

# **AMGECU Credit Union Co-operative Society Limited**

Audited Financial Statements

December 31, 2025

**Now. for tomorrow**



# AMGECU Credit Union Co-operative Society Limited

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# AMGECU Credit Union Co-operative Society Limited

## Statement Of Managements' Responsibilities

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Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of AMGECU Credit Union Co-operative Society Limited (the "Society"), which comprise the statement of financial position as at 31 December 2025, the statements of comprehensive income, appropriated funds and undivided earnings and cash flows for the year then ended, and a summary of material accounting policies and other explanatory information,
- Ensuring that the Society keeps proper accounting records,
- Selecting appropriate accounting policies and applying them in a consistent manner,
- Implementing, monitoring and evaluating the system of internal control that assures security of the Society's assets, detection/ prevention of fraud, and the achievement of operational efficiencies,
- Ensuring that the system of internal control operated effectively during the reporting period,
- Producing reliable financial reporting that comply with laws and regulations, including the Co-operative Societies Act Chapter 81:03, and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Society will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.



General Manager  
April 22, 2026



Accountant  
April 22, 2026

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of AMGECU Credit Union Co-operative Society Limited

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the financial statements of AMGECU Credit Union Co-operative Society Limited (the "Society"), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of appropriated funds and undivided earnings and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the financial statements present fairly, in all material respects, the financial position of AMGECU Credit Union Co-operative Society Limited as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Co-operative Societies Act Chapter 81:03.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and the Co-operative Societies Act Chapter 81:03, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Society's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT (Continued)

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

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

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

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

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



April 22, 2026  
Port-of-Spain


# AMGECU Credit Union Co-operative Society Limited

## Statement Of Financial Position (Expressed in Trinidad and Tobago Dollars)

<b>ASSETS</b>	<b>Notes</b>	<b>December 31</b>	
		<b>2025</b>	<b>2024</b>
<b>Current Assets:</b>			
Cash in hand and at bank	5	\$ 10,788,970	\$ 11,341,850
Other financial assets	6	25,853,758	28,978,130
Accounts receivable and prepayments	7	2,433,640	937,487
Accounts due from member companies	8	1,222,285	988,064
<b>Total Current Assets</b>		<b>40,298,653</b>	<b>42,245,531</b>
<b>Non-Current Assets:</b>			
Loans to members	9	101,604,129	102,838,039
Other financial assets	10	47,799,742	41,815,431
Employee benefit assets	11	66,000	7,433,000
Available for Sale Assets	12	3,248,828	-
Investment properties	13	13,749,891	17,113,005
Fixed assets	14	6,398,035	6,297,897
<b>Total Non-Current Assets</b>		<b>172,866,625</b>	<b>175,497,372</b>
<b>Total Assets</b>		<b>\$ 213,165,278</b>	<b>\$ 217,742,903</b>
<b>LIABILITIES AND MEMBERS' EQUITY</b>			
<b>Current Liabilities:</b>			
Accounts payable and accrued charges	15	\$ 881,135	\$ 1,286,347
Christmas Savings Plan	16	133,686	146,178
Education Savings Plan	17	178,640	200,825
Ex-Member Shares and Dividends		2,595,712	2,662,487
<b>Total Current Liabilities</b>		<b>3,789,173</b>	<b>4,295,837</b>
<b>Non-Current Liabilities:</b>			
Members' savings and pooled funds	18	12,050,286	12,466,729
Employee benefit obligation	19	103,000	79,000
Members' shares	20	171,256,266	169,136,157
<b>Total Non-Current Liabilities</b>		<b>183,409,552</b>	<b>181,681,886</b>
<b>Total Liabilities</b>		<b>187,198,725</b>	<b>185,977,723</b>
<b>Members' Equity:</b>			
Reserve Fund	21	19,934,110	19,042,204
Building Fund	22	-	7,536
Education Fund	22	200,000	200,000
Charitable Fund	22	50,000	50,000
Investment Re-measurement Reserve	23	1,687,242	2,049,424
Undivided surplus		4,095,201	10,416,016
<b>Total Members' Equity</b>		<b>25,966,553</b>	<b>31,765,180</b>
<b>Total Liabilities and Members' Equity</b>		<b>\$ 213,165,278</b>	<b>\$ 217,742,903</b>

The notes on pages 9 to 49 are an integral part of these financial statements.

On April 22, 2026, the Board of Directors authorised these financial statements for issue.

  
President

  
Secretary

  
Chair - Supervisory Committee

# AMGECU Credit Union Co-operative Society Limited

## Statement Of Comprehensive Income (Expressed in Trinidad and Tobago Dollars)

	<u>Notes</u>	31 December	
		<u>2025</u>	<u>2024</u>
<b>Income:</b>			
Interest on loans to members		\$ 9,571,665	\$ 9,512,298
Investment income	27	4,035,863	3,483,705
Lease interest income		20,000	68,876
Other income	28	831,617	513,243
		<u>14,459,145</u>	<u>13,578,122</u>
<b>Total Income</b>			
<b>Expenses:</b>			
Administrative expenses	29	2,407,223	2,393,559
Board and committee expenses	30	364,304	324,764
Depreciation		335,811	311,987
Interest on members' savings and pooled funds	31	21,670	21,641
Investment property expenses		50,360	27,897
Personnel costs	32	2,359,639	2,296,987
		<u>5,539,007</u>	<u>5,376,835</u>
<b>Total Expenses</b>			
Net surplus		8,920,138	8,201,287
Honorarium		-	(195,022)
		<u>8,920,138</u>	<u>8,006,265</u>
<b>Net surplus for the year</b>			
<b>Other Comprehensive Income:</b>			
<u>Items that maybe reclassified subsequently to profit or loss:</u>			
Net unrealized loss on investments		(362,182)	(1,242,209)
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Net actuarial loss on employee benefit asset and obligation	33	(7,816,000)	(726,000)
Total other comprehensive loss for the year		<u>(8,178,182)</u>	<u>(1,968,209)</u>
<b>Total Comprehensive Income for the Year:</b>		<u>\$ 741,956</u>	<u>\$ 6,038,056</u>

The notes on pages 9 to 49 are an integral part of these financial statements.

