the Annual Report can be accessed at

<https://jdfcreditunion.com/downloads/>

REGISTRATION

All members are required to register online to attend and participate in the Annual General Meeting. To register, please visit

https://form.jotform.com/JDFCU_Reid_eservices/REGISTERAGM2024

Once registered, the meeting access credentials will be emailed. Registration opens on Monday June 3, 2024, at 9:00 am and closes on Tuesday June 11, 2024, at midnight.

PARTICIPATION AND VOTING PROCEDURES

Members, please note that all participation including elections and voting will be conducted at the meeting for those in physical attendance and virtually for those using Zoom.

NOMINATIONS PROCEEDINGS

This is to advise that nominations for members to serve on the Board and or Committees is closed. No nominations will be accepted from the floor during the meeting, in accordance with the Society's rules.

OFFICE CLOSURE

All our offices will be closed at 11:00 am to facilitate hosting of the meeting.
On behalf of the Board of Directors.

Mrs Carlean Sutherland BSc. (Hons)
Secretary

Dated May 28, 2024



Minutes

The 60th Annual General Meeting

Mrs. Carlean Sutherland, Secretary

Notice of Meeting

Notice is hereby given of the 60th Annual General Meeting of the Jamaica Defence Force Co-operative Credit Union Limited to be held on Wednesday, May 17, 2023 at the CMA Auditorium, Up Park Camp, Kingston 5.

Mrs. Carlean Sutherland, BSc (Hons)
Secretary



Call to Order

The meeting was called to order by the Chairman at 1231pm after the Secretary; Mrs Carlean Sutherland ascertained that a quorum was present. The Annual General Meeting was held virtually with simultaneous live streaming on YouTube and Facebook and a group of registrants attended in person.

Notice of the Meeting

The Notice was read by the Secretary, Mrs Carlean Sutherland, who gave the specifics of attendance.

Prayer

The prayer was done by 2nd VP Michael Anglin and thereafter the prayer of St. Francis of Assisi was read.

Obituaries

One minute of silence was observed for members who have passed on during the year.

Chairman's Opening Remarks

The Chairman on behalf of the Board of Directors, volunteers, management and staff of the Jamaica Defence Force Co-operative Credit Union welcomed visiting friends, members in the room as well as members watching virtually online. He informed the membership that it was his pleasure to have served as the Chairman of the Board of Directors. He thanked persons for making the time to be at the meeting and expressed his appreciation.

Special acknowledgement was made to representatives from the Credit Union League, the Cooperative and Friendly Societies, as well as guest speaker, Mrs Michelle O'Connor.

Minutes of the 60th AGM

A motion for the Minutes to be taken as read was moved by Mr. Everton Hay and seconded by Sergeant Baldwin Brown.

Confirmation of the Minutes

There were no corrections made to the Minutes and a motion to confirm same was done by Mrs. Claudia Thompson-Roache and seconded by Sergeant Andrae Burnett.

Matters Arising From the Minutes

There were no matters arising from the Minutes of the 60th Annual General Meeting.

Introduction and Presentation of Guest Speaker

The guest speaker, Mrs Michelle O'Connor was introduced by Miss Shakira Patterson.

Mrs O'Connor welcomed everyone and started out by enlightening the audience about her journey at a Credit Union which started at the age of 16, after receiving a summer job and was encouraged to become a member of a credit union. This savings, she said, allowed her to purchase her first car which had enabled her to travel to and from the University of Technology for five (5) long years.

She emphasized that not only does she believe in the vision of the JDF Credit Union but she has been blessed by what the Credit Union has to offer, something that ignites a spirit of renewal. She made it clear that we need someone to assist us to make our dream a reality and putting our funds under our mattress won't do it, but rather what we should aim to have is a relationship with our Credit Union, more likely the JDF Credit union, a reliable and trustworthy institution.

In her presentation she reminded the members of a few things such as;

- As a member of the Credit Union you own it, every member has a say in what happens.
- Your Credit Union is deeply rooted in your community serving the members of your family within that community.
- Your services can be personalized once you share what it is that you want to achieve.
- The Credit union is there to enhance your financial well-being and also the members of your family.
- She thanked the members and encouraged them to continue to think about the JDF Credit Union 'Solid, Safe, and Secure, JDF Credit Union for sure.'

The Chairman thanked the guest speaker and Mr. Griffiths presented her with a gift basket.

The Chief of Defence Staff, Rear Admiral Antonette Wemyss-Gorman was also welcomed by the Chairman. The Chairman also reminded the audience that the Chief takes the Credit Union very seriously, as the majority of the members fall under her directive, and because of that she has taken time out to be there with them that afternoon.

Board of Directors' Report

The Chairman read the Board of Director's report, stating that it was a difficult time for financial institutions as several institutions would have closed down some of their offices in trying to reduce costs. He stated that the JDF Credit Union certainly had different strategic activities because ultimately their aim

isn't to pay shareholders and to pay CEO's, but to provide that wealth that is needed for the members to build.

Fraud Incident

The Chairman spoke of the recent fraud incident that the Credit Union had. He stated that it was a very unfortunate situation, not one that he would hope for, but nevertheless it did happen. He spoke about the measures that are in place to try and prevent something like that from happening again. He further stated that the first responsibility of the Credit Union is to ensure that members are not affected, but if they do, they won't be affected for very long, as the priority is to ensure that members get back their money. The incident he stated was the first of its kind at the Credit Union in its sixty (60) years of existence. He informed the membership that the Fraud Squad was quickly called in and the members were dismissed after their summary hearings. However, the matter is not yet resolved and members will be kept informed once the matter has been finalized in the courts.

The Chairman noted that there was a 3.38% growth in loans, and savings decreased by 1.5%. He stated that the Credit Union is aware that it is an aging institution and that the younger ones are coming up and want to build their family and their future and there was a push to revitalize the membership, therefore several programmes were put in place to assist the youths. These include more scholarship funds and other online initiatives to meet the youth where they are and to bring them over to the side to the Credit Union.

Bank of Jamaica

The Chairman also noted that the Credit Union now falls under the Bank of Jamaica purview as the BOJ continues to work on its regulation to ensure that if there is financial meltdown members do not lose their money. Therefore the Credit Union is working to ensure that they are fully compliant with its requirements.

Achievements

Some of 2022 achievements were highlighted such as:

- Revision of loans offerings.
- Opening of two branches; one at Cross Roads and the other at Blue Diamond plaza in Montego Bay, this initiative is to have increased interaction with members.
- Greater emphasis placed on risk management.
- Increased in scholarship to CAPE level 2 and CSEC students.
- Loans have seen a 5.12% increase in growth.
- Assets have dipped by 1% over the year.
- Savings also declined by 3.9%.

- There was, however, a surplus of 38.6M, which he states goes back to the members as dividends.
- Member engagement was up from 70% the previous year to 75%.
- Technology was being improved to have greater online interaction.
- Human Resource are 80%; improved up from 75% last year.
- Governance and leadership and risk management are both up by 5% over last year.
- The Debit Card is now rebranded to a Master Card for more opportunities.

Conclusion

The Chairman reminded the members that the Credit Union will continue to do its surveys to better understand where they are, and what it is that they need to do to better tailor its products for its members.

Special commendation was given to all stakeholders; the JDF leadership and staff, the Bank of Jamaica, the JDF Credit Union League, the Department of Co-operatives and Friendly Society, the Jamaica Co-operative Insurance Agency, CUNA and all their other affiliates and partners. He also wished them all the best in their personal and business endeavours and encouraged them to make the JDF Credit Union their financial partner of choice as they go forward in 2023 and beyond.

At the end of the Chairman's presentation, he was presented with a gift basket by the Secretary as the GM acknowledged him for his support and guidance.

Treasurer's Report

Mr. Everton Hay presented an abridged version of the Report for the year ended December 31, 2022. The Report included the statement of income and expenditure, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year ended the notes to the financial statements, as well as a summary of significant accounting policies.

The auditors stated that in their opinion, the accompanied financial statements gave a true and fair view of the financial position of the Credit Union as at December 31, 2022. Its financial performance and cash flows for the year ended was in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Co-Operative Societies Act. The basis of their opinion was that they have conducted their audit in accordance with International Standards of Auditing (ISAs). They were independent of the Credit Union in accordance

with the IESBA code, which is the International Ethics Standards Boards for Accountants' Code issued by the Professional Accounting Standards. They have fulfilled their ethical responsibilities in accordance with that requirement. They also believed that the audit evidence that they have obtained was sufficient and appropriate to provide the basis for their opinion.

The Report was accepted on a motion moved by Mr. Dwight Smith and seconded by Mr Andre Burnett. The motion was unanimously carried.

Credit Committee Report

The report was presented by Major Dryden on behalf of the Committee and noted that it was a very challenging year, but the Credit Union was strategic in its approach and attained success in the very difficult period.

During the year the Credit Committee had a total of 65 meetings and reviewed 157 loan applications valued between \$4.5 to \$8M, which was an overall increase of \$127M. Debt consolidation was their major earner during the year followed by motor vehicle loan. He stated that ex-service members continue to have a negative attitude in servicing their loans, which continues to pose a challenge, with this year seeing an increase of 1% in delinquency.

Sincerest gratitude was extended to the Management and Staff of the Credit Union, the Board of Directors and the Supervisory Committee. He also stated that the Committee is committed to continually providing financial guidance to its members in a professional manner as required. There were no questions arising from the presentation. The motion for the acceptance of the report was moved by Mrs. Antoinette Neath and seconded by Mrs Michele Goulbourne.

The GM thereafter used this segment to acknowledge W02 Michael Rowe and W02 William Gilzene, two members who were retiring from the Committee. She thanked them for their service over the years and wished them all the best in their career and all that they will do.

Supervisory Committee Report

The report was presented by the Chairman, W01 Dwight Smith who asked for a motion to take the report as being read. The motion was moved by Lt Col (Ret'd) Michael Anglin and seconded by Miss Michelle McKenzie.

Lt Smith stated that he was honoured to present the report; the committee consists of seven volunteers who were responsible to ensure that the customers' hard-earned

money invested in the JDF Credit Union is well monitored. He said that fifty audits were successfully done in keeping with the policies and procedures laid down by the Credit Union.

Concluding, he thanked the Board of Directors for acting upon their recommendations and looked forward to their continued support. The report was accepted and moved by Mrs Carlean Sutherland and seconded by Mr. William Gilzene.

CUNA

Miss Tashena Douglas made the presentation to the audience on what CUNA is and how they can benefit from being a member of it. She explained the Family Indemnity Plan, a life insurance plan that covers up to eight eligible members of a family. She also outlined who was covered under this plan and the minimum and maximum benefit that persons can get.

Nominating Committee Report and the voting

Mrs. Shakeria Marshall Fender asked for a motion for the report to be accepted as read which was moved by Michelle McKenzie and seconded by Lisa Lee. She said they were tasked according to Article 12, Rule 118 of the JDF Credit Union rules and would have executed that task. She further indicated that the members of the committee were Director Shelroy Johnson, Chairman; Shakeria Marshall-Fender and Miss Allison Pessoa.

Directors and committee members retiring from the Board of Directors and the nominees proposed were introduced, as well, as those recommended to serve. Three (3) persons were retiring from the Board of Directors and seven (7) persons were nominated and recommended to be voted on. Three (3) candidates would be elected by the membership to fill the vacancies.

For the Credit Committee retiring was two (2) members and nominated and recommended to be voted on were four (4) persons. From the four (4) persons recommended, two (2) candidates would be elected by the membership for those vacancies.

For the Supervisory Committee seven (7) persons were retiring and nine (9) were recommended and nominated to be voted on. From the nine (9) persons recommended to serve seven (7) candidates would be elected by the membership that afternoon.

The Nominating Committee's Report was concluded and a motion for the acceptance of the report was done by Miss Judith Salmon and seconded by Mr Sheldon Lawrence.

Election of Volunteers

The Registrar was then asked to conduct the voting exercise which was done. However, due to time constraints the

results of the voting were not given and the President informed the members that the information would be disseminated to them at a later date.

Resolutions

The Treasurer on behalf of the Board of Directors sought to move two (2) resolutions as follows:

Resolution #1

The Proposal for the Appropriation of Surplus was presented by the Treasurer, Mr. Everton Hay as follows:

Net Surplus for the year	\$38.67M
Distributing for dividend	\$6,268,500
Reserves	\$7,734,000
Additional Reserves	\$7M
Honoraria payment	\$4.01M
Treasure Chest Scholarship	\$2M, up fr \$1.5M
IT Enhancement	\$2.5M
Building Reserve	\$5M
Total distribution	\$34,512,500
Undistributed surplus	\$4,157,500

A motion for the acceptance of the resolution was moved by Mr. Hay and seconded by Major Calvin Dryden.

Resolution #2

Rule # 71 – Power to Borrow

Proposal for the fixing of maximum liability up to December 2023 at a rate not exceeding 16 times the capital. The motion was moved by Mr. Hay and seconded by Capt Hecton Stone. The acceptance of the two (2) resolutions was unanimously accepted by the members.

The Vote of Thanks was moved by Mr. Rovon Thomas-Matthew.

Any other Business

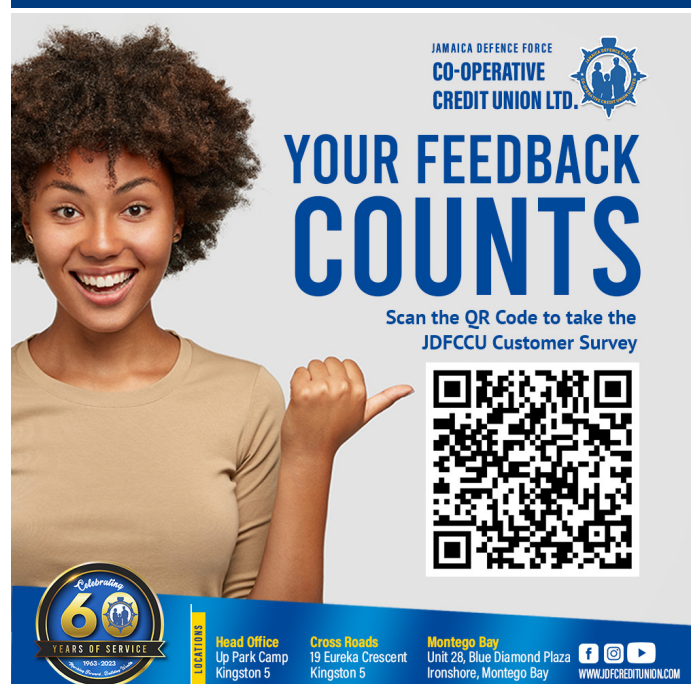
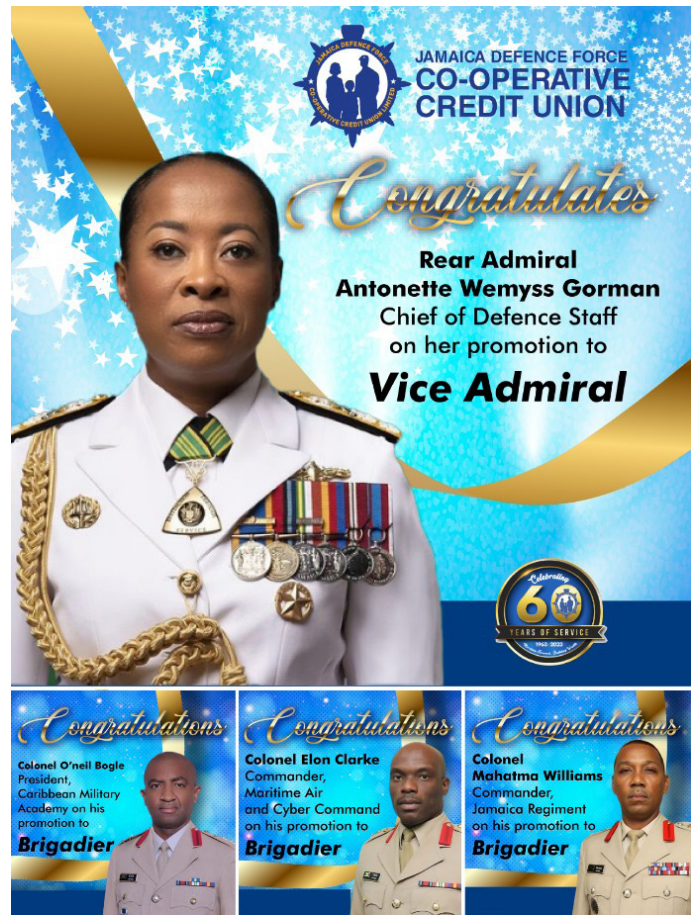
There was no other business. However, the General Manager took the time to thank the members who have invested some of their retroactive payment with the Credit Union and invited the others to come onboard.

Vote of Thanks

The Vote of Thanks was done by Mrs Shakeria Marshall-Fender. The meeting was adjourned at 3:50 p.m.



Mrs. Carlean Sutherland, BSc (Hons)
Secretary





Privacy Notice

Extract

At JDF Co-operative Credit Union, we are committed to protecting your privacy. We ensure that the processing of your Personal Data is compliant with Jamaica's Data Protection Act (JDPa), and any country-specific data protection laws and regulations to the extent applicable to JDF Co-operative Credit Union. We have also implemented a number of technical, organizational and physical measures to ensure the most complete protection of Personal Data processed through the Site or use of our Services. We have prepared this Privacy Notice to describe to you our practices regarding the personal information we collect from our members and users of our website.

This Privacy Notice describes how JDF Co-operative Credit Union collects, uses and shares and stores your Personal Data, and informs you of your rights regarding your Personal Data. This Privacy Notice applies to data we collect when you use our website, when you subscribe to our newsletter, take part in a survey, access our products and services, or any other marketing initiatives.

When you visit our website, you are free to explore without providing any Personal Data about yourself. We only collect Personal Data from you when you register, subscribe to a service or fill out a form.

"Personal Data" means any information that allows someone to identify you, including, such as: your name, address, telephone number, e-mail address, as well as any other non-public information about you that is associated with any of these. "Anonymous Data" means data that is not associated with or linked to your Personal Data and which does not, by itself, permit the identification of individual persons.

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Solid
Move...*



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I N T R O D U C I N G

JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



Child EDUCATOR PLUS!

The Education Savings Plan

A long term, high-yield and safe education investment plan that gives parents the opportunity to save for their children's higher future education.



Components & Benefits

- ✓ For Children 0 - 18 years
- ✓ Investment for Higher Education
- ✓ Guaranteed High Yield Returns
- ✓ Safe & Insured Investment

PRODUCTS

CEP OPTIONS	NO. OF YRS	MTHLY AMT	SAVINGS GOAL
Diamond	10	\$10,000	\$1,434,325.10
Gold	10	\$8,000	\$1,147,460.08
Silver	10	\$5,000	\$717,162.55
Bronze	10	\$3,000	\$430,297.53
Optional	10	Above 10,000	Calculate

Supporting Documents Required (From Parents)

Birth Certificate

Identification (Parents)

Passport Size photo of the child as per KYC requirement

Marriage Certificate for Legal or Step Parents



LOCATIONS

Head Office
Up Park Camp
Kingston 5

Cross Roads
19 Eureka Crescent
Kingston 5

Montego Bay
Unit 28, Blue Diamond Plaza
Ironshore, Montego Bay



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Left - Right:

Mr. Everton Hay, 1st Vice President
Staff Sergeant Gawayne Brown, Treasurer
Mr. Desmond Pringle, 2nd Vice President
Major Coleen Weise, Director
Mrs. Carlean Sutherland, Secretary
Lieutenant Colonel Maxwell Gordon, President
Sergeant Andrae Burnett, Assistant Treasurer
Warrant Officer Class 2 Shelroy Johnson, Director
Mrs. Donna Boland-Brown, Director

Board of Directors

The Board of Directors are elected to provide strategic governance to the business operations of the Credit Union. They act as an oversight body, providing guidance to the Management and Staff to effectively fulfil the objectives of the Credit Union.



Board of Directors Report

Lt Col Maxwell Gordon, President

'GRATITUDE IS A MUST'

On behalf of all the volunteers, management, and staff, I say thanks to you, the valued members, for your participation and interest in the development of your Credit Union.



My fellow cooperators, it is with a deep sense of honour that I report to you on behalf of the Board of Directors (BOD) at our 61st AGM. The BOD is grateful for your faith and trust as you have allowed us to serve you and be a part of your financial journey. This report aims to provide insights to the strategic approach and initiatives undertaken in 2023 and some indication of our vision for the ensuing years. First, I will broadly describe the economic and financial environment of 2023. I will then outline the strategic framework that guided our approach and present highlights of the credit union's performance. Additionally, I will provide insights on some cross-cutting matters and challenges before closing with a vision of the future.

ECONOMIC AND FINANCIAL ENVIRONMENT

In 2023, the world economy experienced moderate growth due to COVID-19 recovery efforts. Advanced economies saw steady but slower growth while emerging markets in Asia and Africa showed stronger recovery. Supply chain disruptions, including semiconductor shortages and shipping delays, elevated global inflation rates. Central banks like the Federal Reserve and the European Central Bank raised interest rates to combat inflation, balancing this with concerns about growth. Energy prices remained volatile due to geopolitical tensions, particularly the conflict in Ukraine, and the transition to renewable energy. Significant investments in green technologies were made as countries pursued climate commitments. Geopolitical tensions, especially between the US and China and the conflict in Ukraine, created economic uncertainty, affecting global trade and investment flows, and prompting companies and governments to build more resilient supply chains.

Jamaica experienced moderate economic growth driven by tourism, agriculture, and manufacturing recovery. Inflation was a concern due to global supply chain disruptions, and higher

energy and food prices among other things. The Bank of Jamaica raised interest rates to control inflation, stabilizing prices but challenging borrowing costs and growth. The BOJ also sought to manage volatility in the exchange rate market as part of its strategy to manage inflation. Efforts to reduce unemployment and poverty included job creation programmes and social welfare initiatives. Export performance improved due to higher demand for bauxite, alumina, and agricultural products, supported by trade agreements and market diversification. Foreign direct investment (FDI) increased, particularly in tourism, energy, and manufacturing, driven by improvements in the business environment and investment climate. Additionally, public sector workers received a salary increase.