## AMGECU Credit Union Co-operative Society Limited

### Statement Of Changes in Equity (Expressed in Trinidad and Tobago Dollars)

	Reserve Fund	Building Fund	Education Fund	Charitable Fund	Investment Re- measurement Reserve	Undivided Surplus	Total 2025
Balance at beginning of year	\$ 19,042,204	\$ 7,536	\$ 200,000	\$ 50,000	\$ 2,049,424	\$ 10,416,016	\$ 31,765,180
Total comprehensive income	-	-	-	-	(362,182)	1,104,138	741,956
Transfer from surplus	891,906	-	50,089	25,800	-	(967,795)	-
Transfer to surplus	-	(7,536)	-	-	-	7,536	-
Prior period adjustment	-	-	-	-	-	50,035	50,035
Fund expenses	19,934,110	-	250,089	75,800	1,687,242	10,609,930	32,557,171
Dividends paid – 2024	-	-	(50,089)	(25,800)	-	-	(75,889)
	-	-	-	-	-	(6,514,729)	(6,514,729)
<b>Balance at end of year</b>	<b>\$ 19,934,110</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ 50,000</b>	<b>\$ 1,687,242</b>	<b>\$ 4,095,201</b>	<b>\$ 25,966,553</b>

The notes on pages 9 to 49 are an integral part of these financial statements.

## AMGECU Credit Union Co-operative Society Limited

### Statement Of Changes in Equity (Expressed in Trinidad and Tobago Dollars)

	Reserve Fund	Building Fund	Education Fund	Charitable Fund	Investment Re- measurement Reserve	Undivided Surplus	Total 2024
<b>Balance at beginning of year</b>	\$ 18,241,577	\$ 7,536	\$ 200,000	\$ 50,000	\$ 3,291,633	\$ 10,552,179	\$ 32,342,925
Total comprehensive income	-	-	-	-	(1,242,209)	7,280,265	6,038,056
Transfer from surplus	800,627	-	119,384	9,330	-	(929,341)	-
Prior period adjustment	-	-	-	-	-	(42,389)	(42,389)
	<u>19,042,204</u>	<u>7,536</u>	<u>319,384</u>	<u>59,330</u>	<u>2,049,424</u>	<u>16,860,714</u>	<u>38,338,592</u>
Fund expenses	-	-	(119,384)	(9,330)	-	-	(128,714)
Dividends paid – 2023	-	-	-	-	-	(6,444,698)	(6,444,698)
<b>Balance at end of year</b>	<b>\$ <u>19,042,204</u></b>	<b>\$ <u>7,536</u></b>	<b>\$ <u>200,000</u></b>	<b>\$ <u>50,000</u></b>	<b>\$ <u>2,049,424</u></b>	<b>\$ <u>10,416,016</u></b>	<b>\$ <u>31,765,180</u></b>

The notes on pages 9 to 49 are an integral part of these financial statements.

# AMGECU Credit Union Co-operative Society Limited

## Statement Of Cash Flows

(Expressed in Trinidad and Tobago Dollars)

	Year ended 31 December	
	<u>2025</u>	<u>2024</u>
<b>Cash Flows from Operating Activities:</b>		
Net surplus for the year	\$ 8,920,138	\$ 8,006,265
Employee Benefit/Obligation – IAS #19 Adjustments	(425,000)	(434,000)
Depreciation	335,811	311,987
Fund expenses	(75,889)	(128,714)
Loss on disposal of fixed asset	-	4,505
Provision for loan losses expense	627,478	536,409
	<hr/>	<hr/>
<b>Adjusted net surplus for the year</b>	9,382,538	8,296,452
Net change in amounts due from member companies	(234,221)	525,976
Net change in accounts receivable and prepayments	(1,496,153)	516,871
Net change in accounts payable and accrued charges	(405,212)	230,210
Net change in Christmas savings plan	(12,492)	(6,845)
Net change in Education savings plan	(22,185)	(16,285)
Prior year adjustment	50,035	(42,389)
	<hr/>	<hr/>
<b>Net cash generated from Operating Activities</b>	7,262,310	9,503,990
	<hr/>	<hr/>
<b>Cash Flows from Investing Activities:</b>		
Net movement in members' loans	606,432	541,817
Net change in fixed assets and investment properties	321,662	197,400
Net change in other financial assets	(3,865,446)	(3,298,328)
	<hr/>	<hr/>
<b>Net cash used in Investing Activities</b>	(2,937,352)	(2,559,111)
	<hr/>	<hr/>
Net cash flow before financing activities	4,324,958	6,944,879
	<hr/>	<hr/>
<b>Cash Flows from Financing Activities</b>		
Net change in members' savings and pooled funds	(416,443)	395,790
Net change in members' shares	2,053,334	1,538,047
Dividends paid	(6,514,729)	(6,444,698)
	<hr/>	<hr/>
<b>Net cash used in Financing Activities</b>	(4,877,838)	(4,510,861)
	<hr/>	<hr/>
Net change in cash and cash equivalents	(552,880)	2,434,018
Cash and cash equivalents at beginning of year	11,341,850	8,907,832
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 10,788,970</b>	<b>\$ 11,341,850</b>
	<hr/>	<hr/>
<b>Represented by:</b>		
Cash in hand and at bank	<b>\$ 10,788,970</b>	<b>\$ 11,341,850</b>
	<hr/>	<hr/>

The notes on pages 9 to 49 are an integral part of these financial statements.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 1 Registration and Objectives

AMGECU Credit Union Co-operative Society Limited (the "Society") is registered under the Co-operative Societies Act Chapter 81:03 of Trinidad and Tobago. The Society's registered office is located at the Corner Austin Street and Eastern Main Road, St. Joseph. The Society operates in the capacity of a Credit Union for the benefit of employees of ANSA McAL Group of Companies and Alliance Companies.

During the year ended 31 December 2011, the Society changed its name to AMGECU Credit Union Co-Operative Society Limited.

### 2 Summary of Material Accounting Policies

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

#### (a) Basis of Preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and are expressed in Trinidad and Tobago dollars and stated in whole dollars. These financial statements are stated on the historical cost basis, except for the measurements at fair value of available-for-sale investments and certain other financial instruments.

#### (b) Use of Estimates

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to exercise its judgement in the process of applying the Society's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of the income and expenditure during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

#### (c) New Accounting Standards and Interpretations –

##### i) Amended Standards applicable for accounting periods beginning in 2025, but not applicable to the Society

Amendments to IAS 21 – Lack of Exchangeability

Requires a consistent approach to assessing whether a currency is exchangeable and, when it is not, to determining the exchange rate to use and the disclosures to provide.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (c) New Accounting Standards and Interpretations – (Continued)

##### ii. New and amended standards applicable for annual periods beginning on 1 January 2026 that are applicable to the Society

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

Clarifies how contractual cash flows on financial assets with environment, social and governance (ESG) and similar features should be assessed when determining if they are consistent with a basic lending arrangement and, hence, whether they are measured at amortized cost or fair value. Clarifies the date on which a financial asset or financial liability can be derecognized when settlement is via an electronic cash transfer.

Annual Improvements to IFRS Accounting Standards – *Volume 11*

Minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows.

IFRS 18 Presentation and Disclosure in Financial Statements

Introduces new requirements for classification of income and expenses in specified categories and presentation of defined subtotals in the statement of profit or loss, enhanced guidance and requirements for more useful aggregation and disaggregation of information in the primary financial statements and in the notes; and additional disclosures about management-defined performance measures related to the statement of profit or loss. Supersedes IAS 1 Presentation of Financial Statements.

##### iii. New and amended standards applicable for annual periods beginning on 1 January 2027 that are applicable to the Society

IFRS 19 Subsidiaries without Public Accountability: Disclosures

Permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosure requirements in their consolidated, separate or individual financial statements.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (d) Fixed Assets

Fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided on the straight-line basis.

The following rates are considered appropriate to write-off the assets over their estimated useful lives as applied:

Building	-	2%
Computer equipment	-	33%
Furniture and equipment	-	25%

No depreciation is provided on freehold land or capital work-in-progress.

The assets' residual values and useful lives are reviewed at each Statement of Financial Position date and adjusted as appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the "Gain/Loss on Disposal" account in the Statement of Comprehensive Income.

#### (e) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, which are included in profit or loss in the period in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

The Society utilizes the same depreciation rates and basis used for its fixed assets for the Investment Properties.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (f) Financial Instruments

All recognized financial assets that are within the scope of IRFS 9 are required to be subsequently measured at amortized cost or fair value on the basis of:

- (i) the entity's business model for managing the financial assets; and
- (ii) the contractual cash flow characteristics of the financial assets.

The Society reassess its' business models at each reporting period to determine whether they have changed. No such changes have been identified for the current year.

The principal amount is the fair value of the financial asset at initial recognition. Interest is consideration for the time value of money and for credit and other risks associated with the principal outstanding. Interest also has a profit margin element.

#### Initial Measurement

All financial instruments are initially measured at the fair value of consideration given or received.

The credit union measures fair value in accordance with IFRS 13, which defines fair value as 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 rate. The credit union uses the fair value hierarchy that categorises valuation techniques into three levels:

- (i) Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Assets and liabilities are classified as Level 1 if their value is observable in an active market. The use of observable market prices and model inputs, when available, reduces the need for management judgement and estimation, as well as the uncertainty related with the estimated fair value.
- (ii) Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability.
- (iii) Level 3 inputs are unobservable inputs. Assets and liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (f) Financial Instruments (Continued)

##### Subsequent Measurement

Those financial assets such as members' loans and receivables, which are held within a business model with the sole objective of collecting contractual cash flows which comprise principal and interest only, are subsequently measured at amortized cost. Gains/losses arising on remeasurement of such financial assets are recognized in profit or loss as movements in Expected Credit Loss (ECL). When a financial asset measured at amortized cost is derecognized, the gain/loss is reflected in profit or loss.

Those financial assets such as bonds, which are held within a business model with the objectives of (i) collecting contractual cash flows which comprise principal and interest only, as well as (ii) selling the financial assets, are subsequently measured at Fair Value Through Other Comprehensive Income (FVTOCI). Gains/losses arising on remeasurement of such financial assets are recognized in OCI as *'Items that may be reclassified subsequently to P&L'* and are called *'Net FV gain/(loss) on financial assets classified as FVTOCI'*.

All other financial assets are subsequently measured at Fair Value Through Profit and Loss (FVTPL), except for equity investments, which the credit union has opted, irrevocably, to measure at FVTOCI. Gains/losses arising on remeasurement of such financial assets are recognized in profit or loss as *'Net FV gain/(loss) on financial assets classified at FVTPL'*. When a financial asset measured at FVTOCI is derecognized, the cumulative gain/loss previously recognized in OCI is reclassified from equity to profit or loss.

Gains/losses arising on remeasurement of equity investments, which the credit union has opted, irrevocably, to measure at FVTOCI, are recognized in OCI as *'Items that may not be reclassified subsequently to P&L'* and are called *'Net FV gain/(loss) on equity financial assets classified as at FVOCI'*. When an equity investment measured at FVTOCI is derecognized, the cumulative gain/loss previously recognized in OCI is not subsequently reclassified to profit or loss but instead, transferred within equity.

##### Reclassification

If the business model under which the credit union holds financial assets changes, the financial assets affected are reclassified accordingly from the first day of the first reporting period following the change in business model. Equity instruments which the credit union opted to treat at FVTOCI cannot be reclassified.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (f) Financial Instruments (Continued)

##### Impairment

Financial assets measured at amortized costs are impaired at one of two levels:

- (i) Twelve-month Expected Credit Loss – These are losses that result from default events that are possible within twelve months after the reporting date. Such financial assets are at 'Stage 1'.
- (ii) Lifetime ECL – These are losses that result from all possible default events over the life of the financial instrument. Such financial assets are at 'Stage 2' or 'Stage 3'.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the twelve-month ECL.

ECL is a probability-weighted estimate of the present value of credit losses, measured as the present value of the difference between (i) the cash flows due to the credit union under contract; and (ii) the cash flows that the credit union expects to receive, discounted at the asset's effective interest rate.

##### Performing Financial Assets – Stage 1

For performing assets and those expected to perform normally, the loss allowance is the 12-month ECL and is done immediately at initial recognition of asset.