OUR STRATEGY

We established ambitious double-digit targets for 2023 even after the meagre single-digit growth in 2022 and the slow recovery from COVID-19 pandemic. The results were not forthcoming in the first half of the year. Stemming from our continuous analysis and the objective of providing greater value to you the members, we adopted a revised strategy. We had to respond timely by changing the business strategy, particularly related to providing greater access to credit and savings facilities. The results were encouraging, and we are heartened to report improvements in several areas. Our strategy focused on parallel lines of effort: surplus, member satisfaction, staff satisfaction, and corporate governance. Several initiatives were executed in our drive to achieve the desired objectives in these major areas.

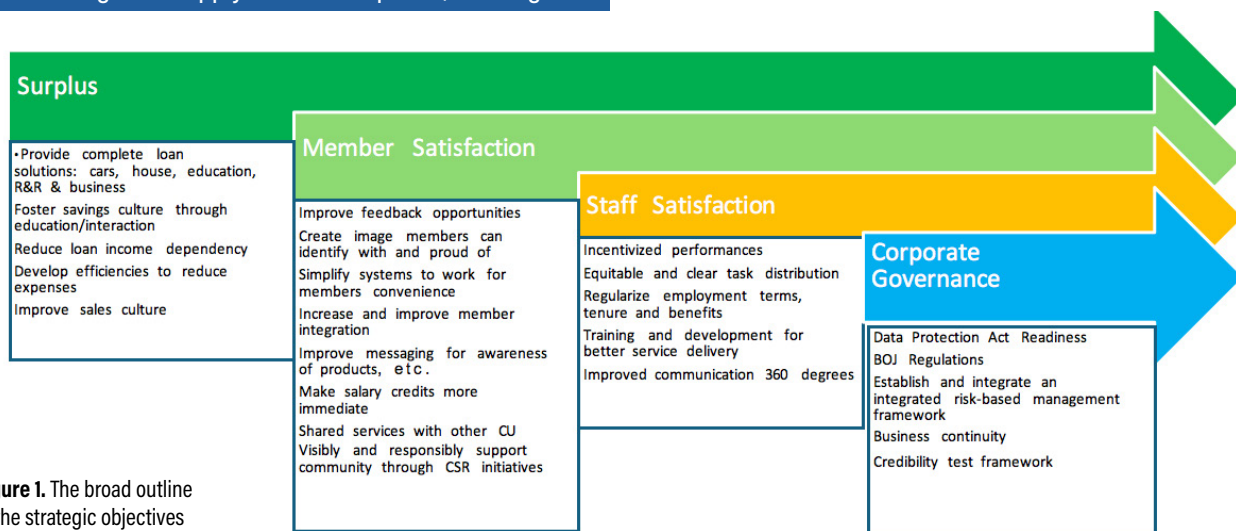


Figure 1. The broad outline of the strategic objectives adopted by the Board.

MAJOR ACHIEVEMENTS

At all times, you the members were kept in focus. Despite the quest for improved performance variables, we avoided any significant increases in the cost to you directly. We are now able to present to you some of the key achievements as of 31 Dec 23:

- You responded positively to the changes in our lending policies which allowed you greater flexibility and access to funds. The loan portfolio grew by 11%.
- Asset growth was measured at 12.4%.
- Savings growth amounted to 18%. We attributed this growth to the adjustment in salary that most of the members realized. The salary increases occurred concurrently with the promotion of the Season of Savings, Fixed Deposit/SHYDA, and later in the year, the Child Educator Plus.
- Membership grew by over 500, largely due to the Jamaica National Service Corps intakes and the continued efforts to further include members of JDF-affiliated groupings.
- We further cemented corporate social responsibility in our strategic operations by focusing on long-term and far-reaching objectives. Through your credit union, you were able to find ways to partner with and support Curphey Home and the YWCA. We also continued our engagement and support for the welfare and well-being of JDF members through partnerships with the units, the JDF Sports Board, and the various ex-service organizations.
- You were able to support the education endeavours of 23 students through the award of approximately \$2M in scholarships. Additionally, the JCCUL award for top performance was received by one of our Treasure Chest members - Jaheem Brown.
- To serve you better, your credit union staff is committed to continuous development. Our staff underwent training in credit administration and assessment, corporate governance, leadership techniques, and enterprise risk management among other areas.
- Recognizing the escalating cyber threats, your credit union significantly upgraded its cybersecurity infrastructure with robust, cloud-based cybersecurity complemented by a comprehensive antivirus protection and patch management system.
- Your credit union also implemented a secure remote Virtual Private Network (VPN) connection. This initiative was designed to ensure that our employees

can access critical systems and data securely from remote locations worldwide, a crucial factor in maintaining business operations during unforeseen disruptions.

FINANCIAL HIGHLIGHTS

The Credit Union recorded a year marked by improved financial performance. The table below shows the achievements and growth over 3 years.

Key Financial Indicators	Balance as at 2023	Growth 2023	Growth 2022	Growth 2021
Asset	\$3.418B	12.4%	0.77%	2.88%
Loans	\$2.367B	11%	4.83%	-2.74%
Savings	\$2.346B	18%	-4.18%	0.98%
Surplus	\$46.6	21.1%	-57.15%	8.71%

Figure 2. Three-Year Performance Data

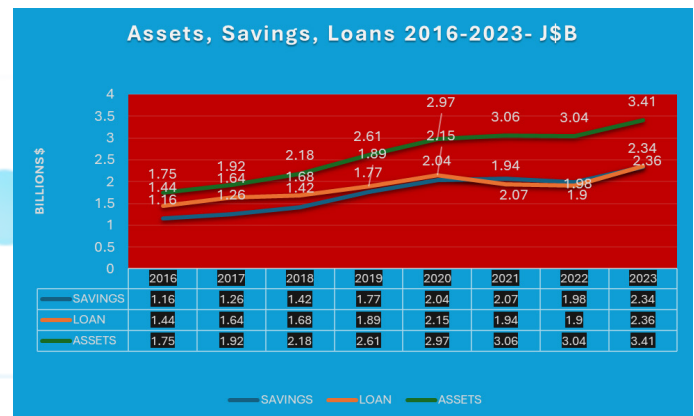


Figure 3. Eight-Year Performance Data

KEY CHALLENGES

Delinquency – As of the end of the period, our delinquency rate stood just below 5% of the total loan portfolio. While the rate is within the standards, the bulk of the delinquency portfolio is uncollectable. Loans with collateral have been realized to cover the debts. One of our key observations was that members who separated from the JDF (including civilians on contract) sometimes forget their legal obligations. We continue to work through the various legal channels to recover the outstanding funds. This effort comes at a cost that must be added to the outstanding amounts. Cumulatively, all members are robbed of their hard-earned money. We know that a job loss oftentimes means income loss and we have been prepared to work with members to ensure their financial situation does not derail into delinquency. We encourage members with challenges in meeting their obligations to engage us so we can work through the issues.

Rise in Operational and Financial Costs – The cost of doing business rose exponentially.

Our financial commitment to our regulators, our business services providers, financial costs, and staffing are the major components of our expenses. We continually explored cost-effective ways to manage expenses including shared services, outsourcing, and strategic partnerships.

Increased Competition – We recognize that many entities are vying for your business. While we promise to ensure you the best rates on savings and loans, we cannot compromise our due diligence processes. We continue to revise the process to ensure you get the speediest service while ensuring prudent credit management. Many of our competitors can afford a greater tolerance for loan default risk. We appreciate your patience and assure you that at every moment, we seek to safeguard members' interests and deliver the best service. We recognize that this sometimes makes us comparatively unattractive to you and affects our efforts to gain new members. We commit to finding creative ways to improve while maintaining the balance.

THE WAY FORWARD 2024 AND BEYOND

Growth Focus

Our targets for 2024 are even more ambitious than 2023. All major indicators are set at double-digit growth and an increase in surplus despite a very competitive environment. We value your business, and the success of your credit union depends on your participation. You can expect to see more innovative and competitive products.

Technology Enabled Service

Your credit union recognizes the pivotal role of Information Technology (IT) in enhancing operational efficiency, member services, and strategic decision-making. Our IT strategy revolves around four key pillars: digitization, automation, data analysis, and integration while enveloped by cyber and data security. The overarching focus is on achieving superior staff efficiency, ensuring compliance resulting in improved services to members. Consequently, some of the projects being implemented include:

- Que Management system designed to coordinate the flow of traffic and appointments
- Improved Telephone System – Cloud-based technologies to efficiently manage your calls
- Online loan processing and approval
- Upgrading of core operating system to include cloud-

based transactions, point of sale, online payments, etc.

- Automated Clearing House (ACH) to allow you to securely and efficiently transfer funds between accounts at different financial institutions
- Website Upgrade

Member Education and Communication

Your financial health matters to us. We believe that with the right information, you can make informed choices. An online Financial Literacy Programme will be launched to better equip our young members with basic knowledge to make wise financial decisions. The course will include information on budgeting, financial terms, and more to help you navigate the financial space. This programme is already being tested and can soon be accessed by the membership. We also want to hear more from you so we will be expanding the means and opportunities for feedback from you. Aside from increasing opportunities for you to interact with our business development officers, expect to see more forums and expositions. We will increase our social media presence and invite you to subscribe to our pages. You should feel free to send us your messages and comments. We will invite you to advise us through surveys or any means necessary such as our existing phone lines or email address.

“There are several companies such as NHT and DBJ that we are now engaging to do more business. At the same time, we continue to ensure we will be able to meet the regulatory standards of the Bank of Jamaica whenever they take effect. Our focus is to ensure your credit union is future-proof. We will ensure that the right mix of strategies is implemented in your best interest.”

New Building (Old Pay Office)

Plans are underway for the construction of our building on the JDF property close to the main entrance of Up Park Camp. The office will be a single-storey structure with room for expansion in the future. We will utilize our building reserves combined with an affordable mortgage facility to finance the project. This project is a massive undertaking, and we are engaged in a very deliberate way. We are more than excited to reposition ourselves in the new space.

Strategic Alliances

The credit union movement has always been collaborating

through partnerships and alliances to ensure greater value to members. Talks of mergers and the benefits to the movement continue among credit unions. Additionally, there are several companies such as NHT and DBJ that we are now engaging to do more business. At the same time, we continue to ensure we will be able to meet the regulatory standards of the Bank of Jamaica whenever they take effect. Our focus is to ensure your credit union is future-proof. We will ensure that the right mix of strategies is implemented in your best interest. We will ensure that you are informed at every step of the way.

BOARD MEETING ATTENDANCE RECORD

Below is the Board's attendance record for 2023:

Board Members	Possible	Regular	Special	All Committee	Apology
Lt Col M Gordon	37	11	21	1	4
Mr E Hay	37	12	23	2	0
Mr D Pringle	37	11	18	1	7
SSgt Brown, G	37	12	22	2	1
Sgt Burnett, A	25	8	15	0	2
Mrs C Sutherland	37	11	22	2	2
Mrs D Brown	37	12	17	2	6
Maj C Weise	25	8	15	0	2
WO2 Johnson, S	37	7	20	1	9
Cdr A Prescott	12	4	2	2	4
Lt Col (retd) M Anglin	12	3	5	2	2

Figure 4. Board attendance record 2023.

"GRATITUDE IS A MUST"

I use this space to personally say thanks to all the members of the board for their support, hard work, and commitment. On behalf of the board and all members, I say thanks to all other volunteers, Mrs. Claudia Thompson-Roache and the staff of 'fi wi credit union'. This collective experience is fuelled by your commitment to serve us. On behalf of all the volunteers, management, and staff, I say thanks to you, the valued members, for your participation and interest in the development of your credit union. We say thanks to the Registrar of Co-operatives and Friendly Societies, the Chief of Defence Staff and the JDF, JCCUL, JCIA, Technosoft, MSD, CUNA, and all other organizations and individuals who continue to work with us. We look forward to continuing to build our partnership in this endeavour.

CLOSING REMARKS

2023 was a challenging year but it also showed our resilience. We learned lessons and we tried new things to serve you better. We have listed only some of what has been achieved or im-

plemented during the year. The work done in 2023, we believe, has set the platform for the continued growth of your credit union. As we march forward, we commit to making innovation a key pillar on which we will move forward. We are conscious of how you seek to live your life and we will make the changes for your convenience. We pledge to stand by you at every step you take to pursue your financial dreams. We pledge to ensure transparency and accountability through open communications. We encourage you to make your credit union your first choice. We are all in this together. This enterprise is our vehicle to our financial dreams so we will keep refuelling it.



Maxwell Gordon
Lieutenant Colonel, President



Car Loan

Get competitive rates and flexible terms on both new and previously owned vehicles.

Purchase motor vehicles up to 13 years old.
Get up to 100% financing, with attractive interest rates. Motor Vehicle Loans calculated on the reducing balance per month.

Have a vehicle loan with another lending institution?
We would be more than happy to refinance your loan and save you money, taking your expenses in mind.



SCAN ME



Save Now. Reap Tomorrow with



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION

SAVINGS EXTRAVAGANZA

ENJOY
Stealing
HIGH YIELD
INTEREST RATES!

SWYS: An Accumulator Fund Investment with a Tax-Free benefit for 5 years. Invest as little as one day's pay or \$2,000 per month and *reap real rewards*. Access up to 75% of your interest over the tenure of your investment.

GOLDEN HARVEST: A Savings plan with a decreasing term life insurance geared towards that desired goal. Save a fixed amount monthly with attractive interest rates. 90% of the funds saved can be used as security for a loan.

SHYDA FIXED DEPOSIT: An investment account that gives you flexible investment periods designed with your dream in mind. Invest as little as \$5,000 for 30/ 60/ 90 or 360 days for a guaranteed interest payment at the end of each investment.

**NEGOTIATE
YOUR OWN
INTEREST RATE
ON SPECIAL DEPOSITS**



[Conditions Apply]



876-549-0013 | 876-517-7740

UP PARK CAMP
KINGSTON 5

CROSS ROADS
19 Eureka Cres., Kingston 5

MONTEGO BAY
Unit 28, Blue Diamond Plaza
Ironshore, Montego Bay

Treasurer's Report

Staff Sergeant Gawayne Brown, Treasurer

■ ■ *The JDFCCUL is presently on a growth trajectory, after having managed the inimical effects of Covid 19. It is identified that greater emphasis needs to be placed on the area of Non-interest Income, specifically provisioning.*



Overview of the Economy

In the year 2023, Real Value Added was estimated to have increased by 2.6 per cent (2.6%) resulting from improvements in the Goods Producing Industry and the Services Industry. The countries economy surpassed its pre-pandemic level, expanding by over 2 per cent (2%).

The All-Jamaica Consumer Price Index (CPI) increased by 0.5 per cent for December 2023. The main contributor was a 2.5 per cent increase in the index for the 'Housing, Water, Electricity, Gas and Other Fuels' division. The point to point inflation rate was 6.9 per cent, while the calendar year (2023) inflation rate was 7.5 per cent.

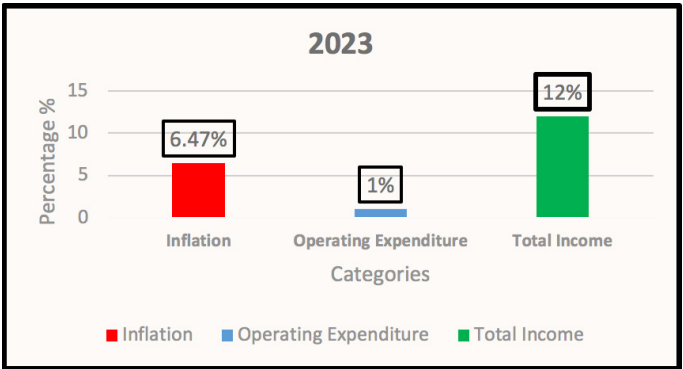
Performance

The year 2023 proved to be a better year, when compared to 2022, with respect to the overall performance of the JDF Co-operative Credit Union Limited (JDFCCUL) whereby positive growth were achieved in a number of key areas, as summarized in the table below:

Area of Focus	2022	2023	Growth/(Decline)
Efficiency Ratio	71%	64%	10%
Interest Income (\$'000)	283,301	331,948	17%
Net Profit Margin	11%	12%	1%
Liquidity Ratio	79%	92%	16%
Non-Interest Income (\$'000)	70,125	64,161	(9%)
Operating Expense (\$'000)	251,382	253,117	(1%)

Financial Highlights

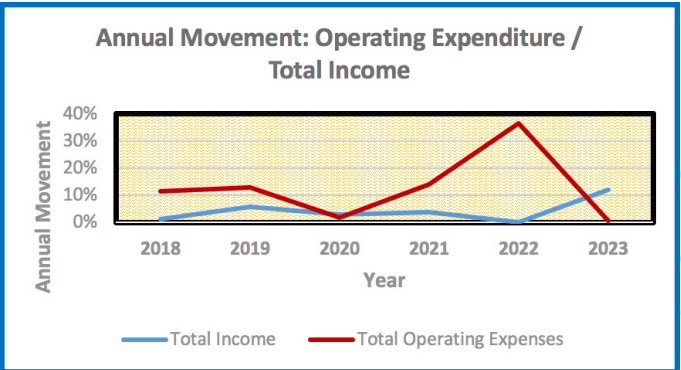
The following provides a graphical illustration and measures the JDFCCUL's efficiency historically with specific emphasis on the year in review (2023).



Despite the heightened inflationary rate of 6.47% in 2023, management was able to restrict the adverse movement in the cost of operation to 1% in 2023. This movement was actually 36% avourable when compared to the corresponding 37%

adverse movement in operating profit over the year ended December 2022.

As indicated in the graph above, the total income earned in 2023 was 12% higher than that earned in 2022.

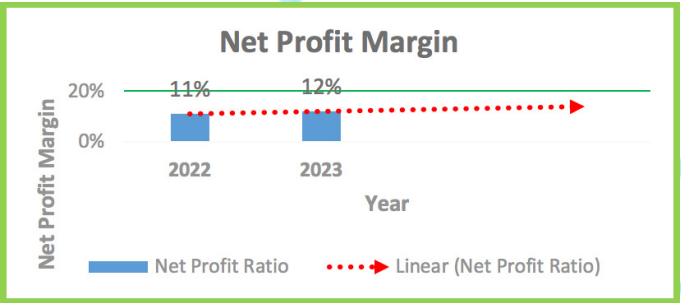


Area of Focus	2022	2023	Variance		
	\$'000	\$'000	\$'000		%
Interest Income	283,301	331,948	F	48,647	17
Non-Interest Income	70,125	64,161	A	(5,964)	(9)
Operating Expenditure	251,382	253,117	A	(1,735)	(1)
Favourable Movement: Efficiency Ratio (2023)					7
Key: F - Favourable A - Adverse					

The above graph indicates that over a six (6) year period, the highest annual growth in the 'Operating Expenditure to Total Income' was achieved at a rate of ten (10) per cent. This trend is expected to continue in the foreseeable future given measures taken and the economic outlook.

Profitability

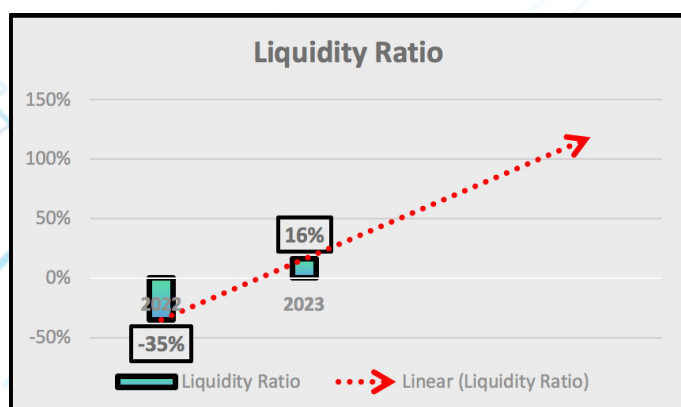
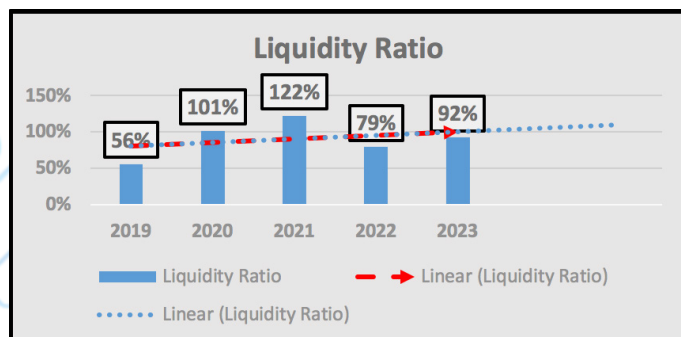
The movement in the organization's Net Profit Margin (Surplus/ Total Income) was 9 per cent (at 12%) favourable when compared to the corresponding margin that was achieved in the previous year 2022 at 11 per cent.



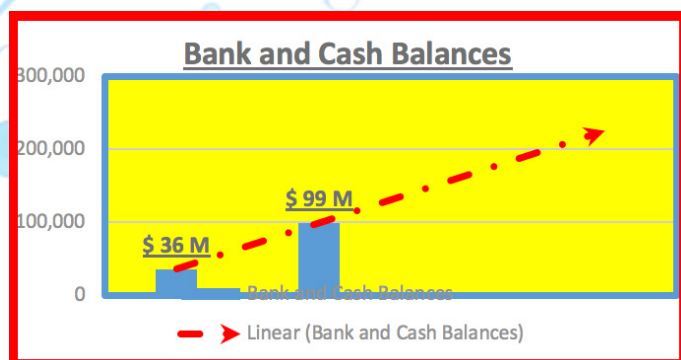
	2022	2023	Variance	
Total Income (\$'000)	353,426	396,109	42,683	12%
Total Expenditure (\$'000)	314,756	349,203	34,447	(11%)
Surplus (\$'000)	38,670	46,906	8,236	
Net Profit Margin	11%	12%		

Liquidity

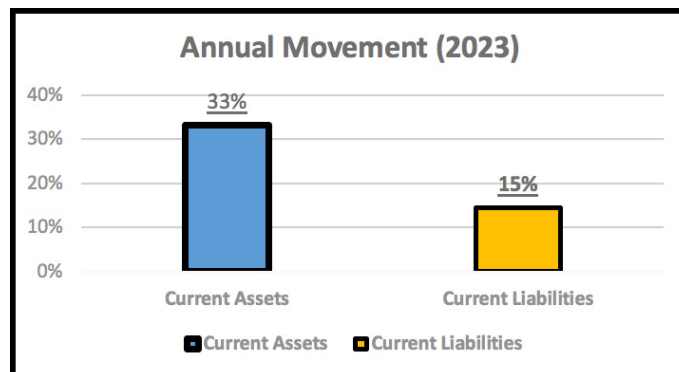
A 16 per cent improvement was seen in the area of liquidity over the year 2023 when compared to 2022, that achieved liquidity rates of 92 per cent and 79 per cent respectively, details of which are further illustrated on the graph below:



Bank and cash balances over the year ended December 2023 increased by 175% when compared to 2022, as presented in the graph below:



The diagram below illustrates that the credit union's current assets increased at a rate significantly higher than that of its current liabilities. This position further improves the entity's ability to settle its short-term obligations and remain as a going concern in the foreseeable future:

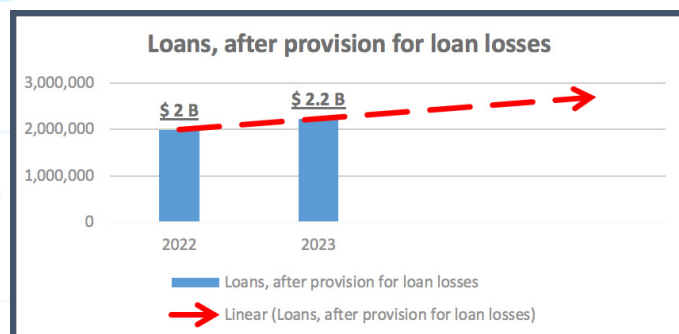


Details	Current Assets	Current Liability
2022 (\$'000)	877,483	1,105,053
2023 (\$'000)	1,168,116	1,250,566
Movement (2023)	33%	13%

Loans:

The Loans Portfolio grew by \$236 M, or 12 per cent, in the year 2023 when compared to the previous year (2022) as further illustrated by the diagrams below:

Details	2022	2023
	(\$'000)	(\$'000)
Loans Portfolio	1,991,359	2,227,419
Percentage Growth		12%



Below is the summary of the above assessment carried out on the performance of the JDFCCUL:

	2022	2023	Growth
Interest Income (\$'000)	283,301	331,948	17%
Non-interest Income (\$'000)	70,125	64,161	(9%)
Operating Expense (\$'000)	251,382	253,117	(1%)
Efficiency	71%	64%	10%
Net Profit Margin	11%	12%	1%
Liquidity Ratio	79%	92%	16%
Total Income (\$'000)	353,426	396,100	12%
Total Expenses (\$'000)	314,756	349,203	(11%)

Summarized Assessment

The JDFCCUL is presently on a growth trajectory, after having managed the inimical effects of Covid 19. It is identified that greater emphasis needs to be placed on the area of Non-interest Income, specifically provisioning.

Governance

The governance structure of the JDFCCUL continues to govern the organization in a manner that protects the investment of its shareholders while seeking avenues through which we can march forward and build wealth together. We continue our preparations in being ready for the required licensing pending the Special Credit Union Act that is to be passed by the Bank of Jamaica (BOJ). We remain open to collaborative ideas which

will ensure economic sustenance of our credit union within the market.

Acknowledgement

First let me use this opportunity to thank you the member-owners of the JDFCCUL, who have entrusted us with the responsibility of governing your credit union. Thanks to the management and staff who work assiduously and remained committed over the years to meet the organization's strategic objectives and have ensured that we are now on a growth trajectory post Covid-19.



Gawayne Brown
Staff Sergeant
Treasurer

Proposal for the Appropriation of 2023 Surplus

Naration	Appropriation 2023
Net Surplus for the Year	46,906,000.00
Other Reserve	21,028,000.00
Total Comprehensive Income for the Year	25,878,000.00
Available for Distribution	46,906,000.00
Dividend Permanent Shares @ \$500/share (20%)	6,903,500.00
Statutory Reserve (20%)	9,381,200.00
Additional Statutory Reserve	5,000,000.00
Honararia Payment	4,500,000.00
Treasure Chest Scholarship	2,000,000.00
IT Enhancement	2,500,000.00
Building Reserve	7,000,000.00
Unsecured Loan Reserve	5,000,000.00
Total Distribution	42,284,700
Undistributed Surplus	4,621,300

RESOLUTION 2

RULE #71 - Power to Borrow

Proposal of the Fixing of the Maximum Liability up to December 2024.

The Board of Directors may incur a liability in voluntary shares, deposit and /or loans from any source on such terms of payment and / or security, provided that the total liability shall not exceed a ratio of sixteen (16) times the society's Capital.



Scan here and see how easy it is to become a member.

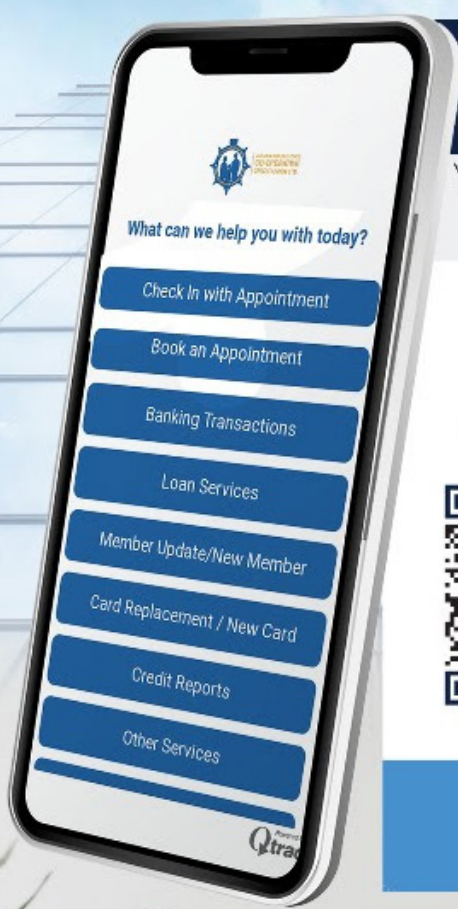




JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



Your time matters, spend it doing more of the things you love!



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.

Your time matters, optimize your waiting experience!

SCAN TO JOIN THE LINE



1. Open your phone camera and point it at the QR code (don't take a picture).
2. Touch the Qtrac link that pops up on your screen.
3. Follow the directions to join the line.

Don't have a smartphone or need help?
Check-in at the Kiosks in the lobby.



BREAKING NEWS

Now you can get a Fast and Hassle Free Loan
without any ~~Red Tape~~ or ~~Barriers~~
with the JDF CO-OP CREDIT UNION



NO UPFRONT EQUITY LOAN PROMOTION



SCAN ME

Promotion Period:
March 25, 2024
to
July 31, 2024

HOME EQUITY LOAN
UP TO J\$17M

BOOSTER LOAN
UP TO J\$3M

EASI-LOAN
UP TO J\$1M

*Conditions Apply



HEAD OFFICE

Up Park Camp
Kingston 5

CROSS ROADS

19 Eureka Cres.
Kingston 5

MONTEGO BAY

Unit 28,
Blue Diamond Plaza
Ironshore, Montego Bay

www.jdfcreditunion.com

Creating Opportunities
Building Wealth

876-622-2689 | 876-549-0013 | 876-517-7740 | 876-236-8049



WANT TO DO
BUSINESS
OUTSIDE
UPC?



The JDF CCU now has
**TWO NEW
BRANCHES!**

Our new locations provide:
Excellent Service Delivery
Personalised Service | Privacy & Comfort

Cross Roads

19 Eureka Crescent
Kingston 5
876-549-0013 | 876-419-9229

Montego Bay

Unit 28, Blue Diamond Plaza
Ironshore, Montego Bay
876-236-8049 | 876-546-8665

2023

Year in Review...



The Management, staff and volunteers of the JDFCCU.



The General Manager bringing greetings at our 60th Anniversary Church Service.



Our members enjoy the karaoke segment of our Members' appreciation day.



Business Development Officer, Mrs. Melissa Brown-Morgan has an engaging conversation our member SSgt Steve Wilson.



Supervisory Committee member, W02 Shawn Malcom interacts with a JDFCCU member, Mr. Patrick Robinson.



The JDF Credit Union is a brand our members are proud to share.



The JDFCCU's 60th Anniversary Church Service and Cake Cutting Ceremony, Sunday, January 28, 2024.



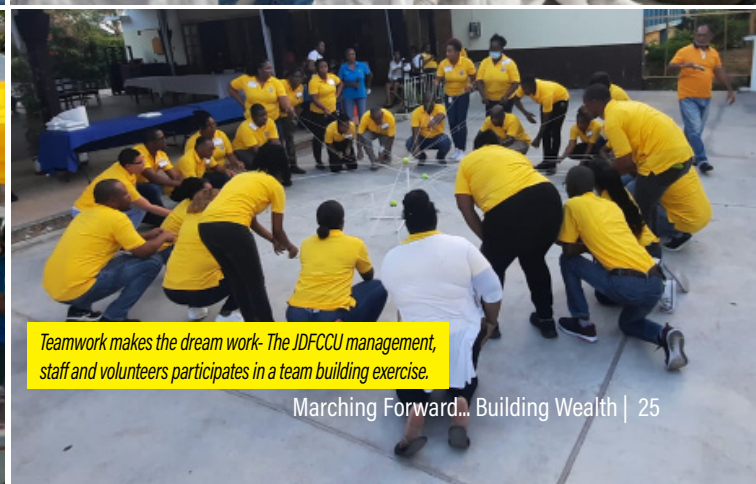
JDFCCU Treasure Chest Scholarship Awards Ceremony 2023



The future is bright at the JDFCCU, scholarship awardees at last year's Treasure Chest Scholarship Awards Ceremony. Each year the Credit Union invites members with children accounts to apply for scholarships in after sitting their PEP, CXC and CAPE exams.



The JDFCCU Team at Sigma Honour Run 2024



Teamwork makes the dream work- The JDFCCU management, staff and volunteers participates in a team building exercise.



The General Manager, Mrs. Claudia Thompson-Roache and former President of the JDFCCU board, Lt. Col Michael Anglin celebrated with World War II veteran, Mr. Stanley Roy Alexander Francis on his 102 birthday.



The JDF Co-operative
Credit Union Ltd.

Celebrates With **Stanley Roy Alexander FRANCIS**

on his
102nd
Birthday

A MAN OF STANDARDS, A MAN OF SUBSTANCE

"A true hero is not someone who
thinks about doing what is right, but
one that simply does what is right
without thinking!"

Kevin Heath

World War II Veteran



**JDFCCU Proudly
Supports Our Veterans**
Marchin Forward...Building Wealth



JCCUL 83rd AGM 2023



JAMAICA DEFENCE FORCE
CO-OPERATIVE CREDIT UNION LTD.

FAMILY INDEMNITY PLAN



SELECT FROM
11 DIFFERENT PLANS



COVER UP TO 6 MEMBERS
WITH 1 PREMIUM



GET COVERAGE FOR
CRITICAL ILLNESSES



To the JDF Credit Union!

PBX SYSTEM (TELEPHONE SYSTEM).

Our state-of-the-art PBX system will optimize call management, ensuring prompt and efficient responses to your inquiries and support needs.

- **ACH TRANSFERS.** You will be able to effortlessly and securely transfer funds between JDFCCU accounts and other local banks, making direct deposits and bill payments simpler than ever.
- **REDEVELOPED WEBSITE.** Our upcoming website will provide a more intuitive and user-friendly experience, featuring enhanced functionalities tailored to better serve your financial requirements.
- **ONLINE PAYMENT GATEWAY.** Introducing a robust and secure online payment gateway to accommodate a variety of payment methods, granting you enhanced flexibility and convenience for all your transactions.

- **POS (POINT OF SALE) PAYMENTS IN BRANCH.** In-branch transactions will become swifter and more secure with the implementation of new POS payment systems, enhancing your overall service experience.

COMING SOON



The JDFCCU House and Home Expo March 22, 2024



The JDFCCU Team at the YWCA, Arnold Road following their motivational talks to the students about self esteem and self worth.



The JDFCCU firmly believes in giving back to the community. Mrs. Thompson- Roache hands over care packages to the YWCA Arnold Road.



CYBER SECURITY TIPS

- 1** When setting up your online accounts **choose a strong password**. A strong password should always include upper and lowercase letters, numbers. Do not set the option that allows your Smartphone, tablet or laptop to remember any password.
- 2** **Be careful when using a password on a mobile device**. Set your devices to automatically lock after a selected period of time to ensure no one can access your Smartphone, tablet or laptop. The JDFCU's online platforms have built in time-out sessions.
- 3** **Do not give your account information over the phone** or Internet if you do not know who is asking for it. Call the Credit Union directly at telephone numbers 876-926-3870, 876-906-9118 or 876-906-3286 or visit the Credit Union to speak with someone in person. JDFCU will never email or text you asking for personal or account information. Assume any unsolicited phone call or text request is fraudulent.
- 4** **Change your passwords frequently**. JDF CU recommends changing your passwords every 60 days.
- 5** When requesting assistance online by sending an email; Be sure **not to include account information**.
- 6** **Be aware of the location of your mobile devices** (Smartphone, tablets) at all times. Only log on to legitimate websites (https) when you have a secure, safe and trusted Internet connection.
- 7** Be sure **not to enable auto-save features** on your mobile device to store your online or mobile banking account information (account number, passwords, secret answers).
- 8** **Do not save debit card, or other account information on your computer**, phone or tablet. Instead, keep a list that is stored in a safe, secure place away from your computer.
- 9** **Use unique passwords for all online accounts**. Never share your password, account number, PIN or answers to security questions.
- 10** **Contact JDF CU immediately** if you think your online identity has been compromised. The sooner you alert proper authorities about suspicious activity, the sooner it can be resolved.
- 11** **Keep a clean machine** - Be sure that all internet-connected devices - including Laptops, Tablets, PCs, or Smartphone are free from malware and infections by running only the most current versions of software and apps.
- 12** Be sure to **disable Bluetooth** when not required.



JAMAICA DEFENCE FORCE CO-OPERATIVE CREDIT UNION LTD.

Financials

AS AT DECEMBER 31ST 2023





Ministry of Industry Investment & Commerce

Jamaica's **Business** Ministry



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

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

S1
R297-331/05/24

May 22, 2024

The Secretary
Jamaica Defence Force Co-operative Credit Union Limited
Up Park Camp
Kingston 5

Dear Sir/Madam:

I forward herewith the Financial Statements of your Society for the year ended December 31, 2023.

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

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

Kindly advise me of the date of the Annual General Meeting, so that arrangements may be made for the Department to be represented.

Yours truly,

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

HEAD OFFICE
2 Musgrave Avenue
Kingston 10
Jamaica, W. I.
(876) 927-4912 | 927-6572
978-1946

HOPE GARDENS
Hope Gardens
Kingston 6
(876) 648-6870

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

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



info@dcfs.gov.jm



www.dcfs.gov.jm

Jamaica Defence Force Co-operative Credit Union Limited

Financial Statements

December 31, 2023

Independent auditor's report

To the Registrar of Co-operative Societies
Re: Jamaica Defence Force Co-operative Credit Union Limited
(A society registered under the Co-operative Societies Act)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Jamaica Defence Force Co-operative Credit Union Limited ("the Credit Union"), which comprise the statements of financial position as at December 31, 2023, statement of income and expenditure, statement of other comprehensive income, 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 significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Credit Union as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the requirement of the Co-operative Societies Act.

Basis for Opinion

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

Key audit matters

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

hlbjm.com

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HLB Mair Russell is an independent member of HLB the global advisory and accounting network

Independent auditor's report (cont'd)

To the Registrar of Co-operative Societies
Re: Jamaica Defence Force Co-operative Credit Union Limited
(A society registered under the Co-operative Societies Act)

Report on the Audit of the Financial Statements (cont'd)

Key audit matters (cont'd)

Loans and allowances for credit losses on loans

As at December 31, 2023 loans after allowances for credit losses of \$61.7 Million amounted to \$2 Billion or 69% of the total assets of the Credit Union. We consider the measurement of expected credit losses a key audit matter as there is a number of significant judgement by management, including:

- Determining the criteria for a significant increase in credit risk, which impacts the staging of the asset and the related calculation, ie. one year or lifetime expected loss calculations.
- Determining the relevant inputs and techniques included in the expected credit loss model utilised in probability of default (PD), loss given default (LGD) and exposures at default (EAD) parameters.
- For loans and advances, a significant amount of historical data is built into the PD, LGD and EAD risk parameters.
- Use of multiple economic scenarios that are forward looking.
- Valuation of real estate property pledged as collateral for term loans: this is the most significant repayment source for credit-impaired assets.
- We evaluated the appropriateness of the Credit Union's staging and where applicable, determined whether the significant increase in credit risk and default definitions were appropriately applied.
- We obtained an understanding of management's ECL model including source data, evaluated the theoretical soundness and tested the mathematical integrity of the model. We tested reliability of source data used in the models on a sample basis by corroborating to historical data or external public information where available.
- We evaluated the appropriateness of management's judgement pertaining to forward looking information, the basis of the multiple economic scenarios used and the weighting applied to capture nonlinear losses.
- We tested the opening equity adjustments in relation to the adoption of the new standard's classification and measurement requirements.
- We performed the calculation of days past due, a key data input into the PD parameter, in the Credit Union's banking system on a sample basis.

Independent auditor's report (cont'd)

To the Registrar of Co-operative Societies
Re: Jamaica Defence Force Co-operative Credit Union Limited
(A society registered under the Co-operative Societies Act)

Report on the Audit of the Financial Statements (cont'd)

Loans and allowances for credit losses on loans (cont'd)

- We tested the completeness and accuracy of the historical data used by agreeing details on default rates and recovery rates. The data used for these assessments were based on the Credit Union's internal default experience segmented by loan type. For a sample of credit exposures, we agreed the critical data fields, such as origination date, maturity date, default date, principal, collateral value and cash recoveries and exposure limits, used in developing default, recovery and utilisation rates to source documents.
- For a sample of stage 3 loans we obtained an understanding of the latest developments at the borrowers and the basis of measuring the impairment provisions and considered whether key judgements were appropriate given the borrower's circumstances. We re-performed management's impairment calculation including the expected future cash flows and valuation of collateral held, and determined reasonableness of the valuation of real estate collateral with the assistance of auditors' expert.
- Based on the procedures described above, no material exceptions were noted in our assessment of the Credit Union's implementation of IFRS 9, including its provisioning in accordance with its newly adopted expected credit loss model.

How our audit addressed the key audit matter

We assessed and tested the design and operating effectiveness of the controls over impairment data and calculations. These controls included those over identification of which loans and advances were impaired. We determined we could rely on these controls for the purposes of our audit.

The criteria we used to determine if there is objective evidence of impairment included:

- Default or delinquency in interest or principal payments;
- Concessions granted to a borrower that would not otherwise be considered due to the borrower's financial difficulty.

We tested the completeness of management's listing of potentially impaired loans by reperforming the process using management's impairment criterion. Based on the testing, no adjustments were considered necessary.

Independent auditor's report (cont'd)

To the Registrar of Co-operative Societies
Re: Jamaica Defence Force Co-operative Credit Union Limited
(A society registered under the Co-operative Societies Act)

Report on the Audit of the Financial Statements (cont'd)

How our audit addressed the key audit matter (cont'd)

We evaluated the performance of the loan portfolio subsequent to the end of the reporting period to identify significant adjusting subsequent events and did not identify any such events.

Other information

Management is responsible for the other information. The other information comprises the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the *annual report*, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with governance for the financial statements

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

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

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

Auditor's Responsibilities for the Audit of the financial statements

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

Independent auditor's report (cont'd)

To the Registrar of Co-operative Societies
Re: Jamaica Defence Force Co-operative Credit Union Limited
(A society registered under the Co-operative Societies Act)

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the financial statements (cont'd)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Credit Union to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

Independent auditor's report (cont'd)

To the Registrar of Co-operative Societies
Re: Jamaica Defence Force Co-operative Credit Union Limited
(A society registered under the Co-operative Societies Act)

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the financial statements (cont'd)

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Co-operative Societies Act, in the manner so required.

The engagement partner on the audit resulting in this independent auditor's report is Sixto Coy.

Kingston, Jamaica

May 16, 2024

A handwritten signature in dark ink, appearing to read 'HLB Mair Russell', is written over the printed name 'HLB MAIR RUSSELL' and the text 'Chartered Accountants'.