##### Significant Increase in Credit Risk – Stage 2

When an asset becomes 30 days past due, the credit union considers that a significant increase in credit risk has occurred, and the assets is deemed to be at Stage 2 and the loss allowance is measured as the lifetime ECL.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (f) Financial Instruments (Continued)

##### **Credit-impaired Financial Assets – Stage 3**

A financial asset is 'credit-impaired' when events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about one or more of the following events:

- (i) significant financial difficulty of the borrower or issuer,
- (ii) a breach of contract such as a default or past-due event,
- (iii) granted to the borrower of a concession that the lender would not otherwise consider,
- (iv) the disappearance of an active market for a security because of financial difficulties, or
- (v) the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

The credit union assesses whether debt instruments that are financial assets measured at amortized cost are credit-impaired at each reporting date. There is a rebuttable presumption that financial assets that are in default for more than ninety (90) days are credit impaired. The credit union also considers a financial asset to be credit impaired if the borrower is unlikely to pay its credit obligation. To determine this, the credit union takes into account both qualitative indicators, such as unemployment, bankruptcy, divorce or death and quantitative indicators, such as overdue status. The credit union used its historical experience and forward-looking information that is available without undue cost or effort. If there has been a significant increase in credit risk the credit union will measure the loss allowance based on lifetime rather than twelve-month ECL.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (f) Financial Instruments (Continued)

##### Modification and Derecognition of Financial Assets

The credit union renegotiates loans to customers in financial difficult to maximise collection and minimize the risk of default. This occurs particularly where, although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened. The revised terms usually include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan and/or a reduction in the amount of cash flows due. When a financial asset is modified, the credit union assesses whether this modification results in derecognition of the original loan, such as when the renegotiation gives rise to substantially different terms.

In the case where the financial asset is derecognized, the new financial asset will have a loss allowance measured based on twelve-month ECL. If, however, there remains a high risk of default under the renegotiated terms, the loss allowance will be measured based on lifetime ECL.

When the modification does not result in derecognition, the credit union will measure loss allowance at an amount equal to lifetime ECL.

##### Write-off

Loans and receivables are written off when the credit union has no reasonable expectations of recovering the financial asset, for example, when the credit union determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay. A write-off constitutes a derecognition event. Subsequent recoveries resulting from the credit union's enforcement activities will result in gains.

##### Financial Liabilities

Since the credit union does not trade in financial liabilities, and since there is no measurement or recognition inconsistencies, all financial liabilities are initially measured at fair value, net of transaction costs and subsequently, at amortized cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the net carrying amount on initial recognition. Financial liabilities recognized at amortized cost are not reclassified.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (f) Financial Instruments (Continued)

##### Measurement of ECL

The key inputs used for measuring ECL are:

- (i) probability of default (PD),
- (ii) loss given default (LGD), and
- (iii) exposure at default (EAD).

The credit union measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The credit union's financial instruments are grouped on the basis of shared risk characteristics, such as:

- (i) credit risk grade,
- (ii) collateral type,
- (iii) date of initial recognition,
- (iv) remaining term to maturity,
- (v) industry,
- (vi) geographic location of the borrower,
- (vii) income bracket of the borrower, and
- (viii) the value of collateral relative to the financial asset.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 2 Summary of Material Accounting Policies (Continued)

#### (f) Financial Instruments (Continued)

##### Measurement of ECL (Continued)

The groupings are reviewed on a regular basis to ensure that each grouping is comprised of homogenous exposures.

An analysis of the credit union's credit risk exposure without taking into account the effect of collateral is provided in the following tables. The amounts in the table represent gross carrying amounts.

	Stage 1 12-mth ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Low risk	\$ 11,057,844	\$ 32,950	\$ 820,722	\$ 11,911,516
Medium risk	85,489,952	3,702,016	101,438	89,293,406
Doubtful	-	-	466,689	466,689
Impaired	-	-	6,257,118	6,257,118
Total gross carrying amount	<u>\$ 96,547,796</u>	<u>\$ 3,734,966</u>	<u>\$ 7,645,967</u>	<u>\$107,928,729</u>

The table below analyses the movement of the loss allowance on loans to members at amortized cost during the year.

	Stage 1	Stage 2	Stage 3	Total
<b>Loss allowance, start of year</b>	<b>\$ 1,372,382</b>	<b>\$ 147,255</b>	<b>\$ 4,185,474</b>	<b>\$ 5,705,111</b>
Transfer to stage 1	-	-	(378,872)	(378,872)
Transfer to stage 2	(355)	-	-	(355)
Transfer to stage 3	1,049,140	77,051	-	1,126,191
Increases/(decreases) due to change in credit risk	-	-	(616,366)	(616,366)
Loss allowance on new loans	-	-	488,891	488,891
<b>Loss allowance, end of year</b>	<b>\$ 2,421,167</b>	<b>\$ 224,306</b>	<b>\$ 3,679,127</b>	<b>\$ 6,324,600</b>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (f) Financial instruments (Continued)

##### Collateral Held as Security

The credit union holds the following types of collateral to mitigate credit risk associated with financial assets:

General loans	Shares in the Credit Union
Mortgage lending *	Deed of Mortgage on property
Vehicle loans	Deed of Mortgage on vehicles

- \* The credit union holds residential properties as collateral for the mortgage loans it grants to its members. The value of the collateral for residential mortgage loans is typically based on the collateral value at origination, updated based on changes in house prices. For credit-impaired loans, the value of collateral is based on the most recent appraisals.

##### Assets Obtained by Taking Possession of Collateral

The credit union obtained the following assets during the year by taking possession of collateral held as security against loans held at the year end. The credit union's policy is to realise collateral on a timely basis.

##### Members' Shares

Given their non-permanent nature members' shares are classified as a liability and stated at fair value. In accordance with the Society's byelaws, shareholdings comprise of the following:

- (a) Section 5 (c) requires every new member to pay an entrance fee of five dollars (\$5.00) and an operational fee of five dollars (\$5.00), both of which shall go towards the Reserve Fund; and
- (b) Section 5 (c) requires that every member shall purchase at least one (1) ordinary share valued at five dollars (\$5.00) each.

#### (g) Income Recognition

Interest on members' loans and fixed deposits are accounted for on the accrual basis. Interest on saving and current accounts and dividend income are accounted for on the cash basis.

#### (h) Members' Special Deposits

Members' special deposits bear interest at rates approved by the Board of Directors. The Board of Directors periodically reviews these rates.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 2 Summary of Material Accounting Policies (Continued)

#### (i) Employee Benefits

The Alston's Pension Fund Plan covers monthly paid employees. This is a contributory defined pension plan that offers members retirement benefits in accordance with the Plan's Trust Deed and Rules. Trustees administer the pension plan, and the Trust is entirely divorced from the Credit Union's finances.

The pension accounting cost for the plan is assessed using the projected unit credit method. Under this method, the cost of provided pensions is charged to the statement of comprehensive income so as to spread the regular cost of a qualified actuary, who carries out a full valuation of the plan every year.

The Credit Union also provides post-retirement health benefits to their retirees. The entitlement to these benefits is based on the employee remaining in service up to the retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that of the defined benefit plan.