Jamaica Defence Force Co-operative Credit Union Limited

Statement of financial position

December 31, 2023

	Note	2023 \$'000	2022 \$'000
Assets			
Non-current assets			
Earning			
Loans, after provision for loan losses	(4)	2,227,419	1,991,359
Financial investments	(5)	4,681	140,225
		2,232,100	2,131,584
Non-Earning			
Retirement benefit assets	(6)	-	11,554
Property, plant and equipment	(7)	18,311	19,489
		18,311	31,043
Total non-current assets		2,250,411	2,162,627
Current assets			
Earning			
Repurchase agreement	(8)	-	2,238
Financial investments	(5)	908,887	698,652
Loans, after provision for loan impairment	(4)	139,636	126,359
		1,048,523	827,249
Non-earning			
Bank and cash balances	(9)	99,066	35,834
Receivables and prepayments	(10)	20,527	14,400
		119,593	50,234
Total current assets		1,168,116	877,483
Total assets		3,418,527	3,040,110

Jamaica Defence Force Co-operative Credit Union Limited

Statement of financial position (cont'd)

December 31, 2023

	Note	2023 \$'000	2022 \$'000
Capital and liabilities			
Capital			
Members' permanent share capital	(11)	34,994	34,799
Institutional capital	(12)	360,685	344,246
Non-institutional capital	(13)	204,966	210,126
Undistributed surplus		301,927	300,331
Total capital		902,571	889,502
Liabilities			
Non-current			
Interest bearing			
Retirement benefit liability	(6)	5,375	-
Members' voluntary shares	(14)	786,712	608,462
External credits	(15)	-	250
Savings deposit	(16)	473,304	436,843
Total non-current liabilities		1,265,391	1,045,555
Current			
Interest bearing			
Member's voluntary shares	(14)	161,134	124,625
External credit	(15)	250	200
Savings deposits	(16)	925,518	812,503
		1,086,902	937,328
Non-interest bearing			
Accounts payable and accruals	(17)	160,600	164,661
Deferred income	(18)	3,064	3,064
		163,664	167,725
Total current liabilities		1,250,566	1,105,053
Total liabilities		2,515,957	2,150,608
Total capital and liabilities		3,418,528	3,040,110

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

Approved for issue by the Board of Directors on May 16, 2024 and signed on its behalf by:



_____) President
Lt Col Maxwell Gordon



_____) Treasurer
SSgt Gawayne Brown

Jamaica Defence Force Co-operative Credit Union Limited

Statement of income and expenditure

Year ended December 31, 2023

	Note	2023 \$'000	2022 \$'000
Interest income			
Members' loans		285,302	254,001
Investments		46,646	29,300
		331,948	283,301
Interest expense			
Interest on members' deposits		(29,016)	(40,395)
Interest on voluntary shares		(13,094)	(13,327)
		(42,111)	(53,722)
Net interest income		289,838	229,579
Net movement on loan impairment provision	(4c)	(53,976)	(9,652)
Net interest income after loan impairment provision		235,862	219,927
Non-interest income			
Fees and other income		64,161	70,125
		64,161	70,125
Net interest and other income		300,023	290,052
Less: Operating expenses	(19)	(253,117)	(251,382)
Surplus for the year		46,906	38,670

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

Jamaica Defence Force Co-operative Credit Union Limited

Statement of other comprehensive income

Year ended December 31, 2023

		2023 \$'000	2022 \$'000
Surplus for the year (page 9)		46,906	38,670
Other comprehensive income:			
Actuarial loss on defined benefit plan	(6)	(21,028)	17,480
Total comprehensive income for the year		25,878	56,150

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

Jamaica Defence Force Co-operative Credit Union Limited

Statement of changes in equity

Year ended December 31, 2023

	Permanent Share Capital \$'000	Non- Institutional Capital \$'000	Institutional Capital \$'000	Undistributed Surplus \$'000	Total \$'000
Balance at December 31, 2022	34,799	210,126	344,246	300,331	889,502
Surplus for the year	-	-	-	46,906	46,906
Transfer of Honorarium	-	-	-	(4,010)	(4,010)
Transfer of Scholarship Fund	-	-	-	(2,000)	(2,000)
Other comprehensive income					
Actuarial loss on defined benefit plan	-	(21,028)	-	-	(21,028)
Total comprehensive income for the year	-	(21,028)	-	40,896	19,868
Transaction with owners:					
20% statutory reserve	-	-	9,381	(9,381)	-
Retirement benefit asset reserve	-	4,100	-	(4,100)	-
Dividends credited to members	-	-	-	(6,269)	(6,269)
Share capital issued	194	-	-	-	194
Transfer to institutional capital	-	-	7,000	(7,000)	-
Transfer of capital expenditure	-	2,593	-	(5,000)	(2,407)
Other reserve	-	5,050	-	(5,050)	-
Transfer of IT Enhancement	-	-	-	(2,500)	(2,500)
Share transfer	-	2,984	-	-	2,984
Entrance fees	-	-	58	-	58
Increase in market value of equities	-	1,141	-	-	1,141
	194	15,868	16,439	(39,300)	(6,798)
Balance at December 31, 2023	34,993	204,966	360,685	301,927	902,572

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

Jamaica Defence Force Co-operative Credit Union Limited

Statement of changes in equity

Year ended December 31, 2023

	Permanent Share Capital \$'000	Non- Institutional Capital \$'000	Institutional Capital \$'000	Undistributed Surplus \$'000	Total \$'000
Balance at December 31, 2021	31,820	169,030	326,504	322,026	849,380
Surplus for the year	-	-	-	38,670	38,670
Other comprehensive income					
Actuarial loss on defined benefit plan	-	17,480	-	-	17,480
Total comprehensive income for the year	-	17,480	-	38,670	56,150
Transaction with owners:					
20% statutory reserve	-	-	7,734	(7,734)	-
Retirement benefit asset reserve	-	(1,243)	-	1,243	-
Dividends credited to members	-	-	-	(5,590)	(5,590)
Share capital issued	2,979	-	-	-	2,979
Transfer to institutional capital	-	-	10,000	(10,000)	-
Transfer of capital expenditure	-	15,000	-	(15,000)	-
Loan loss reserve	-	12,774	-	(12,774)	-
Transfer of Honorarium	-	-	-	(4,010)	(4,010)
Transfer of Scholarship	-	-	-	(1,500)	(1,500)
Transfer of IT Enhancement	-	-	-	-	(5,000)
Share transfer	-	(3,367)	-	-	(3,367)
Entrance fees	-	-	8	-	8
Increase in market value of equities	-	452	-	-	452
	2,979	23,616	17,742	(60,365)	(16,028)
Balance at December 31, 2022	34,799	210,126	344,246	300,331	889,502

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

Jamaica Defence Force Co-operative Credit Union Limited

Statement of cash flows

Year ended December 31, 2023

	Note	2023 \$'000	2022 \$'000
Cash flows from operating activities:			
Surplus for the year		46,906	38,670
Interest income		(331,948)	(283,301)
Interest expense		42,111	53,722
Depreciation	(7)	3,557	3,557
Employee benefit asset			(1,243)
Provision for loan losses	(4c)	53,976	9,652
		(185,398)	(178,943)
Interest received		331,948	283,301
Interest paid		(42,111)	(53,722)
Loans to members		(309,559)	(107,298)
Other assets		(6,127)	12,324
Accounts payables and accruals		(4,061)	25,526
Net cash provided by operating activities		(215,308)	(16,812)
Cash flows from investing activities:			
Purchase property, plant and equipment	(7)	(2,380)	(5,677)
Investments		(74,691)	(95,341)
Net cash used in investing activities		(77,071)	(101,018)
Cash flows from financing activities:			
External credit		(200)	(200)
Savings deposit		149,476	(68,920)
Members' shares		214,759	(17,491)
Share capital issued		194	2,979
Transfer of capital reserve		(2,407)	(10,939)
Entrance fees		58	8
Dividends		(6,269)	(5,590)
Net cash provided by financing activities		355,611	(100,153)
Net increase/(decrease) in bank and cash balances		63,232	(217,983)
Bank and cash balances at beginning of year		35,834	253,817
Bank and cash balances at end of year	(9)	99,066	35,834

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

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the financial statements

December 31, 2023

1. General information and nature of operations

The Jamaica Defence Force Co-operative Credit Union Limited (“the Co-operative”) is incorporated under the laws of Jamaica and is registered under the Co-operative Societies Act. The Co-operative is domiciled in Jamaica and its registered office is located at Up Park Camp, Camp Road, Kingston, Jamaica.

The Co-operative’s main activities are the promotion of thrift, the provision of loans to members, exclusively for provident and productive purposes, at a reasonable rate of interest and to receive the savings of its members either as payments on shares or as deposits.

The Co-operative is exempt from Income Tax under Section 59(i) of the Co-operative Societies Act and Section 12 of the Income Tax Act.

The Co-operative is a member of the Jamaica Co-operative Credit Union League (JCCUL).

2. Regulation

The Co-operative Societies Act requires, amongst other provisions, that at least twenty percent (20%) of the net surplus of the Credit Union be transferred to a reserve fund each year. Section 59 of the Act provides for the exemption from income tax and stamp duty for the Credit Union.

3. Summary of significant accounting policies

The Credit Union’s financial statements have been prepared on an accrual basis and under the historical cost convention except for the revaluation of properties and equity investments.

a Basis of preparation

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

Changes in accounting policies

New and revised standards that are effective during the current year

Certain new and amended standards and interpretations to existing standards have been published and became effective during the current financial year. The Credit Union has assessed the relevance of all such new standards, interpretations and amendments and determined that the following are relevant to the Credit Union.

Amendments to IAS 1, Practice Statement 2, and IAS 8, (effective for annual periods beginning on or after 1 January 2023). The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.

Standards, amendments, and interpretations to existing standards that are not yet effective and have not been early adopted by the Credit Union.

Amendments to IAS 1, Presentation of financial statements, on classification of liabilities, (effective for annual periods beginning on or after 1 January 2024). Amendments to IAS 1, ‘Presentation of financial statements’, clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the ‘settlement’ of a liability.

The Credit Union is currently assessing the impact of this amendment.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

a Basis of preparation (cont'd)

Standards, amendments and interpretations issued but not yet effective and have not been early adopted by the Credit Union

Amendment to IAS 16- Leases on sales and leaseback (effective for annual periods beginning on or after 1 January 2024). These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.

The Credit Union is currently assessing the impact of this amendment.

Amendments to IAS 7 and IFRS 7, Supplier Finance Arrangement, (effective for annual periods beginning on or after 1 January 2024). The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including:

Terms and Conditions

1. As at the beginning and end of the reporting period:

- The carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented.
- The carrying amounts of financial liabilities and the line items, for which the finance providers have already settled the corresponding trade payables.
- The range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements.

2. The type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable.

The Credit Union is currently assessing the impact of this amendment.

IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information, (effective for annual reporting periods beginning on or after January 1, 2024) (with earlier application permitted as long as IFRS S2 Climate-related Disclosures is also applied).

IFRS S1 requires an entity to disclose information about its sustainability-related risks and opportunities that are useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity. The standard also requires entities to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium, or long term (collectively referred to as 'sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects').

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

a Basis of preparation (cont'd)

Standards, amendments and interpretations issued but not yet effective and have not been early adopted by the Credit Union

IFRS S1 prescribes how an entity prepares and reports its sustainability-related financial disclosures and sets out general requirements for the content and presentation of those disclosures so that the information disclosed is useful to users in making decisions relating to providing resources to the entity.

The Credit Union is assessing the impact of the standard.

IFRS S2 — Climate-related Disclosures (effective for annual periods beginning on or after January 2024). (with earlier application permitted as long as IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information is also applied). IFRS S2 requires entities to disclose information about its climate-related risks and opportunities that is useful to users of general-purpose financial reports in making decisions relating to providing resources to the entity. The standard also requires entities to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term (collectively referred to as 'climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects').

IFRS S2 applies to climate-related physical risks; climate-related transition risks; and climate-related opportunities available to an entity.

The Credit Union is assessing the impact of the standard.

b Property, plant and equipment

(i) Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses [see note 3(m)]. Cost includes expenditures that are directly attributable to the acquisition of the asset.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Co-operative and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

b Property, plant and equipment

(iii) Depreciation

Depreciation is recognised on the straight-line basis at annual rates estimated to write-off the relevant assets over their expected useful lives. However, depreciation is prorated on a monthly basis during the year of purchase. The rates used are as follows:

Furniture and fixtures	- 10% per annum
Computers	- 20% per annum
Equipment	- 20% per annum
Containers	- 2.5% per annum
Leasehold improvements	- 5% per annum
Generator	- 10% per annum

The depreciation methods, useful lives and residual values, are reassessed at each reporting date.

c Fee income

Fee income from contracts with customers is measured based on the consideration specified in a contract with a customer. The Co-operative recognises revenue when it transfers control over a service to a customer. Fee income are recognised as the related services are performed.

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

Fee income was recognised when the related service was provided.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

d Foreign currency translation:

Functional and presentation currency

The financial statements are prepared and presented in Jamaican dollars, which is the functional currency of the company.

Foreign currency translations and balances

- (i) Foreign currency balances at the date of the statement of financial position have been translated at rates of exchange ruling at that date;
- (ii) Transactions in foreign currency are converted at rates of exchange ruling at the dates of those transactions;
- (iii) Gains/losses arising from fluctuations in exchange rates are included in the Statement of comprehensive income.

e Interest income and expense

Interest income and expense are recognised in the statement of comprehensive income for all interest-bearing instruments on an accrual basis, using the effective yield method, based on the actual purchase price. Interest income includes coupons earned on fixed income investments and accrued discounts or premiums on discounted instruments.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Credit Union estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses.

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

Where collection of interest income is considered doubtful, the related financial instruments are written down to their recoverable amounts and interest income is thereafter recognised based on the rate of interest that was used to discount the future cash flows for the purpose of measuring the impairment loss.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

f Fees and other income

Fees and other income are recognised on an accruals basis. Loan origination fees are deferred and are recognised over the life of the loan, as an adjustment to the effective yield on the loans.

g Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred. Expenditure for warranties is recognised when the Credit Union incurs an obligation, which is typically when the related goods are sold.

h Financial instruments

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

Financial assets

The Credit Union's financial assets comprise investments, cash and bank balances and receivables.

Financial liabilities

The Credit Union's financial liabilities comprise payables and due to related parties.

(i) Recognition and derecognition

Financial assets and financial liabilities are recognised when the Credit Union becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets expired or have been transferred and the Credit Union has transferred substantially all the risks and rewards of ownership.

(ii) Classification and measurement of financial assets

At initial recognition, the company measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial assets.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

h Financial instruments (cont'd)

(ii) Classification and measurement of financial assets (cont'd)

Subsequent measurement of debt instruments depends on the Credit Union's business model for managing the asset and the cash flow characteristics of the asset. There are the three measurement categories for debt instruments under IFRS 9:

- **Amortised cost** - Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets using the effective interest rate method is included in other operating income together with foreign exchange gains and losses. Any gain or loss on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as a separate line item in the statement of profit or loss.
- **Fair value through other comprehensive income (FVOCI)** - Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses 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 other gains/(losses). Interest income from these financial is included in other operating income using the effective interest rate method. Foreign exchange gains and losses are presented in other operating income and impairment expenses are presented as a separate line item in the statement of profit or loss.

Equity instruments

The Credit Union subsequently measures all equity investments at fair value. The Credit Union's management has elected to present fair value gains or losses on equity investments in OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other operating income when the Credit Union's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

- **Fair value through profit or loss (FVPL)** - Assets that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net in the statement of profit or loss within other gains/(losses) in the period in which it arises.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

h Financial instruments (cont'd)

(iii) Impairment

The Credit Union assesses on a forward-looking basis the expected credit losses associated with its financial instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

In applying this forward-looking approach, a distinction is between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credited quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

For loan, trade and other receivables, the Credit Union applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iv) Financial liabilities

The Credit Union's financial liabilities are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method. At the balance sheet date, the following items were classified as financial liabilities: payables, borrowings, due to related parties and due to shareholders.

i Reverse repurchase agreements:

A reverse repurchase agreement ("reverse repo") is a short-term transaction whereby an entity buys securities and simultaneously agrees to resell them on a specified date and at a specified price. Reverse repos are accounted for as short-term collateralised lending and are measured at amortised cost.

The Credit Union enters into reverse repurchase agreements to resell substantially identical investments at a certain date in the future at a fixed price. The amounts paid are recognised as "securities purchased under resale agreements" and are collateralised by the underlying securities.

The difference between the purchase and resale considerations is recognised on the accrual basis over the period of the transaction, using the effective interest method, and is included in interest income.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

j Accounts receivable

Accounts receivables are carried at anticipated realisable value. An estimate is made for doubtful receivables based on all outstanding amounts at year end. Bad debts are written off in the year in which they are identified.

k Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and at bank and deposits with original maturities of less than 90 days.

l Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

m Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed 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 to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

n Employee benefits

(i) Pension plan

The Credit Union participates in a multi-employer defined benefit pension plan. The pension plan is generally funded by payments from employees and by the participating Credit Unions, taking into account the recommendations of independent qualified actuaries.

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors, such as age, years of service and compensation.

The asset or liability recognised in the statement of financial position in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets, together with adjustments for past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality Government of Jamaica bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in the statement of comprehensive income.

(ii) Termination benefits

Termination benefits are payable when employment is terminated by the Credit Union before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Credit Union recognises termination benefits at the earlier of the following dates: (a) when the Credit Union can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

o Accounts payable

Accounts payable are initially recorded at fair value and subsequently stated at amortised cost using the effective interest method.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

p Provisions

Provisions are recognised when the Credit Union 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 a reliable estimate of the amount can be made.

q Members' voluntary shares

Members' voluntary shares represent withdrawable deposit holdings of the Credit Union's members to facilitate eligibility for loans and other benefits. Interest paid on these shares are determined at the discretion of the Credit Union and reported as interest expense in the statement of comprehensive income in the period in which they are approved.

r Members' permanent share capital

Members' permanent share capital represents shares paid up in cash and form part of the risk capital of the Credit Union. Members' permanent share capital may be redeemable subject to the sale, transfer or repurchase of such shares. Dividends on members' permanent share capital are recognised in members' voluntary shares in the period in which they are approved by the Credit Union's members.

s Institutional capital

Institutional capital includes the statutory reserve fund, as well as various other reserves established from time to time which, in the opinion of the directors, are necessary to support the operations of the Credit Union and, thereby, protect the interest of the members. These reserves are not available for distribution to members.

t Non-institutional capital

Non-institutional capital includes various reserves established from time to time which, in the opinion of the directors, are necessary to support the operations of the Credit Union.

u Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between the proceeds, net of transaction costs, and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

3. Summary of significant accounting policies (cont'd)

v Leases

Leases where significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease. Receipts under operating leases are credited to the statement of comprehensive income on a straight-line basis over the period of the lease.

w Critical accounting estimates and judgements in accounting policies

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Credit Union makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Pension and post-retirement benefits

The cost of these benefits and the net present value of the pension and the other post-retirement liabilities depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net periodic cost (income) for pension and post-retirement benefits include the expected long-term rate of return on the relevant plan assets and discount rate. Any changes in these assumptions will impact the net periodic cost (income) recorded for pension and post-retirement benefits and may affect Planned funding of the pension plans.

The expected return on plan assets assumption is determined on a uniform basis, considering long term historical returns, asset allocation and future estimates of long-term investment returns. The actuaries determine the appropriate discount rate at the end of each year, which represents the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension and post-retirement benefit obligations. Other key assumptions for the pension and post-retirement benefits cost and credits are based in part on data supplied by the Jamaica Co-operative Credit Union League as well as on current market conditions.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

4. Loans, after provision for expected credit losses

(a) Movement in loans during the year

	2023 \$'000	2022 \$'000
Balance at the beginning of the year	2,202,308	2,095,010
Add: Disbursement during the year	1,656,380	1,536,865
	3,856,688	3,631,875
Less: Repayment	(1,429,860)	(1,429,567)
	2,428,828	2,202,308
Less: Expected credit losses	(61,773)	(84,590)
	2,367,056	2,117,718
Less: Current portion	(139,636)	(126,359)
Total	2,227,419	1,991,359

(b) Expected credit losses

	2023 \$'000	2022 \$'000
Provision for impairment at beginning of year	84,590	74,938
Increase amounts provided for during the year	5,976	9,652
Loan written off during the year that was previously provided for	(28,794)	-
Provision for impairment at end of year	61,773	84,590

Expected credit loss includes provisions of approximately \$8M for disbursement of funds, that were not authorised.

(c) Net movement on loan loss provision during the year:

	2023 \$'000	2022 \$'000
Increase in loan loss provision	5,976	9,652
Loan written-off that were not previously provided for	47,999	-
Balance at end of year	53,975	9,652

(d) Delinquent loans

At December 31, 2023, there were one hundred and fourteen (114) (2022 – Two hundred and eighty-eight (288)) delinquent loans aged as disclosed below. At minimum, the total loan provision derived below is consistent with the loan loss provisioning rules of the League. The total provision for 2023 and 2022 was not in excess of the provision required under IFRS provisioning rules as indicated in Note 6(e) below.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

4. Loans, after provision for expected credit losses (cont'd)

These loans are summarised as follows:

2023						
Number of Months in Arrears	Total number of loans	Delinquent loans \$	Savings held against loans \$	Exposure \$	Rates %	PEARLS Provision Required \$
Less than 2	22	7,174	-	7,174	-	-
2 to 3	11	5,697	-	5,697	10	570
3 to 6	28	12,778	-	12,778	30	3,834
6 to 12	53	23,968	-	23,968	60	14,379
Total	114	49,615		49,615		18,783

2022						
Number of Months in Arrears	Total number of loans	Delinquent loans \$	Savings held against loans \$	Exposure \$	Rates %	PEARLS Provision Required \$
Less than 2	30	8,261	-	8,261	-	-
2 to 3	14	6,662	-	6,662	10	666
3 to 6	36	10,119	-	10,119	30	3,036
6 to 12	65	29,059	-	29,059	60	17,435
Over 365	143	76,227	-	76,227	100	76,227
Total	288	130,328	-	130,328		97,364

(e) Loans, net of provision for probable losses are due from the reporting date as follows:

	2023 \$'000	2022 \$'000
Within 1 – 3 months	62,070	51,192
From 3 months to 1 year	77,566	75,167
From 1 year to 5 years	1,468,324	1,365,995
Over 5 years	820,868	709,954
Total	2,428,828	2,202,308

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

5. Financial investments

	2023 \$'000	2022 \$'000
Non-current, at fair value through other comprehensive income		
JCCUL – Shares unquoted	4,454	139,998
Shares – Quality Network Co-operative	227	227
	4,681	140,225
Current - Fair value through profit or loss		
VMBS Mortgage Fund	2,946	2,946
Barita Unit Trust	19,501	18,498
JMMB Fund	2,503	2,366
VMBS Wealth Management	50,000	250,000
JCCUL Liquidity Reserve	140,701	-
Credit Union Fund Management Company	9,144	41,178
	224,795	314,988
Amortised cost		
JCCUL Cuet	116,015	70,676
Mortgage funds	14,523	14,165
Barita Investments	208,043	90,144
JMMB	32,325	30,000
Cumax	116,919	117,275
JCCUL demands deposits	96,120	61,404
VMBS Wealth Management	100,147	-
	684,092	383,664
Total current	908,887	698,652
Total	913,568	838,877

6. Retirement benefit (liability)/asset

The Co-operative participates in a defined benefit plan operated by the Jamaica Co-operative Credit Union League Limited. This plan that is jointly funded by payments from employees of at least 5% (with 5% optional additional contribution) and by the Co-operative at 5%-8% of the employee's taxable remuneration, taking into account the recommendations of independent qualified actuaries.

Asset recognised in the statement of financial position

	2023 \$'000	2022 \$'000
Present value of funded obligation	(132,284)	(70,490)
Fair value of plan assets	126,909	112,574
Change in effect asset ceiling	-	(30,530)
(Liability)/asset recognised in the statement of financial position	(5,375)	11,554

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

6. Retirement benefit (liability)/asset (cont'd)

The movement in the defined benefit asset during the year is as follows:

	2023 \$'000	2022 \$'000
Balance at beginning of year	11,554	(4,683)
Employer's contributions	4,769	4,597
Benefits paid	(668)	(5,840)
Re-measurement loss recognised in other comprehensive income	(21,030)	17,480
Balance at end of year	(5,375)	11,554

The movement in the defined benefit obligation over the year is as follows:

	2023 \$'000	2022 \$'000
Balance at beginning of year	(70,490)	(111,784)
Current service cost	(10,911)	(13,928)
Employees contribution	(3,745)	(3,425)
Benefits paid	2,328	2,023
	(82,818)	(127,114)
Re-measurements		
Gain from changes in demographic assumptions	(49,757)	67,000
Experience gains	293	(10,376)
	(49,464)	56,624
Balance at end of year	(132,284)	(70,490)

Changes in the fair value of plan assets

	2023 \$'000	2022 \$'000
Balance at beginning of year	112,574	107,101
Contributions paid	8,514	8,021
Interest income on plan assets	15,039	8,808
Administrative expense	(826)	(720)
Remeasurement loss	(6,064)	(8,613)
Benefits paid	(2,328)	(2,023)
Changes in the fair value of plan assets at end of year	126,909	112,574

Change in effect of asset ceiling

Change in effect of asset ceiling	-	(30,530)
	-	(30,530)

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

6. Retirement benefit (liability)/asset (cont'd)

Plan assets are comprised as follows:

	2023 \$'000	2023 %	2022 \$'000	2022 %
J\$ Debentures	46,054	36.29	37,039	32.90
Repurchase Agreements	6,437	5.07	10,620	9.43
Investment properties	29,021	22.87	25,006	22.21
US\$ Debentures	7,068	5.57	8,072	7.17
Certificates of deposit	3,889	3.06	-	-
Quoted equities	25,980	20.47	24,980	22.19
Real estate investment trust fund	1,406	1.11	1,391	1.24
Unit Trust	7,893	6.22	6,132	5.45
Other	(840)	(0.66)	(666)	(0.59)
	126,908	100	112,574	100

The amounts recognised in the net surplus are as follows:

	2023 \$'000	2022 \$'000
Current service cost	1,899	5,067
Interest cost on obligation	9,012	8,861
Administrative expenses	826	720
Interest income (net)	(15,039)	(8,808)
Interest of effect of Asset Ceiling	3,970	-
Total, included in staff costs (Note 19)	668	5,840

Movements in the amounts recognised in other comprehensive income:

	2023 \$'000	2022 \$'000
Re-measurement (loss)/gain on obligation	49,465	(56,623)
Re-measurement (loss)/gain on plan assets	6,064	8,613
Change in effect of asset ceiling	(34,499)	30,530
Liability/(asset) at end of year	21,030	(17,480)

The significant actuarial assumptions used were as follows:

	2023 %	2022 %
Discount rate	11	13
Future salary increases	8	7.5
Expected pension increase	6	5.5
Price inflation (CPI)	6	5.5

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

6. Retirement benefit (liability)/asset (cont'd)

Sensitivity analysis of key economic assumptions:

Any change in the defined benefit (liability) obligation from one percent (1%) change in each of the key economic assumptions will have the following impact:

Impact on Post-employment obligations					
	Change in assumption %	2023		2022	
		Increase in assumption \$'000	Decrease in assumption \$'000	Increase in assumption \$'000	Decrease in assumption \$'000
Discount rate	1	(23,880)	31,319	(11,310)	15,082
Future salary increases	1	13,494	(11,571)	6,856	(5,759)
Expected pension increase	1	15,018	(12,705)	7,252	(6,053)

This analysis assumes that all other variables remain constant.

Impact on defined benefit obligation of a one year increase in life expectancy:

	2023 \$'000	2022 \$'000
Life expectancy	3,420	1,540

The liability duration for each category of Member as at the current and prior period measurement dates is shown below:

Category of Participant	Liability duration (years)	
	2023 \$'000	2022 \$'000
Active Members	24.3	22.3
Deferred Pensioners	16.6	16.1
Retirees	9.5	8.5
All Participants	22.9	20.9

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

7. Property, plant and equipment

The carrying amounts for property and equipment for the years included in these financial statements as at December 31, 2023 can be analysed as follows:

	Motor Vehicles \$'000	Furniture & Fixtures \$'000	Computer \$'000	Equipment \$'000	Containers \$'000	Leasehold improvement \$'000	Generator \$'000	Total \$'000
Gross carrying amount								
Balance at December 31, 2022	8,675	7,942	9,631	10,897	8,652	8,938	2,506	57,241
Additions	-	688	582	1,109	-	-	-	2,379
Balance at December 31, 2023	8,675	8,630	10,213	12,006	8,652	8,938	2,506	59,620
Depreciation								
Balance at December 31, 2022	(2,226)	(3,987)	(5,904)	(9,517)	(8,181)	(5,757)	(2,180)	(37,752)
Charge for the year	(651)	(213)	(786)	(980)	(263)	(418)	(246)	(3,557)
Balance at December 31, 2023	(2,877)	(4,200)	(6,690)	(10,497)	(8,444)	(6,175)	(2,426)	(41,309)
Carrying amount at December 31, 2023	5,798	4,430	3,523	1,509	208	2,763	80	18,311

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

7. Property, plant and equipment (cont'd)

	Motor Vehicles \$'000	Furniture & Fixtures \$'000	Computer \$'000	Equipment \$'000	Containers \$'000	Leasehold improvement \$'000	Generator \$'000	Total \$'000
Gross carrying amount								
Balance at December 31, 2021	8,675	5,287	8,065	9,441	8,652	8,938	2,506	51,564
Additions	-	2,655	1,566	1,456	-	-	-	5,677
Balance at December 31, 2022	8,675	7,942	9,631	10,897	8,652	8,938	2,506	57,241
Depreciation								
Balance at December 31, 2021	(1,575)	(3,774)	(5,118)	(8,537)	(7,919)	(5,339)	(1,933)	(34,195)
Charge for the year	(651)	(213)	(786)	(980)	(262)	(418)	(247)	(3,557)
Balance at December 31, 2022	(2,226)	(3,987)	(5,904)	(9,517)	(8,181)	(5,757)	(2,180)	(37,752)
Carrying amount at December 31, 2022	6,449	3,955	3,727	1,380	471	3,181	326	19,489

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

8. Repurchase agreement

	2023 \$'000	2022 \$'000
Jamaica Money Market Brokers Limited	-	2,238
Total	-	2,238

The fair value of securities held under resale agreements is assumed to approximate their carrying value, due to their short-term nature.

9. Bank and cash balances

	2023 \$'000	2022 \$'000
Cash in hand	9,689	9,498
Bank account balance	89,377	26,336
Total	99,066	35,834

10. Receivables and prepayments

	2023 \$'000	2022 \$'000
Withholding tax recoverable	2,968	2,765
Interest receivable	2,003	287
Other receivable	8,472	7,468
Prepaid expenses	7,084	3,880
Total	20,527	14,400

11. Members' permanent share capital

Permanent shares are shares issued at no par value, paid up in cash and invested as risk capital which forms a permanent part of the capital of the Co-operative, and are issued with rights and restrictions based on the rules of the Co-operative. Permanent shares may be redeemable subject to transfer, sale or re-purchase; but the Board of Directors reserves the right at any time to require a member to give notice not exceeding six months, provided that the member is not liable to the Co-operative as a borrower, endorser, co-maker or guarantor without the approval of the Board of Directors.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

12. Institutional capital

	2023 \$'000	2022 \$'000
Statutory reserve	325,659	309,278
Capital reserve	34,078	34,078
	359,737	343,356
Entrance fees	948	890
Total	360,685	344,246

Institutional capital forms a part of the permanent capital of the Co-operative and is not available for distribution.

Statutory reserve

The statutory reserve is maintained in accordance with the provisions of the Co-operative Societies Act, which requires that a minimum of 20% of net surplus be carried to a reserve fund. Upon application by a Registered Co-operative, the Registrar may allow the required percentage to be reduced, but not below 10%. The transfer is calculated on profits, net of loan loss reserve.

Capital reserve

Capital reserve is increased from time to time by amounts appropriated from undistributed surplus, which, in the opinion of the directors, are necessary to support the operations of the Co-operative and thereby protect the interest of the members. The amount transferred is determined at the Annual General Meeting.

13. Non-Institutional capital

	2023 \$'000	2022 \$'000
Other reserve	47,003	41,953
Building reserve	55,698	53,105
General reserve	2,726	2,726
Employee benefit reserve	(5,375)	11,554
Unsecured loans reserve	97,774	97,774
Investment reserve	7,554	6,414
Shares transfer	(414)	(3,399)
Total	204,966	210,127

Building reserve

This reserve represents an amount set aside for the construction of a building. The amount transferred is determined by the members at the Annual General Meeting and are treated as distributions from the Co-operative's surplus for the year.

General reserve

General reserve is established from time to time by amounts appropriated from undistributed surplus, which in the opinion of the directors, are necessary to support the operations of the Co-operative and thereby protect the interest of the members. The amount transferred is determined at the Annual General Meeting.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

13. Non-Institutional capital (cont'd)

Employee benefit reserve

The employee benefit reserve represents pension surplus arising on the IAS 19 actuarial valuation of the pension plan in which the Co-operative participates. Annual changes in the value of the plan are shown in other comprehensive income, then transferred to this reserve.

Unsecured loans reserve

The reserve represents an amount set aside to support unsecured loans granted to members. The amount transferred to or from the surplus is determined at the Annual General Meeting.

Investment reserve

Annual changes in the fair value of certain available-for-sale investments are shown in the other comprehensive income then transferred to this reserve.

14. Members' voluntary shares

	2023 \$'000	2022 \$'000
Balance at the beginning of the year	733,087	750,578
Add: New deposits	2,084,998	1,581,637
	2,818,085	2,332,215
Less: Withdrawals and transfers	(1,870,239)	(1,599,128)
	947,846	733,087
Less: Current portion	(161,134)	(124,625)
Total	786,712	608,462

Voluntary shares have no par value and are not a part of risk capital. The following rights and restrictions are attached to members' voluntary shares:

- (i) Monies paid into voluntary shares may be withdrawn in whole or in part on any day when the Co-operative is open for business, but the Board of Directors shall reserve the right at any time to require a member to give notice not exceeding six (6) months; provided, however, that no member may withdraw any shareholdings below the amount of his liability to the Co-operative as a borrower or co-maker.
- (ii) Voluntary shares shall be treated as liabilities of the Co-operative.
- (iii) Subject to the profitability of the Co-operative, the Board of Directors may recommend the declaration and payment of dividends on voluntary shares in amounts and at times as it may determine.
- (iv) The Co-operative shall have a lien on all voluntary shares and deposits of a member for and to the extent of, any sum due to the Co-operative from the said member or any loan endorsed by him.
- (v) Voluntary shares shall be required to utilise the products and services of the Co-operative as determined by the Board of Directors from time to time.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

15. External credits

	2023 \$'000	2022 \$'000
Development Bank of Jamaica – Energy loan	250	450
Less: Current portion	(250)	(200)
Total	-	250

This represents loans from The Development Bank of Jamaica. These loans bear interest at 6.5% and are repayable up to 96 months after disbursement.

16. Savings deposits

	2023 \$'000	2022 \$'000
Term deposits	209,231	198,649
SHYDA deposits	527,471	573,876
Regular deposits	413,987	245,513
Partner plan	82,563	87,426
SWYS Plus	77,527	80,846
Christmas special	2,487	2,815
Golden Harvest	85,556	60,221
	1,398,822	1,249,346
Less: Current portion	(925,518)	(812,503)
Total	473,304	436,843

17. Accounts payables and accruals

	2023 \$'000	2022 \$'000
IT enhancements	9,961	7,946
Withholding tax	617	520
Audit fees	2,793	2,859
Other payables	91,579	100,372
Accruals	20,231	30,831
Deceased members deposits	5,480	5,480
Standing order	8,980	9,146
Online ATM payable	20,029	7,100
Scholarship fund	930	407
Total	160,600	164,661

18. Deferred income

Deferred income includes an amount received from the Stabilisation Fund maintained by JCCUL to assist Credit Unions with the cost in respect of implementation of IFRS 9 and Transaction Monitoring Software.

	2023 \$'000	2022 \$'000
Balance at beginning of the year	3,064	3,064
Balance at end of year	3,064	3,064

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

18. Deferred income (cont'd)

The amount held as deferred income is earmarked to be used for IFRS 9 related expenses since 2022, which will be subsequently transferred to profit or loss to offset any costs incurred. Additional amounts held in deferred income relate to amounts received to support the implementation of a Transaction Monitoring Software.

19. Operating expenses

	2023 \$'000	2022 \$'000
Staff costs		
Salaries, allowances and contributions	142,388	132,760
Statutory deductions	13,770	12,390
Staff training	2,055	1,380
Pension cost	2,362	7,490
	<u>160,575</u>	<u>154,020</u>
General overheads		
Administrative	14,795	20,183
Audit fees	4,823	2,660
Depreciation	3,557	3,557
Electricity	3,889	3,128
Insurance premiums	4,881	3,788
Office expense	4,712	5,849
Professional and accounting fees	7,789	11,549
Printing, stationery and postage	3,217	3,135
Repairs and maintenance	9,920	8,493
Travel and subsistence	1,447	1,280
Telephone, cable, postage and telegram	4,307	4,027
Finance cost	775	602
Total administrative expenses	<u>64,112</u>	<u>68,251</u>
Representation and affiliation		
League fees and other fees	6,057	6,061
Board and committee meetings	8,721	10,269
Annual general meeting	3,951	3,985
Stabilisation dues	2,478	2,586
Total representation and affiliation expenses	<u>21,207</u>	<u>22,901</u>
Marketing and promotion		
Advertising and promotion	7,052	5,723
Donations	142	510
Total marketing and promotion expenses	<u>7,194</u>	<u>6,233</u>
Other operating expense		
Foreign exchange (gain)/loss	29	(23)
Total other operating expense	<u>29</u>	<u>(23)</u>
Total operating expenses	<u>253,117</u>	<u>251,382</u>

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

20. Staff and volunteers' loans and deposits

Loans to members include loans granted to members of staff, the Board of Directors and members of supervisory and credit committees as follows:

2023			
	Number	Loans \$'000	Shares and deposits \$'000
Staff	22	76,397	38,656
Volunteers	15	16,391	14,531
2022			
	Number	Loans \$'000	Shares and deposits \$'000
Staff	22	76,707	26,853
Volunteers	13	2,911	22,557

Loans to staff are granted at concessionary rates of interest. For other loans, no special conditions were attached and the conditions of repayment have been complied with.

21. Related party transactions and balances

(a) Identity of related parties:

The Co-operative has a related party relationship with its directors and key management personnel and the pension scheme. Related party balances are disclosed in note 20.

(b) Key management compensation

	2023 \$'000	2022 \$'000
Salaries and other short-term employee benefits	34,807	33,079
Total	34,807	33,079

22. Insurance

The Co-operative maintained life, savings and loan protection insurance coverage during the year. Premiums of \$4,881,000 (2022 - \$3,788,000), which includes fidelity insurance coverage, were paid during the year.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

23. Comparison of ledger balances

2023			
	Members deposits \$'000	Loans, Gross \$'000	Members' savings voluntary shares \$'000
General ledger	1,398,822	2,428,828	947,846
Members' ledger	1,398,822	2,428,828	947,846
Differences as at December 31, 2023	-	-	-
2022			
	Members deposits \$'000	Loans, Gross \$'000	Members' savings voluntary shares \$'000
General ledger	1,249,346	2,202,308	733,087
Members' ledger	1,249,346	2,202,308	733,087
Differences as at December 31, 2022	-	-	-

24. Risk management policies

The Credit Union's activities expose it to a variety of financial risks in respect of its financial instruments. The main types of risks are market risk, credit risk and liquidity risk. The Credit Union risk management is coordinated at its head office in close cooperation with the board of directors and focuses on actively securing the Credit Union's short to medium-term cash flows by minimising the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns.

The Board of Directors has overall responsibility for the establishment and oversight of the Co-operative's risk management framework. The Co-operative's risk management policies are established to identify and analyse the risks faced by the Co-operative, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Board, through its various committees is responsible for monitoring compliance with the Co-operative's risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risks faced by the Co-operative.

a Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk arises mainly from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Risk and Compliance Officer who monitors price movements of financial assets on the local market. Market risk exposures are measured using sensitivity analysis. There has been no change to the Credit Union's exposure to market risk or the manner in which it manages and measures the risk.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

a Market risk (cont'd)

i Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The co-operative is not significantly exposed to foreign currency risk as it does not have significant balances that are denominated in currencies other than the Jamaican dollar.

ii Interest rate risk

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

Floating rate instruments expose the Credit Union to cash flow interest risk, whereas fixed interest rate instruments expose the Credit Union to fair value interest risk.

The Credit Union's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest-bearing financial assets and interest-bearing financial liabilities. The Asset and Liability Management Committee sets limits on the level of mismatch of interest rate repricing that may be undertaken, which is monitored daily by the management team and treasury personnel.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

a Market risk (cont'd)

ii Interest rate risk (cont'd)

The following tables summarise the Credit Union's exposure to interest rate risk. It includes the Credit Union's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	2023					
	Average Interest Rate %	Within Three Months \$'000	Three to Twelve Months \$'000	One to Five Years \$'000	Over Five Years \$'000	Non-Interest Bearing \$'000
Financial assets						
Earning assets						
Financial investments		908,887		4,681	-	-
Loans, net of impairment provision		23,186	62,304	1,496,422	814,703	-
Non-earning assets		-	-	-	-	20,527
Total financial assets		932,072	62,304	1,501,103	814,703	20,527
Interest bearing liabilities						
Members' deposits		552,761	372,757	473,372	-	-
Members' voluntary shares		28,435	132,698	786,650	-	-
External credit		17	150	83	-	-
Non-interest-bearing liabilities		-	-	-	-	160,600
Total financial liabilities		581,213	505,605	1,260,105	-	160,600
Total interest rate Sensitivity Gap		350,860	(443,301)	240,998	814,703	(140,073)
Cumulative Gap		350,860	(92,442)	148,557	963,259	823,187

Jamaica Defence Force Co-operative Credit Union Limited
Notes to the Financial Statements
Year ended December 31, 2023

24. Risk management policies (cont'd)

a Market risk (cont'd)

ii Interest rate risk (cont'd)

2022							
	Average Interest Rate %	Within Three Months \$'000	Three to Twelve Months \$'000	One to Five Years \$'000	Over Five Years \$'000	Non-Interest Bearing \$'000	Total \$'000
Financial assets							
Earning assets							
Reverse repurchase agreements	1.9	2,238	-	-	-	-	2,238
Financial investments	5.7	698,652	-	140,225	-	-	838,877
Loans, net of impairment provision	1.2	51,192	75,167	1,281,405	709,954	-	2,117,718
Non-earning assets		-	-	-	-	50,234	50,234
Total financial assets		752,082	75,167	1,421,630	709,954	50,234	3,009,067
Interest bearing liabilities							
Members' deposits	4.45	607,095	205,407	436,844	-	-	1,249,346
Members' voluntary shares	2.5	21,993	102,632	608,462	-	-	733,087
External credit	8.5	17	200	233	-	-	450
Non-interest-bearing liabilities		-	-	-	-	167,725	167,725
Total financial liabilities		629,105	308,239	1,045,539	-	167,725	2,150,608
Total interest rate Sensitivity Gap		122,977	(233,072)	376,091	709,954	(117,491)	858,459
Cumulative Gap		122,977	(110,095)	265,996	975,950	858,459	

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

a Market risk (cont'd)

Interest rate sensitivity

The Credit Union's interest-bearing financial instruments are at fixed rate therefore a change in interest rate at the reporting date would not affect income.

The Credit Union variable rate instruments as at the reporting date are insignificant and therefore would not have a significant impact on the fair value of the instrument.

b Credit risk

The Credit Union takes on exposure to credit risk, which is the risk that its members or counterparties will cause a financial loss for the Credit Union by failing to discharge their contractual obligations. Credit risk is the most important risk for the Credit Union's business. Management therefore carefully manages its exposure to credit risk. Credit exposures arise principally in lending and investment activities. There is also credit risk in financial instruments not included in the statement of financial position, such as loan commitments. The Credit Union structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty, related counterparties and industry segments.

Credit review process

The Credit Union has a credit quality review process involving regular analysis of the ability of borrowers to meet interest and capital repayment obligations.