#### (j) Unclaimed Dividends

In accordance with Bye Laws 8 (a) of the Credit Union, all dividends to members remaining unclaimed after one (1) year from the date of declaration are transferred to Unclaimed Dividends. Any sum remaining unclaimed in this account for two (2) years may be transferred to the Reserve Fund.

#### (k) Dividends

Dividends are recommended by the Board of Directors and approved by the members at the Annual General Meeting. Dividends are an appropriation of retained earnings as disclosed in the Statement of Changes in Members' Equity and Reserves. In accordance with IAS 10, the dividends are not accounted for as a liability at year-end.

The dividends are computed on the basis of the average number of shares in issue throughout the year, the average being determined on the basis of the number of shares in issue at the end of each month.

#### (l) Foreign Currency

Transactions in foreign currencies are translated at the rate of exchange ruling at the transaction date. Foreign monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange prevailing at the Statement of Financial Position date. Resulting translation differences and profits and losses from trading activities are included in the Statement of Comprehensive Income.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 3 Financial Risk Management

#### Financial Risk Factors

The Society's activities are primarily related to the use of financial instruments. The Society accepts funds from members and earns interest by investing in equity investments, government securities and on-lending to members at higher interest rates.

#### Financial Instruments

The following table summarizes the carrying amounts and fair values of the Society's financial assets and liabilities:

	<u>Carrying</u> <u>Value</u>	2025	<u>Fair</u> <u>Value</u>
<b>Financial Assets</b>			
Cash in hand and at bank	\$ 10,788,970	\$	10,788,970
Other financial assets (Short-term investments)	25,853,758		25,853,758
Accounts receivables and prepayments	2,433,640		2,433,640
Amounts due from Members' Companies	1,222,285		1,222,285
Loans to members	101,604,129		101,604,129
Other financial assets (Long-term investments)	47,799,742		47,799,742
Employee benefit assets	66,000		66,000
<b>Financial Liabilities</b>			
Accounts payable and accrued charges	\$ 881,135	\$	881,135
Members' deposits: Christmas Saving Plan (short-term)	133,686		133,686
Members' deposits: Education Saving Plan (short-term)	178,640		178,640
Ex-Members' Shares and Dividends	2,595,712		2,595,712
Members' savings and pooled funds (long-term)	12,050,286		12,050,286
Employee benefit obligation	103,000		103,000

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 3 Financial Risk Management

#### Financial Instruments (Continued)

		2024	
	<u>Carrying</u>		<u>Fair</u>
	<u>Value</u>		<u>Value</u>
<b>Financial Assets</b>			
Cash in hand and at bank	\$ 11,341,850	\$	11,341,850
Other financial assets (Short-term investments)	28,978,130		28,978,130
Accounts receivables and prepayments	937,487		937,487
Amounts due from Members' Companies	988,064		988,064
Loans to members	102,838,039		102,838,039
Other financial assets (Long-term investments)	41,815,431		41,815,431
Employee benefit assets	7,433,000		7,433,000
<b>Financial Liabilities</b>			
Accounts payable and accrued charges	\$ 1,286,347	\$	1,286,347
Members' deposits: Christmas Saving Plan (short-term)	146,178		146,178
Members' deposits: Education Saving Plan (short-term)	200,825		200,825
Ex-Members' Shares and Dividends	2,662,487		2,662,487
Members' savings and pooled funds (long-term)	12,466,729		12,466,729
Employee benefit obligation	79,000		79,000

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 3 Financial Risk Management

#### Financial Instruments (Continued)

The Society is exposed to interest rate risk, credit risk, liquidity risk, currency risk, operational risk, compliance risk and reputation risk arising from the financial instruments that it holds. The risk management policies employed by the Society to manage these risks are discussed below:

#### (a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Society is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest-bearing financial assets and liabilities, including investments in bonds, loans, customer deposits and other funding instruments.

The exposure is managed through the matching of funding products with financial services and monitoring conditions and yields.

#### i) Bonds

The Society invests mainly in medium term bonds consisting of fixed rate instruments.

The market values of the fixed rate bonds are not very sensitive to changes in interest rates. The market values of the floating rate bonds are sensitive to changes in interest rates. The longer the maturity of the bonds, the greater is the sensitivity to changes in interest rates. Because these assets are being held to maturity and are not traded, any changes in market values will not impact the Statement of Income.

#### ii) Loans

The Society generally invests in fixed rate loans to members for terms that average five (5) years, however, mortgage loans can extend to a maximum of twenty (20) years. These are funded mainly from member deposits and shares and loan repayments.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 3 Financial Risk Management (Continued)

#### Financial Instruments (Continued)

#### Interest Rate Sensitivity Analysis

The Society's exposure to interest rate risk is summarized in the table below, which analyses assets and liabilities at their carrying amounts categorized according to their maturity dates.

2025

	Effective Rate	Up to 1 year	1 to 5 years	Over 5 years	Non-interest Bearing	Total
<b>Financial Assets</b>						
Cash in hand and at bank	0.00%	\$ 6,777,360	-	-	\$ 4,011,610	\$ 10,788,970
Other financial assets	4.00%	25,853,758	-	-	-	25,853,758
Accounts receivables and prepayments	0.00%	-	-	-	2,433,640	2,433,640
Amounts due from Members' Companies	0.00%	-	-	-	1,222,285	1,222,285
Loans to members	12.00%	618,459	36,964,685	64,020,985	-	101,604,129
Other financial assets	5.00%	-	27,171,407	20,628,335	-	47,799,742
Employee benefit assets	6.00%	-	-	-	66,000	66,000
<b>Financial Liabilities</b>						
Accounts payable and accrued charges	0.00%	-	-	-	881,135	881,135
Members' deposits: Christmas Saving	0.50%	133,686	-	-	-	133,686
Members' deposits: Education Saving	0.50%	178,640	-	-	-	178,640
Ex-Members' shares and dividends	0.00%	-	-	-	2,595,712	2,595,712
Members' savings and pooled funds	0.50%	12,050,286	-	-	-	12,050,286
Employee benefit obligation	6.00%	-	-	-	103,000	103,000
Members' shares	3.00%	171,256,266	-	-	-	171,256,266

**AMGECU Credit Union Co-operative Society Limited**

**Notes to the Financial Statements (Continued)**

**31 December 2025**

(Expressed in Trinidad and Tobago Dollars)