(i) Loans

The Credit Union assesses the probability of default of borrowers. Exposure to credit risk is managed in part by obtaining collateral and personal guarantees. The credit quality review process allows the Credit Union to assess the potential loss as a result of the risk to which it is exposed and take corrective action.

(ii) Investments

The Credit Union limits its exposure to credit risk by investing mainly in liquid securities with counterparties that have high credit quality, and in Government of Jamaica securities. Accordingly, management does not expect any counterparty to fail to meet its obligations.

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the member and the size of the loan. Guidelines are implemented regarding the acceptability of different types of collateral.

The main types of collateral obtained are as follows:

- Mortgages over real estate
- Security contracts on motor vehicles
- Hypothecated financial instruments such as certificates of deposits with regulated financial institutions
- Liens on members' deposits maintained with the Credit Union

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

b Credit risk (cont'd)

Management monitors the market value of collateral, during its review of the adequacy of the provision for credit losses.

Loans to members and expected credit loss

The Credit Union applies the “three stage” model under IFRS 9 in measuring the expected credit losses on loans, and makes estimations about likelihood of defaults occurring, associated loans ratios, changes in market conditions, and expected future cash flows. This is measured using the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) for loans.

- Probability of Default – This represents the likelihood of a borrower defaulting on its financial obligation either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- Exposure at Default – This represents the expected balance at default, taking into account the repayment of principal and interest from the statement of financial position date to the default event together with any expected drawdowns of committed facilities.
- Loss Given Default – The LGD represents the expected losses on the EAD given the event of default, taking into account the mitigating effect of collateral value at the time it is expected to be realised and also the time value of money.

The “three stage” model is used to categorise financial assets according to credit quality as follows:

- Stage 1 – financial assets that are not credit impaired on initial recognition or are deemed to have low credit risk. These assets generally abide by the contractual credit terms. The ECL is measured using a 12 month PD, which represents the probability that the financial asset will default within the next 12 months.
- Stage 2 – financial assets with a significant increase in credit risk (SICR) since initial recognition, but are not credit impaired. The ECL is measured using a lifetime PD.
- Stage 3 – credit impaired financial assets. The ECL is measured using a lifetime PD.

Financial assets can be transferred between the different categories depending on their relative increase in credit risk since initial recognition. Financial instruments are transferred out of stage 2 if their credit risk is no longer considered to be significantly increased since initial recognition. Financial instruments are transferred out of stage 3 when they no longer exhibit any evidence of credit impairment.

In measuring the expected credit losses, the loan to member have been assessed on a case by case basis as they possess different credit risk characteristics. They have been grouped based on the loan type (motor vehicle, real estate, cash secured and unsecured), past due days and also according to the geographical location of customers.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

b Credit risk (cont'd)

The expected loss rates are based on the payment profile for customers over the past three years before December 31, 2023 and January 1, respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. The Bank has identified interest rate, exchange rate gross domestic product (GDP) and unemployment rates of Jamaica to be the most relevant factors and according adjusts historical loss rates for expected changes in these factors.

On the above basis the expected credit loss for loan members receivables as at December 31, 2023 and January 1, 2023 was determined as follows:

The credit quality of loans is as follows:

Loan stage	December 31, 2023		Expected credit loss rate %
	Total loan balance \$	Expected credit loss \$	
Stage 1	2,278,404	19,585	0.86
Stage 2	97,504	2,599	2.67
Stage 3	52,920	39,590	74.84
Total	2,428,828	61,773	

Loan stage	December 31, 2023		Expected credit loss rate %
	Total loan balance \$	Expected credit loss \$	
Stage 1	2,031,265	33,309	1
Stage 2	101,566	2,899	3
Stage 3	69,477	48,382	88
Total	2,202,308	84,590	

Impairment

The main considerations for the loan impairment assessment include whether any payments of principal or interest are overdue by more than 30 days, or there are any known difficulties in the cash flows of counterparties, or there are infringements of the original terms of the contract.

The Credit Union addresses impairment assessment individually. An impairment allowance is provided for each individual loan that is impaired with no consideration of materiality. At minimum, an impairment assessment is conducted annually.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

b Credit risk (cont'd)

Impairment (cont'd)

Impairment allowances on individually assessed accounts are determined by an evaluation of the incurred loss at the statement of financial position date on a case-by-case basis, and are applied to all accounts with a past due date of more than 30 days. The assessment normally encompasses collateral held and the anticipated receipts for that individual account.

The loan loss provisioning rules described above focus more on credit-quality mapping of the respective delinquency periods to corresponding pre-determined percentages. In contrast, impairment provisions are recognised for financial reporting purposes only for losses that have been incurred at the statement of financial position date based on objective evidence of impairment. Due to the different methodologies applied, the amount of incurred credit losses provided for in the financial statements may differ from the amount determined from the League's loan loss provisioning rules that are used for internal operational management and the Credit Union's internal provisioning method.

The table below shows loans to members and the associated IFRS impairment provision:

	2023	
	Loans \$'000	Impairment provision \$'000
Loans to members	2,428,828	61,773
	2022	
	Loans \$'000	Impairment provision \$'000
Loans to members	2,202,308	84,590

Maximum exposure to credit risk

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

For items on the statement of financial position, the exposures are based on net carrying amounts as reported in the statement of financial position.

The following table explains the changes in the loan loss provision between the beginning and the end of the financial year.

(i) Expected credit losses on loans

	2023 \$'000	2022 \$'000
Provision for impairment at beginning of year	84,590	74,938
Increase in amounts provided for during the year	5,976	9,652
Loan written off during the year that was previously for	(28,794)	-
Provision for impairment at end of year	61,773	84,590

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

b Credit risk (cont'd)

(ii) Renegotiated loans

Restructuring activities include extended payment arrangements, approved external management plans, modification and deferral of payments. Following restructuring, a previously overdue customer account is reset to a normal status and managed together with other similar accounts. Restructuring policies and practices are based on indicators or criteria which, in the judgment of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans. As at December 2023, there were no renegotiated loans.

(iii) Loans

The following table summarises the Credit Union's credit exposure for loans at their carrying amounts, as categorised by the industry sectors:

	2023 \$'000	2022 \$'000
Cash secured	90,755	89,470
Motor vehicle	869,547	673,084
Real estate	126,578	142,564
Unsecured	1,341,948	1,297,190
	2,428,828	2,202,308
Loss allowance	(61,773)	(84,590)
Total	2,367,055	2,117,718

c Liquidity risk

Liquidity risk is the risk that the Credit Union will encounter difficulty in raising funds to meet its commitments associated with financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence may be the failure to meet obligations to repay members and fulfil commitments to lend.

Liquidity risk management process

The Credit Union's liquidity risk management processes are monitored by the Treasury Committee includes:

- (i) monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash outflows and the availability of cash to meet these outflows;
- (ii) maintaining a balanced portfolio between financial investments and liquid assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- (iii) optimising cash returns on investments;
- (iv) maintaining committed lines of credit; and
- (v) monitoring statement of financial position liquidity ratios against internal and regulatory requirements.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

c Liquidity risk (cont'd)

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

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to the management of the Credit Union. It is unusual for financial institutions to ever be completely matched since business transacted is often on uncertain terms and of different types. An unmatched position potentially enhances profitability, but also increases the risk of losses.

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

The Co-operative is subject to a liquidity limit imposed by the League and compliance is regularly monitored. The key measure used by the Co-operative for managing liquidity risk is the ratio of liquid assets, minus short-term liabilities, to total savings deposits. For this purpose, liquid assets include cash and bank balances, deposits held with JCCUL and highly liquid investments which are readily converted into cash within three months. The liquid asset ratio at the end of the year was -7% (2022 – 13.75%).

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

c Liquidity risk (cont'd)

Financial liabilities and assets held for managing liquidity risk.

The tables below present the cash flows receivable and payable of the Credit Union for financial liabilities and assets held for managing liquidity risk by remaining contractual maturity. The amounts disclosed in the table are the contractual undiscounted cash flows (principal and interest cash flows).

	2023				
	Within Three Months \$'000	Three to Twelve Months \$'000	One to Five Years \$'000	No Specific Maturity \$'000	Total \$'000
Interest bearing liabilities					
Members' deposits	552,761	372,757	473,372	-	1,398,890
Members' voluntary shares	28,435	132,698	786,650	-	947,783
External credit	17	150	83	-	250
Non-interest-bearing liabilities	-	-	-	160,600	160,600
Total financial liabilities	581,213	505,605	1,260,105	160,600	2,507,523

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

c Liquidity risk (cont'd)

	2022				
	Within Three Months \$'000	Three to Twelve Months \$'000	One to Five Years \$'000	No Specific Maturity \$'000	Total \$'000
Interest bearing liabilities					
Members' deposits	607,095	205,407	436,844	-	1,249,346
Members' voluntary shares	21,993	102,632	608,462	-	738,087
External credit	17	200	233	-	450
Non-interest-bearing liabilities	-	-	-	164,661	164,661
Total financial liabilities	629,105	308,239	1,045,539	164,661	2,147,544

Assets available to meet all of the liabilities and to cover outstanding loan commitments include cash and bank balances, investment securities and loans. In the normal course of business, a proportion of members' loans contractually repayable within one year will be extended. The Credit Union is also able to meet unexpected net cash outflows by selling securities and accessing overdraft facilities from its main financing institutions.

The members' voluntary shares are contractually on call except in cases where these balances are held as security for loan facilities.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

24. Risk management policies (cont'd)

Off-statement of financial position items

d Operational risk

Operational risk is the risk of direct or indirect loss arising from a variety of causes associated with the Credit Union's processes, personnel, technology and infrastructure, and from external factors other than financial risks such as those arising from legal and regulatory requirements.

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

The primary responsibility for the development and implementation of controls to identify operational risk is assigned to the Board and management. This responsibility is supported by overall Credit Union standards for the management of operational risk in the following areas:

- (i) requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- (ii) requirements for the appropriate segregation of duties, including the independent authorisation of transactions
- (iii) requirements for the reconciliation and monitoring of transactions
- (iv) compliance with regulatory and other legal requirements
- (v) documentation of controls and procedures
- (vi) requirements for the reporting of operational losses and proposed remedial action
- (vii) development of contingency plans
- (viii) training and professional development
- (ix) ethical and business standards
- (x) risk mitigation, including insurance where this is effective

Compliance with Credit Union policies is supported by a programme of periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are discussed with the management of the business unit to which they relate, with summaries submitted to the Supervisory Committee, senior management and the Board of Directors.

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

25. Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price).

Market price is used to determine fair value where an active market exists, as it is the best evidence of the fair value of a financial instrument. However, market prices are not available for a number of financial assets and liabilities held and issued by the Credit Union. Therefore, for financial instruments where no market price is available, the fair values presented have been estimated using present value or other estimation and valuation techniques based on market conditions existing at the statement of financial position date.

The values derived from applying these techniques are significantly affected by the underlying assumptions used concerning both the amounts and timing of future cash flows and the discount rates.

The following methods and assumptions have been used in determining or estimating the fair value of the Credit Union's financial instruments:

- (i) The fair value of liquid assets and other assets maturing within one year is assumed to approximate their carrying amounts. This assumption is applied to liquid assets and the short-term elements of all other financial assets and financial liabilities.
- (ii) The fair value of members' deposits is assumed to be the amount payable on demand at the statement of financial position date.
- (iii) The fair value of variable rate financial instruments is assumed to approximate their carrying amounts.
- (iv) The fair value of fixed rate loans is estimated by comparing market interest rates when the loans were granted with current market rates offered on similar loans. For match-funded loans, the fair value is assumed to be equal to their carrying value, as gains and losses offset each other. Changes in the credit quality of loans within the portfolio are not taken into account in determining gross fair values, as the impact of credit risk is recognised separately by deducting the amount of the provisions for credit losses from both book and fair values.
- (v) Financial investments classified as available-for-sale are measured at fair value by reference to quoted market prices when available. If quoted market prices are not available, then fair values are estimated on the basis of pricing models or other recognised valuation techniques. Unquoted equities classified as available-for-sale are measured at historical cost less impairment, as their fair values cannot be reliably determined.
- (vi) Financial investments classified as held-to-maturity are measured at amortised cost with a carrying value of \$913,568 (2022 - \$838,877) for which the fair value has been estimated at \$913,568 (2022 - \$838,877).

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

25. Fair value estimation (cont'd)

- (vii) The estimated fair values of the off statement of financial position financial instruments is assumed to approximate the amount committed at year end.
- (viii) The carrying value of borrowings approximates fair value as the borrowings are carried at amortised cost reflecting its contractual obligations, and the interest rates are reflective of current rates for similar transactions.

Financial instruments that are measured in the statement of financial position at fair value are grouped based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. The fair value of financial instruments traded in active markets is based on quoted market prices at the date of the statement of financial position. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets is the current bid price. These instruments are grouped in Level 1;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2; and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following table presents the Credit Union's financial assets that are measured at fair value:

December 31, 2023

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Available for-sale financial assets				
Unquoted equities	4,681	-	-	4,681
Fixed and other deposits	-	908,887	-	908,887
Total	4,681	908,887	-	913,568

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

25. Fair value estimation (cont'd)

December 31, 2022

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Available for-sale financial assets				
Unquoted equities	140,225		-	140,225
Fixed and other deposits	-	697,147	-	697,147
Total	140,225	697,147	-	837,372

There has been no transfer between levels 1 and 2 in the reporting period.

26. Contingencies

There are legal proceedings against the Co-operative of which the outcome is not yet known. No provision has therefore been made in these financial statements.

27. Capital management, policies and procedures

The Credit Union's objectives when managing capital, which is a broader concept than the "equity" on the face of the statement of financial position, are:

- to maintain the members' confidence in the safety and viability of the Credit Union
- to safeguard the Credit Union's ability to continue as a going concern so that it can continue to provide returns and benefits for its members;
- to continuously meet statutory and any other regulatory requirements as required by the Registrar of Co-operative and Friendly Societies, the Bank of Jamaica and the Jamaica Co-operative Credit Union League Limited.
- to maintain a strong capital base to support planned expansion and the development of new lines of business.

Capital adequacy and the use of regulatory capital are monitored by the Credit Union's management according to the guidelines in its Capital Adequacy Management Policy. The computation is reported to the Board of Directors each month and the Credit Union's capital adequacy ratio currently exceeds the benchmarks set by the regulatory authorities.

The League currently requires member credit unions to maintain a minimum level of the institutional capital at 8% of total assets. The proposed Bank of Jamaica regulations require the League to ensure that member credit unions:

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

Jamaica Defence Force Co-operative Credit Union Limited

Notes to the Financial Statements

Year ended December 31, 2023

27. Capital management, policies and procedures (cont'd)

There was no change during the financial year in relation to how the Credit Union manages its capital.

All League and Bank of Jamaica regulatory capital requirements were met during the years ended December 31, 2023 and 2022.

There was no change to the Credit Union's approach to capital management during the year.

The Credit Union complied with all externally imposed capital requirements to which they were subjected.



**JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION**

**48
WORKING
HOURS**

**GET IN THE DRIVER SEAT
WITH A NO-STRESS
MOTOR VEHICLE
LOAN APPROVAL**

- ✓ **Loan interviews done online** via Zoom or Microsoft Teams
- ✓ **Access loans for New or Used Vehicles** up to 13 years old
- ✓ **Get a Free Gas Voucher** with your loan approval until July 31, 2024

***Conditions Apply**

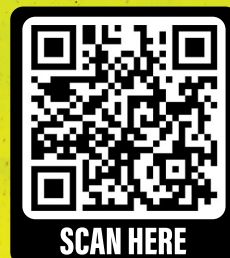
CONTACT A MEMBER SERVICES OFFICER TODAY
876-517-7740
876-549-0013

Facebook: JDF Co-operative Credit Union Limited
Instagram: @jdfcreditunion
www.jdfcreditunion.com



JAMAICA DEFENCE FORCE
**CO-OPERATIVE
CREDIT UNION LTD.**

**Need A QUICK
LOAN
on THE GO?**



Get a JDF CCU **ADVANCE PLUS LOAN**

Maximum Amt: **\$100.000.00**

Features & Conditions:

- ✓ No Equity requirement (New members will need at least 3% of loan amount in shares equity)
- ✓ Repayment Period - 1-2 Months
- ✓ No assessment required, strictly based on affordability.
- ✓ No compulsory savings
- ✓ Salary deduction only

Exemptions

Exclude members with
less than 3-4 months remaining
on contract

Members with more than
2 unsecured loans



LOCATIONS

Head Office
Up Park Camp
Kingston 5

Cross Roads
19 Eureka Crescent
Kingston 5

Montego Bay
Unit 28, Blue Diamond Plaza
Ironshore, Montego Bay



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Left - Right:

Mrs. Claudia Thompson-Roache
General Manager

Mr. Howard Powell, Finance Manager

Mrs. Tahnee Pierce, Talent & Admin Manager

Ms. Allison Pessoa, Risk & Compliance Officer

Mr. Stephen Royal, ICT Manager

Ms. Marsha McGowan, Member Services Manager

Mr. Leighton Wisdom, Credit Risk Manager

Mrs. Karlene Pitter-Cooper, Internal Auditor

Management Team



*Celebrating
60 Years of*
Marching Forward...
Building Wealth



Office of the General Manager



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



L-R:

Mrs. Claudia Thompson-Roache, General Manager

Mrs. Marsha Morris-Barthley, Executive Assistant to the Office of the General Manager

Talent & Administration



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



L-R:

Mrs. Yvette Robertson, Office Assistant

Mrs. Tahnee Pierce, Talent and Administration Manager

Ms. Frances Collie, Talent and Administration Officer



Information, Communications & Technology



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



L-R:

Ms. Alyssa Lewis, Records Officer

Mr. Xavier Rattray, Information Communication and Technology Officer

Mr. Stephen Royal, Information Communications and Technology Manager

Mr. Kimarley Grant, Records Officer

Finance



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



L-R:

Mr. Howard Powell, Finance Manager

Ms. Georgia Cornwall, Accounting Officer

Mr. Devon Fray, Accounting Officer



Member Services



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



L-R:

Ms. Briana Riley, Teller

Ms. Amoy McDonald, Teller Supervisor

Ms. Tiffany Gordon, Teller

Mr. Asean Murphy, Teller

Ms. Marsha McGowan, Member Services Manager

Ms. Tassica Hall, Teller

Member Services



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



L-R:

Ms. Shanara Chambers, Receptionist

Ms. Marsha Fullerton, Member Service Officer

Mrs. La-Sonnya Lewis- Hewitt, Member Service Officer (Montego Bay Branch)

Mrs. Charlene Smith-Channer, Member Service Officer

Mrs. Marsha Segree-Boothe, Member Service Supervisor

Mr. Kwesi Griffiths, Member Service Officer

Ms. Janeil Harvey, Data Entry Clerk

Ms. Jodian Campbell, Member Service Officer

Ms. Shemera McFarlane, Member Service Supervisor
(Montego Bay Branch)

Ms. Reginna Balfour, Receptionist



Credit Risk



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



L-R:

Ms. Clarine Bogle, Collateral and Delinquency Officer

Mr. Leighton Wisdom, Credit Risk Manager

Ms. Raenique Ffrench, Credit Admin. Clerk

Ms. Shackeria Williams, Credit Risk Officer

Audit, Risk & Compliance



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



L-R:

Mrs Karlene Pitter-Cooper, Internal Auditor

Ms Allison Pessoa, Risk and Compliance Officer



Business Development



JAMAICA DEFENCE FORCE
CO-OPERATIVE
CREDIT UNION LTD.



L-R:

Ms. Jhenelle Trowers, Business Development Officer

Mr. Kirlew Duncan, Business Development Officer

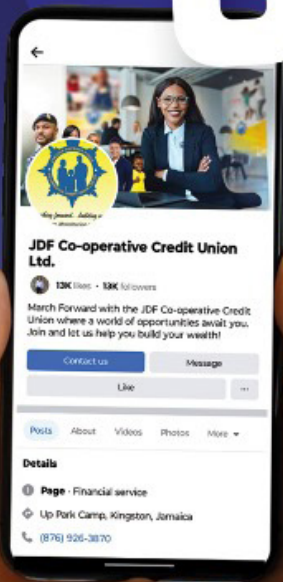
Mrs. Melissa Brown-Morgan, Business Development Officer



JAMAICA DEFENCE FORCE
**CO-OPERATIVE
CREDIT UNION**

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US**

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& Follow us on Social Media**



**JDF Co-operative
Credit Union Ltd.**



jdcreditunion

Congratulatory Message



MRS. PATRICIA TOMLINSON **Former GM (2006-2020)**

Mrs. Patricia Tomlinson served in the Credit Union movement as the General Manager for over fourteen (14) years (2006-2020) to the Jamaica Defence Force Co-operative Credit Union Limited.

Under her leadership, the Jamaica Defence Force Co-operative Credit Union Limited has earned numerous awards, notably the Renford Douglas Award for (Large) Credit Union of the Year winner (2013, 2015-2019) and the Paul Thompson Credit Union of the Year (2011 & 2020).

Under her stewardship, Jamaica Defence Force Credit Union Limited has been recognized by JCCUL for Highest Solvency (2016-2022); Service Quality Award Runner-up (2016); Service Quality Award winner and CPD Online Top Performer (2018).

During her term, Jamaica Defence Force Co-operative Credit Union Limited product offerings expanded to assist our member in attaining numerous financial goals from education to home ownership.

Under her leadership, the Jamaica Defence Force Co-operative Credit Union Limited management and staff fostered a culture of teamwork fueled by the spirit of camaraderie.

During her tenure, Jamaica Defence Force Co-operative Credit Union Limited grew from an institution with Total Assets of \$287 million in 2006 to an institution with Total Assets of over \$2.9 billion as at December 2020 impacting over 12,000 members.

That the 61st Annual General Meeting of the Jamaica Defence Force Co-operative Credit Union Ltd. salutes Mrs. Patricia Tomlinson on her exceptional work and sterling contribution to the Credit Union Movement from Jamaica Defence Force Co-operative Credit Union Limited.