**3 Financial Risk Management (Continued)**

**Financial Instruments (Continued)**

**Interest Rate Sensitivity Analysis (Continued)**

**2024**

	<u>Effective Rate</u>	<u>Up to 1 year</u>	<u>1 to 5 years</u>	<u>Over 5 years</u>	<u>Non-interest Bearing</u>	<u>Total</u>
<b>Financial Assets</b>						
Cash in hand and at bank	0.00%	\$ 4,477,759	-	-	\$ 6,864,091	\$ 11,341,850
Other financial assets	4.00%	28,978,130	-	-	-	28,978,130
Accounts receivables and prepayments	0.00%	-	-	-	937,487	937,487
Amounts due from Members' Companies	0.00%	-	-	-	988,064	988,064
Loans to members	12.00%	949,622	30,136,646	71,751,771	-	102,838,039
Other financial assets	5.00%	1,432,187	22,832,141	17,551,103	-	41,815,431
Employee benefit assets	6.00%	-	-	-	7,433,000	7,433,000
<b>Financial Liabilities</b>						
Accounts payable and accrued charges	0.00%	-	-	-	1,286,347	1,286,347
Members' deposits: Christmas Saving	0.50%	146,178	-	-	-	146,178
Members' deposits: Education Saving	0.50%	200,825	-	-	-	200,825
Ex-Members' shares and dividends	0.00%	-	-	-	2,662,487	2,662,487
Members' savings and pooled funds	0.50%	12,466,729	-	-	-	12,466,729
Employee benefit obligation	6.00%	-	-	-	79,000	79,000
Members' shares	4.00%	169,136,157	-	-	-	169,136,157

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 3 Financial Risk Management (Continued)

#### Financial Instruments (Continued)

##### (b) Credit Risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the Statement of Financial Position date. The Society relies heavily on a written Loan Policy Manual, which sets out in detail the current policies governing the lending function and provides a comprehensive framework for prudent risk management of the credit function. Adherence to these guidelines is expected to communicate the Society's lending philosophy; provide policy guidelines to team members involved in lending; establish minimum standards for credit analysis, documentation, decision-making and post-disbursement administration; as well as create the foundation for a sound credit portfolio.

The Society's loan portfolio is managed and consistently mirrored by the Credit Committee and is adequately secured by collateral and where necessary, provisions have been established for potential credit losses on delinquent accounts.

Cash balances are held with high credit quality financial institutions and the Society has policies to limit the amount of exposure to any single financial institution.

The Society also actively monitors global economic developments and government policies that may affect the growth rate of the local economy.

##### (c) Liquidity Risk

Liquidity risk is the risk that arises when the maturity dates of assets and liabilities do not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Society has procedures with the objective of minimizing such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The Society is able to make daily calls on its available cash resources to settle financial and other liabilities.

##### i) Risk Management

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to the management of the Society. The Society employs various asset/liability techniques to manage liquidity gaps. Liquidity gaps are mitigated by the marketable nature of a substantial segment of the Society's assets as well as generating sufficient cash from new and renewed members' deposits and shares.

To manage and reduce liquidity risk, the Society's management actively seeks to match cash inflows with liability requirements.

##### ii) Liquidity Gap

The Society's exposure to liquidity risk is summarized in the table below which analyses assets and liabilities based on the remaining period from the Statement of Financial Position date to the contractual maturity date.



# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 3 Financial Risk Management (Continued)

#### Financial Instruments (Continued)

##### (d) Currency Risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Society's measurement currency. The Society is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Society's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

##### (e) Operational Risk

Operational risk is the risk derived from deficiencies relating to the Society's information technology and control systems, as well as the risk of human error and natural disasters. The Society's systems are evaluated, maintained and upgraded continuously. Supervisory controls are installed to minimize human error. Additionally, staff is often rotated and trained on an on-going basis.

##### (f) Compliance Risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Inspector of Financial Institutions at the Central Bank of Trinidad and Tobago, as well as by the monitoring controls applied by the Society. The Society has an Internal Audit Department which does routine reviews on compliance.

##### (g) Reputation Risk

The risk of loss of reputation arising from the negative publicity relating to the Society's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Society. The Society engages in public social endeavours to engender trust and minimize risk.

### 4 Critical Accounting Estimates and Judgements

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the Credit Union's accounting policies. **See Note 2 (b).**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events, which are believed to be reasonable under the circumstances. The Credit Union makes estimates and assumptions concerning the future. However, actual results could differ from those estimates as the resulting accounting estimates will, by definition, seldom equal the related actual results. 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:

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 4 Critical Accounting Estimates and Judgements (Continued)

Changes in accounting estimates are recognized in the Statement of Comprehensive Income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements, are as follows:

- i) Whether investments are classified as Fair Value through Profit and Loss, Fair Value through Other Comprehensive Income or Amortised Cost.
- ii) Which depreciation method for plant and equipment is used.
- iii) Business model assessment:

The credit union reassesses its business model each reporting period to determine whether they continue to be appropriate and if there needs to be a prospective change to the classification of financial assets. This assessment includes judgement regarding:

- how the performance of the assets is evaluated and measured; and
- the risks that affect the performance of the assets and how these risks are managed.

- iv) Significant increase of credit risk:

The credit union computes twelve-month ECL for Stage 1 assets and lifetime ECL for Stage 2 or Stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Assessing whether there has been a significant increase in credit risk required judgement takes into account reasonable and supportable forward-looking information.

- v) Establishing groups of assets with similar credit risk characteristics:

When ECL is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The credit union monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. Judgement is required in determining whether and when to move assets between portfolios.

- vi) Valuation models and assumptions used:

The credit union uses various valuation models and assumptions in measuring the fair value of financial assets, as well as in estimating ECL. Judgement is applied in identifying the most appropriate valuation model for each type of asset, as well as in determining the assumptions to be used for each model.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 4 Critical Accounting Estimates and Judgements (Continued)

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year as follows:

#### 5 Impairment of Assets

Management assesses at each reporting date whether assets are impaired. An asset is impaired when the carrying amount value is greater than its recoverable amount and there is objective evidence of impairment. Recoverable amount is present value of the future cash flows. Provisions are made for the excess of the carrying value over its recoverable amount.

#### 6 Probability of Default (PD):

PD is an estimate of the likelihood of default over a given period of time, the calculation of which includes historical data, assumptions and expectations of future conditions. PD constitutes a key input in measuring ECL.