Congratulatory Message

LIEUTENANT COLONEL MICHAEL ANGLIN



Lt. Col. (Ret'd) Michael Anglin served in the Credit Union movement as a volunteer for over twenty-seven (27) years (1996-2023) with the Jamaica Defence Force Co-operative Credit Union Limited as Credit Committee member with distinction for four (4) years (1996-2000) and twenty-three (23) years (2001-2023) on the Board of Directors in varying posts from the Assistant Secretary to President for several years.

Under his guidance, the Jamaica Defence Force Co-operative Credit Union Limited has earned numerous awards, notably the Renford Douglas Award for (Large) Credit Union of the Year winner (2013, 2015-2019) and the Paul Thompson Credit Union of the Year (2011 & 2020).

Under his leadership, Jamaica Defence Force Credit Union Limited has been recognized by JCCUL for Highest Solvency (2016-2022); Service Quality Award Runner-up (2016); Service Quality Award winner and CPD Online Top Performer (2018).

During his tenure, he instituted the JDF Y.E.S Scholarship Fund in 2007 which has since awarded millions in scholarships to our youth members.

During his tenure on the Board of Directors, Jamaica Defence Force Co-operative Credit Union Limited grew from an institution with Total Assets of \$107 million in 2001 to an institution with Total Assets of over \$3 billion as at December 2023.

That the 61st Annual General Meeting of the Jamaica Defence Force Co-operative Credit Union Ltd. salutes Lt. Col. Michael Anglin on his outstanding work and invaluable impact on the Credit Union Movement and on his retirement from Jamaica Defence Force Co-operative Credit Union Limited Board of Directors.

REPORT:

Credit Committee

YEAR ENDED DECEMBER 31, 2023

Major (Ret'd) Calvin Dryden, Chairman

The Jamaica Defence Force Co-operative Credit Union was registered as a member of the Cooperative Societies of Jamaica on December 19, 1963. This was after about twelve months of careful research and planning, headed by Mr. Ervin Grey along with four other members, including Mrs. Cynthia Bruff, former JDF Civilian Human Resource Manager. Hence, we celebrate wholeheartedly sixty years of growth and stability as we continue the path of our founders.

We have come to the end of a very challenging year, one that directed the institution to explore diverse ways to consistently provide quality service to its' the members. Major (Ret'd) Calvin Dryden returned as chairman and Shakeria Marshall Fender as secretary for the year in review. The Committee exercised prudent oversight functions for loan applications reviewed and commends the Board of Directors, Supervisory Committee and the Management and Staff of the Jamaica Defence Force Cooperative Credit Union for ensuring a successful term despite the challenges.

The members of the Credit Committee for the year under review are as follows:

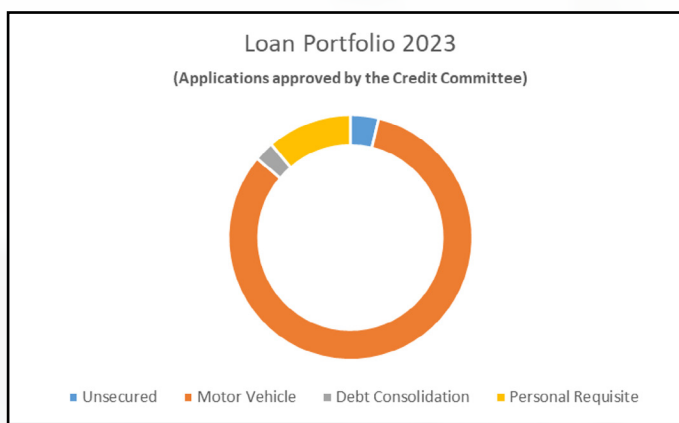
Major (Ret'd) Calvin Dryden	Chairman
Mrs. Shakeria Marshall-Fender	Secretary
Staff Sergeant Simon Livingston	Member
Mrs. Ann Amiel	Member
Mrs. Michelle Goulbourne	Member
Ms Michelle McKenzie	Member
Ms Sarney Haynes	Member



The Jamaica Defence Force Cooperative Credit Union continued to advocate for improved financial discipline among members. Hence, the Credit Committee is focused on guiding members in improving their debt service ratio and financial knowledge. The Credit Union consistently provided services that are user friendly and accessible to all members. In assessing loan applications for approval/recommendation, the Credit Committee focused on members' character and ability to repay, consistency of savings and length of membership, the financial impact/benefit, credit history and violation of the Credit Union's Policies and Guidelines.

The activities of meetings held by the committee included reviewing and approval of loan applications, analyzing and submitting applications for the Board of Directors' approval/attention and examining delinquency reports generated by the Delinquency Officer on a monthly basis. The Committee remained focused on the efficiency and effectiveness of the service offered to its members, while adhering to the policies regarding risk management and satisfying members as much as possible. The matter of delinquency remains critical based on a delinquency ratio of 5.41%, a reduction of the 2022 ratio of 5.92%. It is imperative that members honor their loan obligations, seek financial counselling as required and contribute to the growth of the institution.

Figure 1.1 provides a breakdown of the loan portfolio for loan applications reviewed by the Credit Committee for the year 2023.



L-R:

Ms. Sarney Haynes
Member

Mrs. Shakira Marshall-Fender
Secretary

Ms. Michelle McKenzie
Member

Major (Ret'd) Calvin Dryden
Chairman

Ms. Michelle Gouldbourne
Member

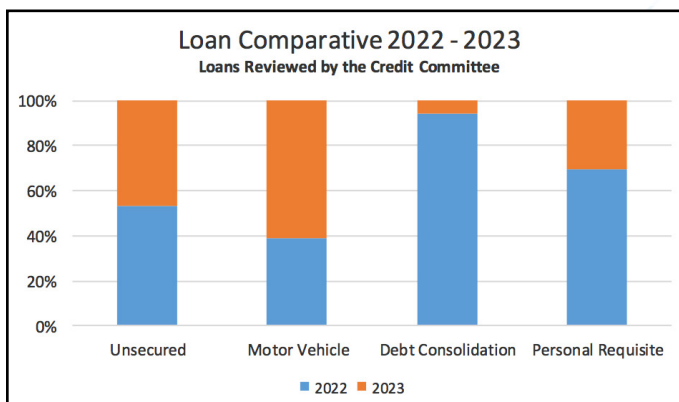
**Staff Sergeant
Simon Livingston**
Member

Mrs. Ann Amiel
Member



Motor vehicle and personal requisite loans represent major categories for loan disbursed and approved by the Credit Committee in the period under review. Figures 1.2 and 1.3 give a comparative view of loan applications reviewed and approved by the Credit Committee/Board of Directors in 2022 and 2023.

Figure 1.2	2022	2023	Difference
Unsecured	10,646,870.00	9,255,830.53	(1,391,039.47)
Motor Vehicle	130,977,852.00	204,191,929.00	73,214,077.00
Debt Consolidation	105,033,192.71	6,433,733.00	(98,599,459.71)
Personal Requisite	63,566,465.66	27,798,422.63	(35,768,043.03)
	310,224,380.37	247,679,915.16	(62,544,465.21)



Loans approved by the Committee for the period in review was \$247.6M compared to \$310.2M in 2022, resulting in a decline of \$62.5M or 20.1%.

The Credit Committee is proud to be serving in the year of this remarkable celebration of sixty (60) years of growth amidst a journey of various challenges. The institution has remained focused on guiding its members to financial stability and wealth based on the foundation prepared by our founders. This celebration marks an extremely interesting journey that has influenced the growth and financial stability of the credit union and members.

The Credit Committee extends sincere appreciation to our members and acknowledges the support of our Board of Directors and Supervisory Committee. The committee commends the Management and Staff of the Credit Union for their invaluable support. The JDF Cooperative Credit Union along with its Board of Directors continue to monitor the institution's operations, guided by our regulators. The JDF Credit Union and our members have championed through many hurdles and have experienced dynamic results. The year in review was quite challenging but we continue on a path of success, celebrating (60) years of, "Marching Forward Building Wealth".

Calvin Dryden
Major (Ret'd)
Chairman, Credit Committee

Nominating Committee Report

REPORT OF THE NOMINATING COMMITTEE TO THE
61st ANNUAL GENERAL MEETING OF JAMAICA DEFENCE
FORCE CO-OPERATIVE CREDIT UNION LTD.

June 12, 2024

In accordance with the provisions of Article XII, Rule 118, the Board of Directors of the Jamaica Defence Force Co-operative Credit Union Limited appointed a Nominating Committee, which comprised the following persons:

Mrs Donna Boland-Brown
Mrs Michelle Goulbourne
Miss Clarene Bogle
Miss Allison Pessoa

Chairperson
Member
Member
Secretary

The Committee reports as follows:

Directors and committee members retiring at this Annual General Meeting and the Nominees proposed are as follows:

Board of Directors

Retiring

Warrant Officer Class 2 Shelroy Johnson
Mr. Everton Hay
Mr. Desmond Pringle

Not Retiring

Major Coleen Weise
Sergeant Andrae Burnett
Mrs. Donna Brown
Lieutenant Colonel Maxwell Gordon
Staff Sergeant Gawayne Brown
Mrs. Carlean Sutherland

Unexpired Term

2 years
2 years
2 years
1 year
1 year
1 year

Recommended

Major Georgett Grant McDonald
Major Keisha Foster
Major Nahshon Smith
Major Theodore Palmer
Lieutenant Orrette Muir
Warrant Officer Class 2 Sherlon Campbell
Warrant Officer Class 2 Shelroy Johnson
Warrant Officer Class 2 Kaysemone Burke
Corporal Colia Lewis
Mr. Desmond Pringle
Mr. Everton Hay
Miss Nicky-Ann Marshall

Term

3 years
3 years
3 years
3 years
3 years
3 years
3 years
3 years
3 years
3 years
3 years
3 years



From the twelve (12) persons recommended, the membership will elect three (3) candidates to fill the vacancies. It is to be noted that there will be no nomination from the AGM floor in keeping with the rules of the Society.

Credit Committee

Retiring

Major (Ret'd) Calvin Dryden
Mrs Shakeria Marshall Fender
Miss Michelle McKenzie

Not Retiring

Staff Sergeant Simon Livingston
Mrs Ann Amiel
Mrs. Michelle Goulbourne
Miss Sarney Haynes

Unexpired Term

2 years
2 years
1 year
1 year

Recommended

Major Nahshon Smith
Lieutenant Daniel Jarrett
Lieutenant Orrette Muir
Warrant Officer Class 2 Sherlon Campbell
Warrant Officer Class 2 Kaysemone Burke
Staff Sergeant Errol Carty
Corporal Colia Lewis
Lance Corporal Shantel Coley
Leading Seaman Georgia Seaton
Miss Nicky-Ann Marshall

Term

3 years
3 years
3 years
3 years
3 years
3 years
3 years
3 years
3 years
3 years

From the ten (10) persons recommended, the membership will elect three (3) candidates to fill the vacancies. It is to be noted that there will be no nomination from the AGM floor in keeping with the rules of the Society.

Supervisory Committee

Retiring

Major Theodore Palmer
Captain Sheldon Hall
Captain Dwight Smith (*Formerly Lieutenant Dwight Smith*)
Warrant Officer Class 2 Shawn Malcolm
Staff Sergeant Ricardo Russell
Staff Sergeant Thiar Jaghai
Leading Seaman Georgia Seaton

Recommended

Major Theodore Palmer
Major Nahshon Smith
Captain Sheldon Hall

Term

1 year
1 year
1 year

Lieutenant Daniel Jarrett	1 year
Lieutenant Orrette Muir	1 year
Warrant Officer Class 2 Kaysemone Burke	1 year
Warrant Officer Class 2 Thiar Jaghai	1 year
Staff Sergeant Errol Carty	1 year
Corporal Colia Lewis	1 year
Lance Corporal Shantel Coley	1 year
Leading Seaman Georgia Seaton	1 year
Mr. Everton Hay	1 year
Miss Nicky-Ann Marshall	1 year

From the thirteen (13) persons recommended, the membership will elect seven (7) candidates to fill the vacancies. It is to be noted that there will be no nomination from the AGM floor in keeping with the rules of the Society.

DELEGATES

The Nominating Committee recommends that the Board be authorized to appoint the Delegates and Alternate Delegates to represent the Credit Union at the various meetings as appropriate.

Profile of Nominees

Board of Directors

Major Georgett Grant McDonald has been a member of the JDF Credit Union since 2012. She holds an MSc in Management Information Systems and a PhD in progress. Major McDonald had worked in the financial industry as a system administrator. As a Quality Auditor, she has experience in risk analysis/management and as a producer/anchor of religious TV shows. Major McDonald volunteered at the Jamaica Youth for Christ, Choose Life International, and Jamaica Council for Senior Citizens.

Major Keisha Foster has been a member of the JDF Credit Union since June 2006. She holds a Masters in Business Administration, Masters in HR both from Isabelle University, and a Law degree from the University of London. Major Foster, with 20 years in the army, currently serves as the Officer Commanding Headquarters Company at Combat Support Battalion. She has held several other military appointments, including Assistant Staff Officer (S02 G4) (Administration and Logistics) and the Force Procurement Officer. Major Foster volunteered in ministries at church, children's home charities, and deaf ministries. Her competencies include administration, coordination, and planning.

Major Nahshon Smith has been a member of the JDF Credit Union since 2009. He has training and experience in financial

management, information technology, communication, and training and also manages and reconciles the department's imprest account. Major Smith holds an MBA and a BSc in Management Studies. Major Smith also has voluntary experiences in CAFFE, JCCF and is a recipient of the Duke of Edinburgh's International Award in Jamaica.

Major Theodore Palmer has been a member of the JDF Credit Union since June 2009 and currently serves as a member of the Credit Union's Supervisory Committee and holds a Master's Degree in Business Administration (Banking and Finance) from the Mona School of Business Management. He serves as a Justice of the Peace for the Parish of St. Andrew. Major Theodore Palmer currently serves as a Staff Officer (JDF Finance Office) within the JDF Headquarters. He has held several other military appointments, including Platoon Commander for Bravo Company and Qualified Flying Instructor at the Caribbean Military Aviation School.

Lieutenant Orrette Muir has been a member of the JDF Credit Union since 2011. He holds an MSc in Accounting, MBA in General Management and BSc in Business Education. He is a trained and experienced teacher with 12 years of teaching including the Postgraduate Level. Lt Muir volunteers as the president of Japan Exchange and Teaching Alumni Association of Jamaica. His competencies include analysis and problem-solving, excellent public speaker and train the trainer.

Warrant Officer Class 2 Kaysemone Burke has been a member of the JDF Credit Union since 2003. She has experience working in the legal and investigative field, administrative discipline, and managerial roles through different ranks. W02 Burke holds a BSc in Customs, Process, and Immigration and competencies to include managerial and communications.

Warrant Officer Class 2 Sherlon Campbell has been a member of the JDF Credit Union since 2002 and served on the Credit Union's Supervisory Committee. W02 Campbell has experience in Auditing and Budgeting, training in Team Organization and Project Management, Mentorship, Documentation, and Customer Service, and has a certificate in Fraud Detection. He also serves as a Justice of the Peace (JP) in St. Andrew.

Warrant Officer Class 2 Shelroy Johnson has been a member of the JDF Credit Union since June 2005. Currently, he serves on the Credit Union's Board and is a member of other Sub-Committees. He has been a volunteer since 2017 and initially served as Chairman of the Supervisory Committee. He is currently working as a Payroll Manager at the Military Pay Company.

W02 Johnson's competencies include fraud detection, audit techniques, compliance, and finance. Staff Sergeant Johnson has a certificate in Financial Investigation and holds a Bachelor of Science Degree in Accounting and Financial Management

Corporal Colia Lewis has been a member of the JDF Credit Union since 2013. He has a technical background which focuses on the sciences. He has experience in budgeting, computers, and software programs; he is also an avid stock market enthusiast with good communication skills.

Mr. Desmond Pringle joined the JDF Credit Union family in November 1997 and is an active member. He currently serves as 2nd Vice President on the Credit Union's Board and on other Sub-Committees including the Information Technology and Security. He is an experienced Intelligence Analyst and Administrative Office Supervisor with over 10 years of experience. Mr. Pringle holds a Bachelor of Science Degree in Information and Communication Technology, as well as a Diploma in Information and Communication Technology from the Vocational Training Development Institute.

Mr. Everton Hay has been a member of the JDF Credit Union since 1982. He currently serves as 1st Vice President on the Credit Union's Board and also a member on other Sub-Committees. He has been a volunteer since 2005 and initially served on the Credit Committee. He is also a Director on the Credit Union Fund Management Company (CUFMC) Board. Mr. Hay was employed at the Technical Training Institute as a Warrant Officer - Accounts, Audit Control and Quality Assurance. He retired from the JDF as a Warrant Officer Class 2. He is currently employed as a Financial Advisor at Caribbean Insurance Brokers Ltd. He holds a Bachelor of Science Degree in Business Administration and Diplomas in Project Design, Implementation & Management, and Supervisory Management and Certificates in Marine Engineering (Shift Mechanic) and Electrical Installation.

Miss Nicky-Ann Marshall has been a member of the JDF Credit Union since 2017. She is a seasoned financial professional with over 20 years of working experience with an extensive background in government financial management and skill in strategic financial planning, compliance management, and leadership. She is currently a director of accounts payable and payroll. Miss Marshall holds an MBA and a BSc in Business Administration with an accounts major.

Credit Committee

Major Nahshon Smith has been a member of the JDF Credit Union since 2009. He has training and experience in financial

management, information technology, communication and training and also manages and reconciles the department's imprest account. Major Smith holds an MBA and a BSc in Management Studies. Major Smith also has voluntary experiences in CAFFE, Cadet and is the recipient of the Duke of Edinburgh's International Award in Jamaica.

Lieutenant Orrette Muir has been a member of the JDF Credit Union since 2011. He holds an MSc in Accounting, an MBA in General Management, and a BSc in Business Education. He is a trained and experienced teacher with 12 years of teaching including the Postgraduate Level. Lt Muir volunteers as the president of the Japan Exchange and Teaching Alumni Association of Jamaica. His competencies include analysis and problem-solving, excellent public speaker and train-the-trainer.

Lieutenant Daniel Jarrett has been a member of the JDF Cooperative Credit Union since 2022. He has training and competencies in accounting, research and analysis skills, information technology, and communication. He volunteered at the Hope Flat Police Youth Club and the Jamaica Union of Tertiary Students and the National Secondary Student's Council. Lt. Jarrett holds a BSc in Banking, Finance and Economics.

Warrant Officer Class 2 Sherlon Campbell has been a member of the JDF Credit Union since 2002 and served on the Credit Union's Supervisory Committee. WO2 Campbell has experience in Auditing and Budgeting and also has training in Team Organization and Project Management, Mentorship, Documentation, and Customer Service and has a certificate in Fraud Detection. He also serves as a Justice of the Peace (JP) in St. Andrew.

Warrant Officer Class 2 Kaysemone Burke has been a member of the JDF Credit Union since 2003. She has experience working in the legal and investigative field, administrative discipline, and managerial roles through different ranks. WO2 Burke holds a BSc in Customs, Process and Immigration and competences to include managerial and communications.

Staff Sergeant Errol Carty has been a member of the JDF Cooperative Credit Union since 1998. He is a seasoned professional in project management and public procurement at the senior management level. SSgt holds a postgraduate diploma in Project Management, a Diploma in Construction Site Management, and a certificate in public procurement. SSgt also has training and competencies in supervisory management, communication management, and Microsoft Excel.

Leading Seaman Georgia Seaton (Formerly Corporal Georgia Seaton) has been a member of the JDF Credit Union since 2006. She has been working as an Accounting Clerk for 11 years and was previously assigned to the JDF Headquarters (IG Dept). She has experience in Auditing, Leadership training, and certification in Supervisory Management and holds a Bachelor of Science Degree in Social Work. Leading seaman Seaton volunteers as a National Instructor at the Jamaica Life Saving Society.

Corporal Colia Lewis has been a member of the JDF Credit Union since 2013. He has a technical background which focuses on the sciences. He has experience in budgeting, computers, and software programs; he is also an avid stock market enthusiast with good communication skills.

Lance Corporal Shantel Coley has been a member of the JDF Cooperative Credit Union since August 2018. She has served at the Military Pay Company and is currently employed at HQ JDF Finance. LCpl Coley has experience and training in teamwork, problem-solving, leadership, and communication.

Miss Nicky-Ann Marshall has been a member of the JDF Credit Union since 2017. She is a seasoned financial professional with over 20 years of working experience and an extensive background in government financial management and skills in strategic financial planning, compliance management, and leadership. She is currently a director of accounts payable and payroll. Miss Marshall holds an MBA, and a BSc in Business Administration with a major in accounting.

Supervisory Committee

Major Nahshon Smith has been a member of the JDF Credit Union since 2009. He has training and experience in financial management, information technology, communication and training and also manages and reconciles the department's imprest account. Major Smith holds an MBA and a BSc in Management Studies. Major Smith also has voluntary experiences in CAFFE, Cadet and the recipient of the Duke of Edinburgh's International Award in Jamaica.

Major Theodore Palmer has been a member of the JDF Credit Union since June 2009 and currently serves as a member of the Credit Union's Supervisory Committee and holds a Master's Degree in Business Administration (Banking and Finance) from the Mona School of Business Management. He serves as a Justice of the Peace for the Parish of St. Andrew. Major Theodore Palmer currently serves as a Staff Officer (JDF Finance Office) within the JDF Headquarters. He has held several other military appointments, including

Platoon Commander for Bravo Company and Qualified Flying Instructor at the Caribbean Military Aviation School.

Captain Sheldon Hall has been a member of the JDF Credit Union since December 2020 and is a thorough investigator who has helped to reduce financial fraud. He is adept in creating and implementing effective investigative procedures; working with the relevant personnel to acquire information and creating comprehensive reports. Capt. Hall holds MSc. Human Resource Management and specializes in Financial Fraud, Conflict/Disaster Management and Business Continuity.

Lieutenant Daniel Jarrett has been a member of the JDF Cooperative Credit Union since 2022. He has training and competencies in accounting, research and analysis skills, information technology, and communication. He volunteered at the Hope Flat Police Youth Club and the Jamaica Union of Tertiary Students and the National Secondary Student's Council. Lt. Jarrett holds a BSc in Banking, Finance and Economics.

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Warrant Officer Class 2 Thiar Jaghai has been a member of the JDF Cooperative Credit Union since June 2000. He has held several military assignments, including carrying out Accounting and Financial Management functions at the Military Pay Company.

Leading Seaman Georgia Seaton (Formerly Corporal Georgia Seaton) has been a member of the JDF Credit Union since 2006. She has been working as an Accounting Clerk for 11 years and was previously assigned to the JDF Headquarters (IG Dept). She has experience in Auditing, Leadership training, and certification in Supervisory Management and holds a Bachelor of Science Degree in Social Work. Leading seaman Seaton volunteers as a National Instructor at the Jamaica Life Saving Society.

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Mr. Everton Hay has been a member of the JDF Credit Union since 1982. He currently serves as a Vice President on the Credit Union's Board and also a member on other Sub-Committees. He has been a volunteer since 2005 and initially served on the Credit Committee. He is also a Director on the Credit Union Fund Management Company (CUFMC) Board. Mr. Hay was employed at the Technical Training Institute as a Warrant Officer - Accounts, Audit Control and Quality Assurance. He retired from the JDF as a Warrant Officer Class 2. He is currently employed as a Financial Advisor at Caribbean Insurance Brokers Ltd. He holds a Bachelor of Science Degree in Business Administration and Diplomas in Project Design, Implementation & Management, and Supervisory Management and Certificates in Marine Engineering (Shift Mechanic) and Electrical Installation.

Miss Nicky-Ann Marshall has been a member of the JDF Credit Union since 2017. She is a seasoned financial professional with over 20 years of working experience with an extensive background in government financial management and skill in strategic financial planning, compliance management, and leadership. She is currently a director of accounts payable and payroll. Miss Marshall holds an MBA and a BSc in Business Administration with an accounts major.



Mrs. Donna Brown
Chairperson, Nominating Committee



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Kingston 5

Montego Bay
Unit 28, Blue Diamond Plaza
Ironshore, Montego Bay

Conditions Apply



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REPORT:

Supervisory Committee

YEAR ENDED DECEMBER 31, 2023

Captain Dwight Smith, Chairman

We have come to the end of another successful milestone achievement in our over sixty (60) years of serving you, our valued members. As we continue to etch the confidence in your minds as we continue to be the better option in attending to your financial needs. As we rapidly but conscientiously recover from the aftermath of the COVID-19 pandemic, and the evolving changes in the technological era, we certainly have been taught some ingenious ways of conducting business.

The Supervisory Committee consists of seven (7) volunteers who were all elected at the last Annual General Meeting (AGM) to serve you our valued customers. We conscientiously discharged our responsibilities by providing continuous and independent oversight of the Credit Union's policies, control and procedures on behalf of the Board of Directors. At the last AGM, the following persons were elected to serve as your Supervisory Committee:

Captain Dwight Smith	Chairman
Staff Sergeant Ricardo Russell	Secretary
Major Theodore Palmer	Member
Captain Sheldon Hall	Member
Warrant Officer Class 2 Shawn Malcolm	Member
Warrant Officer Class 2 Thiar Jaghai	Member
Corporal Georgia Seaton	Member

On 22 May 2023, the Committee appointed Lt Dwight Smith as Chairman and SSgt Ricardo Russell as Secretary.

Audit and Investigative Activities

Audit Review Conducted

With the continuation of the implementation COVID-19 protocols and social distancing requirements, the Supervisory Committee continued to explore significant ways in conducting our audit strategies. We, however, managed to successfully complete over forty (40) audits throughout the year.

With reference to the above audits, the Policies and Procedures were adhered to in all material respect; and where necessary, the recommendations of the Supervisory Committee were accepted by the Board and implemented accordingly by management.

Investigations

Three (3) special Investigations were conducted over the period by the Committee. The investigations were necessary based on the identified business risks and given the sensitive nature of these activities; they were treated as a matter of priority.





Warrant Officer Class 2
Shawn Malcolm
Secretary

Leading Seaman
Georgia Seaton
Member

Captain
Sheldon Hall
Member

Warrant Officer Class 2
Thiar Jaghai
Member

Captain
Dwight Smith
Chairman

Major
Theodore Palmer
Member

Staff Sergeant
Ricardo Russell
Member

General Review

Loans - A total of fifteen (15) loans were the subject of a special investigation, during which a substantial amount of audit procedures were used to gather sufficient and appropriate audit evidence. At the end of these audits we were satisfied, in all material respect, that the issuing of these loans that were recommended for approval, were in accordance with set procedures and where necessary the appropriate safeguards were implemented to avert any breach of established policies and procedures within the Credit Union.

Conclusion

On behalf of the entire Supervisory Committee, I would like to express our sincere gratitude to you the members for having granted us the opportunity to serve in this pivotal capacity. We also would like to thank the Board of Directors and all Members of Staff of the JDF Credit Union, with specific emphasis on the Internal Auditor, for facilitating and supporting the work of the Committee over the year. Continue "Marching Forward Building Wealth."

Dwight Smith
Captain
Chairman, Supervisory Committee

“
The With reference to the above audits, the Policies and Procedures were adhered to in all material respect; and where necessary, the recommendations of the Supervisory Committee were accepted.

SCAN ME



Privacy Notice



Introduction

JDF Cooperative Credit Union Limited, (“JDF Co-operative Credit Union”, “we”, “us”, “our”) is a financial institution that offers a wide range of products and services to satisfy the needs of our members.

At **JDF Co-operative Credit Union**, we are committed to protecting your privacy. We ensure that the processing of your Personal Data is compliant with **Jamaica’s Data Protection Act (JDPA)**, and any country-specific data protection laws and regulations to the extent applicable to JDF Co-operative Credit Union. We have also implemented a number of technical, organizational and physical measures to ensure the most complete protection of Personal Data processed through the Site or use of our Services.

We have prepared this Privacy Notice to describe to you our practices regarding the personal information we collect from our members and users of our website.

This Privacy Notice describes how JDF Co-operative Credit Union collects, uses and shares and stores your Personal Data, and informs you of your rights regarding your Personal Data. This Privacy Notice applies to data we collect when you use our website, when you subscribe to our newsletter, take part in a survey, access our products and services, or any other marketing initiatives.

When you visit our website, you are free to explore without providing any Personal Data about yourself. We only collect Personal Data from you when you register, subscribe to a service or fill out a form.

“Personal Data” means any information that allows someone to identify you, including, such as: your name, address, telephone number, e-mail address, as well as any other non-public information about you that is associated with any of these.

“Anonymous Data” means data that is not associated with or linked to your Personal Data and which does not, by itself, permit the identification of individual persons.

We collect Personal Data and Anonymous Data, as described below.

How we Collect Data

We may collect your Personal Data through the following means:

- **Information you provide via our Website, Social Media Networks or Events:**

We may collect any Personal Data that you choose to send to us or provide to us via our website, social media network or when registering or attending an event.

- **Information you provide when accessing our Services**

We receive and store information you provide directly to us to access our products and services. For example, when applying to become a member, opening an account or transacting at our offices.

- **Third Parties**

In some instances, we may collect Personal Data from public and non-public sources and third parties for regulatory purposes or to better serve you. These include: credit bureaus, references, other financial institutions, regulatory bodies and related entities.

Types of Data We Collect:

We collect a wide range of Personal Data to allow us to conduct business with you.

The types of Personal Data we may collect directly from our members, prospective members, visitors and users of our website include:

- Valid Photo ID, for example a Passport, Drivers Licence or ID card
- Taxpayer's Registration Number (TRN)
- National Insurance Number (NIS)
- Proof of Employment
- Address including proof of address and past addresses.
- Email address
- Character references
- Birth certificate
- Declaration of US citizenship, Tax residency, if appropriate
- Mother's maiden name
- Employment Status & Details
- Politically Exposed Person Status
- Financial Information
- Transaction Records
- Image Capture via CCTV or webinar recording

In operating our website, we may also collect the following types of Personal Data:

Log Data - This data may be processed for the purposes of operating our website, providing our services, ensuring the security of our website and services, maintaining back-ups of our databases and communicating with you.

Google Analytics - We collect this data so that we can improve our website and access to it.

Cookies - We may also use cookies and URL information to gather information regarding the date and time of your visit and the information for which you searched and which you viewed. "Cookies" are small pieces of information that a website sends to your computer's hard drive while you are viewing a web site. **Upon your initial visit to the website, you will have the option of accepting or**

refusing cookies and you will be able to choose the type of cookie you accept or reject. You may also configure your browser to ensure no cookies are stored on your hard drive.

We may use both session Cookies (which expire once you close your web browser) and persistent Cookies (which stay on your computer until you delete them) to provide you with a more personal and interactive experience on our Site. Persistent Cookies can be removed by following Internet browser help file directions. Cookies may enable automatic logins when you visit in the future and may enable content customization.

Bases for Collecting Personal Data:

User Consent - We will always obtain your clear, informed and freely given consent before processing your Personal Data, except in circumstances where it is not possible to obtain your consent, but your Personal Data still needs to be processed (for example due to legal obligations we may have or to protect your vital interests, the public interest or to aid in the administration of justice). You may withdraw your consent at any time by the same method it was provided to us or by contacting our Privacy Officer identified below.

Contractual Obligation - We may process your Personal Data in contemplation of entering into a contract with you or to fulfill our existing contractual obligations to you.

Legitimate Interest - We process your Personal Data in order to efficiently provide and market our services to you. However, we will not process your personal data, where doing so poses a risk to your rights and freedoms and vital interests.

Legal Obligation- There may be instances when we will have to process your Personal Data in order to comply with the law. This may require us to process information about criminal convictions to investigate and gather intelligence on suspected financial crimes, fraud and threats and to share data with law enforcement and regulatory bodies. We are also legally obliged to assess affordability and suitability of credit for loan and other credit applications and throughout the duration of the relationship.

How We Use Your Personal Data

We may use the information we collect from you in connection with the services we provide for a range of reasons, including to:

- provide our products and services;
- process and complete transactions, and send related information, including transaction confirmations and records;
- manage our members' use of the services, respond to enquiries and comments and provide customer service and support;
- send technical alerts, updates, security notifications, and administrative communications;
- verify your identity, creditworthiness and the accuracy of the information provided;
- prevent criminal activity, fraud and money laundering;
- trace debtors and recover debts;

- investigate and prevent fraudulent activities, unauthorized access to our services, and other illegal activities; and
- for any other purposes about which we notify members and users.

Third Parties and International Data Transfers

Our website may contain links to other sites that are not operated by us. We have no control over and assume no responsibility for the content, privacy policies or practices of any third-party site or service. We may disclose your Personal Data to third parties to whom you expressly ask us to send your Personal Data or to third parties for whom you consent to us sending your personal information. Third parties include our partners, affiliates, service providers and professional advisors. Personal Data may also be shared with regulators in order to demonstrate compliance with legal obligations. Personal Data will only be shared with third parties to provide our services to you and/or to comply with legal obligations. These third parties do not retain, share, use or process personal data beyond the defined purpose of providing our services to you.

How we protect your personal data

JDF Co-operative Credit Union is committed to protecting the security of your Personal Data. We (and our third-party service providers) use a variety of industry-standard security technologies and procedures, as well as organizational measures to help protect your Personal Data from unauthorized access, use, or disclosure, such as:

- We do use vulnerability scanning and/or scanning to PCI standards.
- We use regular Malware Scanning.
- Your Personal Data is contained behind secured networks and is only accessible by a limited number of persons who have special access rights to such systems and are required to keep the information confidential. In addition, all sensitive information you supply is encrypted via Secure Socket Layer (SSL) technology.
- We implement a variety of security measures when a user enters, submits, or accesses their information to maintain the safety of your personal information.
- All transactions are processed through a gateway provider and are not stored or processed on our servers.

However, no method of transmission over the Internet, or method of electronic storage, is 100% secure. Therefore, while JDF Co-operative Credit Union uses reasonable efforts to protect your Personal Data, we cannot guarantee its absolute security.

Your Rights

Under Jamaica's Data Protection Act data subject enjoy the following rights:

- **Right to access your personal data** – You are entitled to make a written request to us to be informed whether your Personal Data is being processed by us. You are also entitled to request

a copy of your data. You may also request that your Personal Data be transferred to a third party;

- **Right to be informed about automated decision making** - You may request in writing that decisions regarding your Personal Data that have been made solely on the basis of automated processing be reconsidered with human involvement;
- **Right to prevent processing** - You are entitled to make a written request to us to cease or not to begin processing your Personal Data in a specific manner or for a specific purpose; and
- **Right to rectification** - You may request that inaccuracies in your Personal Data be rectified. “Rectification” means amend, block, erase or destroy, as may be required to correct the inaccuracy. You may request that your personal data be erased on the expiration of any applicable retention period.

Retention Policy

We only retain your Personal Data for as long as it is needed to provide our services to you. We also retain Personal Data in line with legal requirements which may stipulate retention periods for different categories of Personal Data. We typically therefore retain members’ Personal Data for a minimum of seven years following the date of transaction or termination of customer relationship.

We may also keep your data for longer than seven years if we cannot delete it for legal, regulatory or technical reasons.

Notifiable data breaches

We take data breaches very seriously. We will endeavour to meet the 72-hour deadline as imposed by the JDPa to report any data breach to the Information Commissioner. Further, where there is likely to be a high risk to your rights, we will endeavour to contact you without undue delay.

Our report will inform you of:

- the nature of the security breach;
- the measures taken or proposed to be taken to mitigate or address the possible adverse effects of the breach; and
- the name, address and other relevant contact information of our Data Protection Officer or other designated representative.

We will review every incident and/or breach and take action to prevent future incidents or breaches.

Children's privacy

Our services are not offered to persons under the age of 18 without parental or guardian consent. Any information that is in breach of this provision will be deleted.

If you become aware that a child has provided us with information, please contact our **Privacy Office**.

Changes to This Privacy Notice

At JDF Co-operative Credit Union, we understand that privacy and data protection are dynamic areas that require our constant attention and commitment. Therefore, we periodically review and update this Privacy Notice to ensure it reflects the latest regulatory requirements and best practices in data security. We are dedicated to actively informing you of any significant changes to our privacy practices. To this end, we will notify you through communication method(s) such as email, in-app notification or through our website before any substantial updates take effect. This ensures that you are always informed and can make decisions about your data with the most current information at hand. The date of the last update will always be noted at the bottom of this Notice, allowing you to easily verify that you are reviewing the most recent version. We encourage you to review these updates and understand how they may impact you. Your continued engagement with our services, following the communication of these changes, signifies your acceptance and understanding of the updated Privacy Notice.

Contact Information

JDF Co-operative Credit Union welcomes your comments or questions regarding this Privacy Notice. If you have a question or comment regarding this Privacy Notice or you would like to make a complaint, please contact our Privacy Office using the details below.

DataPro Consulting

dpo@jdfccreditunion.com

Up Park Camp, Kingston 5

876-926-3870

If at any time you would like to unsubscribe from receiving future emails, you can email us at jdfcuprivacy@jdfccreditunion.com and we will promptly remove you from ALL correspondence.

Last Update: March 2024

Parliamentary Rules

Order of Business

An agenda shall be prepared by the Chairman and Secretary, and all items therefore shall take precedence over all other business. Any member desirous of introducing business for the consideration of the meeting may do so after the business on the agenda has been completed, or may give notice of motion to be discussed at a further meeting.

Suspension of Standing Order

In the event of any matter of urgency, however, the Chairman may accept a suspension of the Standing Order. The member moving such a suspension must clearly state the nature and urgency of his business, the numbers of the Standing Order affected and the length of time he desires such suspension shall take place except by majority vote of the members present.

Minutes

No motion or discussion shall be allowed on the minutes except in regards to their accuracy. After the confirmation of the minutes, they shall be signed by the Chairman, and the members shall then be at liberty to ask questions in regards to the matters arising out of them. Such questions shall be allowed for the purpose of information only, and no debate on the policy outlined in the minutes shall take place. All speakers are to make use of the microphone when addressing the meeting in order that it be recorded and make permanent record in the meeting proceedings, a point of order, or explanation, except the mover of the original motion. But on an amendment being moved, any member even though he has spoken on an original motion, may speak again on the amendment. No member for more than five minutes at a time. Members wishing to raise point of order or explanation must first obtain the permission of the Chairman and must raise immediately the alleged breach has occurred. Any accredited member shall have the right to speak and vote on all issues coming before the meeting. Persons other than accredited members, so certified, may speak with the permission of the Chair but shall not vote on any issue.

Speeches

No member shall be allowed to speak more than once upon

any motion before the meeting, unless one member may formally second any motion or amendment and reserve his speech until later in the debate. No person shall interrupt another who is speaking except on a point of order, a parliamentary inquiry, or a point of information. If it should come to pass that speaker is called to order while speaking, the Speaker should take his seat until the question of order is determined.

Chairman's Ruling

The ruling of the chairman on any question under the Standing Order, or on points of order or explanation, shall be final, unless challenged by not less than four members, and two-thirds of the members present vote to the contrary.

Interruption

If any member interrupts another while addressing the meeting, or uses abusive or profane language or causes disturbance at any of the meetings, and refuses to obey the Chairman when called to order, he shall be named by the Chairman. He shall thereupon be expelled from the room and shall not be allowed to enter again until apology satisfactory to the meeting is given. A question shall not be subject to debate until it has been duly moved and seconded and is stated from the chair.

Motions And Amendments

The first proposition on any particular subject shall be known as the original motion, and all succeeding propositions on the subject shall be called amendments. Every motion or amendment must be moved and seconded by members actually present at the meeting before they can be discussed and whenever possible, shall set forth in writing. It is permissible for a member to make his speech first and conclude with a motion. When an amendment shall be discussed until the first amendment is disposed of (Notice of any further amendment must be given before the first amendment is put to vote.

Substantive Motions

If an amendment be carried, it displaces the original motion and itself becomes the substantive motion, whereupon any

further amendment relating to any portion of the substantive motion may be moved, provided it is consistent with the business and has not been covered by an amendment or motion which has been previously rejected. After the vote on each succeeding amendment has been taken, the surviving proposition shall be put to the vote as a main question, and is carried shall become a resolution of the meeting.

Right of Reply

The move of the original motion shall, if not amendment be moved, have the right of reply at the close of the debate upon such motion. When an amendment is moved it shall be entitled to speak thereon in accordance with standing order #8 and at the close of the debate on such amendment shall reply to the discussion, but shall introduce no new matter. The question shall then be put to the vote immediately, and under no circumstances shall any further discussion be allowed once the question has been put from the chair. The mover of amendment shall not be entitled to reply.

Withdrawals or Additions

No motion or amendment which has been accepted by the Chair shall be withdrawn without the majority vote of the meeting. Neither shall any addendum or rider be added to a motion, which has been accepted by the Chair without majority vote. Should any member dissent, the addendum must be proposed and seconded, and treated as an ordinary amendment.

Closing Debate

The motion for the previous question, next business, or the Closure, may be moved and seconded only by members who have not previously spoken at any time during the debate. No speeches shall be allowed on such motion. In the event of the closure being carried, the mover of the original motion shall have the right of reply in accordance with standing order No. 6 before the question is put. Should any one of the motion mentioned in this standing order be defeated, thirty minutes shall elapse before it can be accepted again by the Chairman, unless he is of the opinion that the circumstance have materially altered in the meantime.

Adjournment

Any member who has not already spoken during the debate may move the adjournment of the question under discussion or of the meeting, but must confine his remarks to the question and must not discuss any other matter. The mover of the motion upon which the adjournment has been moved, shall be allowed the right to reply on the question of the adjournment, but such reply shall not prejudice his right of reply on his own motion.

In the event of such motion being lost, it shall not be moved again, except in accordance with Standing Order No. 18. Any member may demand a division of the question before the House, when the sense of it would permit. A motion to lay on the table shall be put without debate.

A motion for reconsideration shall not be entertained unless at the same or following session by a member who voted on the prevailing side, and shall require a majority vote. Any two members shall have the right to demand (by majority vote) that the room shall be cleared of all but accredited delegates to transact business of a nature that precludes premature publicity. Whispering, loud talking, or other disturbances calculated to disturb anyone while speaking will not be tolerated.



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7

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 - 02 Constantly overdrawing your bank account.
 - 03 Being denied credit or loan applications.
 - 04 Borrowing money from friends or family frequently.
 - 05 Not being able to afford necessary expenses like groceries or utilities
 - 06 Having little to no savings or emergency fund
 - 07 Feeling stressed or anxious about your financial situation.

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Up Park Camp
Kingston 5

WWW.JDFCCREDITUNION.COM

Cross Roads
19 Eureka Crescent
Kingston 5

Montego Bay
Unit 28, Blue Diamond Plaza
Ironshore, Montego Bay



SCAN ME





The Board of Directors, Manangement
and Staff of the JDF Credit Union acknowledges
those deceased members who left us over the last year.



Obituaries

JCA/2395	Major Bonnie-Paul Williams
JCA/1648	Captain Blake Roper
JDF/25748	Warrant Officer Class 2 Junior McLeod
JDF/28444	Corporal Dane Simon
JDF/32866	Private Patrick Miller
JDF/34978	Private Javaugnie Morris
JDF/33524	Private Chavane Allen
JDF/35617	Private (NS) Jerome McCatty
JDF/71127	Recruit Javar Spence
Civilian	Mrs. Sonia McPherson-Groves

*May their souls
rest in peace.*



Notes

This image shows a single sheet of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Head Office

Up Park Camp, Kingston 5
876-926-8121-9 Ext 2040
876-926-3870 | Fax: 876-960-5577

Cross Roads

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