#### 7 Loss Given Default (LGD):

LGD is an estimate of the percentage loss arising on default, and is based on the difference between contractual cash flows due and those that the credit union would reasonably expect to receive, taking into account cash flows from collateral. It requires forecasting the future valuation of collateral taking into account sale discounts, the time and cost associated with realising collateral and seniority of claim. LGD is a key input in measuring ECL.

#### 8 Fair Value Measurement and Valuation Process

In estimating the fair value of a financial asset or liability, the credit union uses market-observable data to the extent it is available. Where such Level 1 inputs are not available, the credit union uses valuation models to determine the fair value of its financial instruments.

#### 9 Exposure at Default (EAD)

EAD is an estimate of the total loss incurred when a member defaults, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest. EAD is a key input in measuring ECL.

#### vi) Plant and Equipment

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised and in estimating the useful lives and residual values of these assets.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 5 Cash in Hand and at Bank:

	<u>2025</u>	<u>2024</u>
Cash in hand	\$ 48,420	\$ 48,697
Cash and cheques in transit	125,573	554,305
Trinidad and Tobago Unit Trust Corporation:		
- TT\$ Income Fund	6,632,816	4,475,317
- US\$ Money Market Fund	144,544	2,442
RBC Royal Bank (Trinidad and Tobago) Limited		
- Dividend Account	9,153	10,175
- Multiplier Account	2,323,001	3,980,545
First Citizens Bank Limited		
- TT\$ Current Account	1,486,084	2,065,656
- US\$ Current Account	19,379	204,713
	<u>\$ 10,788,970</u>	<u>\$ 11,341,850</u>

### 6 Other Financial Assets:

	<u>2025</u>	<u>2024</u>
Trinidad and Tobago Unit Trust Corporation		
- Income and Growth Fund	\$ 39,758	\$ 39,446
- Corporate Fund	5,371,850	5,211,030
RBC Royal Bank (Trinidad and Tobago) Limited		
- ROYTRIN Mutual – Income & Growth Fund	250,935	232,121
- ROYTRIN Mutual – Capital Preservation	2,075,674	2,042,605
Ansa Merchant Bank Limited – Income Fund	143,454	135,826
Firstline Securities Limited	4,909,576	4,909,576
Home Mortgage Bank		
- Mortgage Participation Fund	4,740,015	4,600,131
- Syndicated Fixed Rate Loan	2,000,000	2,000,000
Guardian Asset Management Limited	2,132,790	1,870,260
ANSA Merchant Bank Limited		
- Petrotrin Fixed Rate Loan 2025	-	2,976,653
KCL Capital Market Brokers Limited		
- Participation Investment	-	2,270,776
Development Finance Limited	4,189,706	2,689,706
	<u>\$ 25,853,758</u>	<u>\$ 28,978,130</u>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 7 Accounts Receivable and Prepayments:

	<u>2025</u>	<u>2024</u>
Interest receivable on fixed deposits	\$ 449,116	\$ 105,993
Interest receivable on equity investments	49,465	13,300
Interest on loans	152,682	94,223
Lease receivable (see note below)	-	-
Prepayments	193,588	85,631
Family Indemnity Plan claims	115,000	114
Bond principal and interest receivable	845,421	572,650
Staff advances	6,513	-
Other receivables	47,797	48,376
Rent receivable	(11,250)	17,200
Receivables – Matured Investments	585,308	-
	<u>\$ 2,433,640</u>	<u>\$ 937,487</u>

The Credit Union entered into a finance lease arrangement with the School of Business and Computer Science Limited (SBCS) for investment property at Sagan Drive, Champs Fleurs, during the year 2017. Based on the terms of the lease, SBCS paid a premium of \$690,000 and was required to make monthly payments of \$37,366 (inclusive of interest) for fifteen years, commencing on 1 July 2017.

The lease agreement was amended to a term of twenty years, effective January 1, 2022. For the first two years of this period, a reduced monthly payment of \$21,881 was agreed upon. Subsequently, for the remaining 18 years, a reduced monthly payment of \$31,119 was agreed. All other terms and conditions remain unchanged.

In June 2024, SBCS issued a notice to terminate the lease agreement, which was officially terminated on January 29, 2025. During the 2024 financial year, SBCS made lease payments totaling \$259,162. Of this amount, \$68,876 was recognized as income, while the remaining \$190,286 was applied to settle outstanding lease receivables and reduce the principal balance.

As of December 31, 2024, the principal balance of the lease receivable was reduced to its original cost of \$4,000,000 and reclassified as an investment property.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 8 Amounts due from Members' Companies:

	<u>2025</u>	<u>2024</u>
Alstons Marketing Company Limited	\$ 149,077	\$ (27,684)
Carib Brewery Limited	162,137	89,758
Brick Fource Limited/Bestcrete	87,196	34,482
Standard Distributors Limited	-	68,267
Caribbean Development Company Limited	353,545	346,020
OTC Payroll Group	153,019	159,342
Carib Glassworks Limited	226,144	168,435
Ansa McAl Chemicals Limited	-	53,405
Ansa Polymer	51,309	49,420
Maibrol Insurance Brokers Limited	-	2,806
Penta Paints Caribbean Ltd	39,858	43,813
	<u>\$ 1,222,285</u>	<u>\$ 988,064</u>

### 9 Loans to Members:

Loans to members are stated at principal outstanding net of provision for loan losses. The provision for loan losses is based on the Board's evaluation of the loan portfolio under current economic conditions and past loan loss experience.

	<u>2025</u>	<u>2024</u>
Loans to members	\$ 107,928,729	\$ 108,543,150
Less: Provision for loan losses	(6,324,600)	(5,705,111)
	<u>\$ 101,604,129</u>	<u>\$ 102,838,039</u>
 <u>Provision for loan losses</u>		
Balance at beginning of year	\$ 5,705,111	\$ 6,139,657
Charge/(recovery) for the year	619,489	(434,546)
Balance at end of year	<u>\$ 6,324,600</u>	<u>\$ 5,705,111</u>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 10 Other Financial Assets:

	<u>2025</u>	<u>2024</u>
<b><u>Bond Investments</u></b>		
Government of the Republic of Trinidad and Tobago	\$ 18,640,029	\$ 7,120,294
Government of Belize	-	233,870
National Insurance Property Development Company Limited	3,083,903	3,461,277
National Infrastructure Development Company Limited	1,003,157	1,004,210
First Citizens Bank Limited	684,773	4,360,895
Trinidad and Tobago Mortgage Finance Company Limited	4,917,476	4,921,147
Urban Development Corporation of Trinidad and Tobago Limited	1,680,000	4,281,603
Home Mortgage Bank	1,658,492	2,653,333
Water and Sewerage Authority	2,027,118	2,033,418
Guardian Holdings Limited	1,500,000	-
Housing Development Corporation	1,000,000	-
	<u>36,194,948</u>	<u>30,070,047</u>
Less: Provision for diminution of investment	-	(233,870)
	<u>36,194,948</u>	<u>29,836,177</u>
<b><u>Equity Investments</u></b>		
Angostura Holdings Limited – 11,000 shares (2024: 11,000)	140,250	163,350
Ansa Mc Al Limited – 19,000 shares (2024: 19,000)	830,300	1,136,200
Ansa Merchant Bank Limited – 11,500 shares (2024: 11,500)	327,750	454,250
East Caribbean Financial Holdings Ltd – 25,000 shares (2024: 25,000)	789,531	440,650
First Caribbean International Bank Ltd – 7,600 shares (2024: 7,600)	62,624	61,560
First Citizens Group Financial Holdings Limited – 70,000 shares (2024: 70,000)	2,382,800	2,835,000
Grace Kennedy and Company Limited – 75,000 shares (2024: 75,000)	260,250	277,500
Guardian Media Limited – 3,000 shares (2024: 3,000)	1,860	3,600
Jamaica Money Market Brokers Limited – 10,000 shares (2024: 10,000)	7,600	10,700
Massy Holdings Limited – 378,000 shares (2024: 378,000)	1,394,820	1,493,100
National Enterprises Limited – 25,000 shares (2024: 25,000)	48,000	69,750
One Caribbean Media Limited – 10,000 shares (2024: 10,000)	13,300	28,200
Point Lisas Industrial Port Development Corporation Ltd. – 22,191 shares (2024: 22,191)	102,079	72,786
Prestige Holdings Limited – 39,817 shares (2024: 39,817)	523,594	449,932
Republic Financial Holdings Limited – 11,262 shares (2024: 11,262)	1,166,631	1,276,098
Royal Bank of Canada – 1,659 shares (2024: 1,659)	1,910,804	1,342,012
Sagicor Financial Corporation – 7,000 shares (2024: 7,000)	335,602	211,575
Scotiabank Trinidad and Tobago Limited – 19,000 shares (2024: 19,000)	911,810	1,087,940
Trinidad Cement Limited – 28,200 shares (2024: 28,200)	52,170	70,500
Trinidad and Tobago NGL Limited – 61,713 shares (2024: 61,713)	162,922	294,371
Unilever Caribbean Limited – 9,901 shares (2024: 9,901)	139,406	112,870
West Indian Tobacco Company Limited – 15,591 shares (2024: 15,591)	40,691	87,310
	<u>11,604,794</u>	<u>11,979,254</u>
	<u>\$ 47,799,742</u>	<u>\$ 41,815,431</u>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 11 Employee Benefit Assets:

	<u>2025</u>	<u>2024</u>
<u>Amount Recognized in the Statement of Financial Position</u>		
Present value of the Defined Benefit Obligation	\$ 3,251,000	\$ 2,967,000
Fair value of Plan Assets	(10,762,000)	(10,400,000)
	<u>(7,511,000)</u>	<u>(7,433,000)</u>
Unrecognized Asset Due to Limit in Paragraph 58	7,445,000	-
	<u>(66,000)</u>	<u>(7,433,000)</u>
<u>Net Amount Recognized in the Statement of Comprehensive Income</u>		
Current service cost	28,000	26,000
Net interest cost	(446,000)	(464,000)
Administrative expenses	4,000	10,000
	<u>(414,000)</u>	<u>(428,000)</u>
Income recognized in the Statement of Comprehensive Income	(414,000)	(428,000)
<u>Net Amount Recognized in Other Comprehensive Income</u>		
Experience losses – Demographic	262,000	67,000
Experience gains – Financial	102,000	693,000
Effect of the Limit in Paragraph 58 (b)	7,445,000	-
	<u>7,809,000</u>	<u>760,000</u>
Actuarial (gains)/losses recognized in Other Comprehensive Income	7,809,000	760,000
<u>Movement in Asset Recognized in the Statement of Financial Position</u>		
Employee Benefit Asset as at start of year	(7,433,000)	(7,739,000)
Net amount recognized in the Statement of Comprehensive Income	(414,000)	(428,000)
Net amount recognized in Other Comprehensive Income	7,809,000	760,000
Contributions	(28,000)	(26,000)
	<u>\$ (66,000)</u>	<u>\$ (7,433,000)</u>
Local Equities	22%	26%
Local Bonds	38%	38%
Foreign Investments	35%	33%
Real Estate/Mortgages	2%	1%
Short-Term Securities	3%	2%
	<u>100%</u>	<u>100%</u>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 11 Employee Benefit Assets (Continued):

	<u>2025</u>	<u>2024</u>
Actual Return on Plan Assets	\$ <u>517,000</u>	\$ <u>(62,000)</u>

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	<u>2025</u>	<u>2024</u>
Discount Rate at December 31	6.00%	6.00%
Future Salary increases	3.00%	3.00%

The Society is expected to contribute **\$28,500** to its defined benefit plan in fiscal 2026.

Sensitivity of Present Value of Defined Benefit Obligation

	<u>1% increase</u>	<u>1% increase</u>
Discount Rate	\$ (175,000)	\$ (172,000)
Salary Growth	-	-

### 12 Available for Sale Assets

On December 23, 2025, AMGECU entered into a build, design, and development agreement with Innova Homes Limited for the construction of eight (8) residential townhouse units at Lot 3A, St. John Road Extension, St. Augustine.

Under the terms of the agreement, AMGECU, as the legal owner of the land, contributed the parcel of land on which the development will be undertaken. AMGECU will not participate in the construction, financing, project management, or sale of the units. Innova Homes Limited will assume full responsibility for all development costs and execution of the project. The land may be held as security if required.

Upon completion and sale of the units, AMGECU will be entitled to:

- A guaranteed minimum consideration of \$3,248,828, representing the agreed value of the land contributed; and
- A percentage of the profit realized from the sale of the townhouse units.

**AMGECU Credit Union Co-operative Society Limited**

**Notes to the Financial Statements (Continued)**

**31 December 2025**

(Expressed in Trinidad and Tobago Dollars)

**13 Investment Properties:**

**Year ended December 31, 2025**

**Cost**

Balance as at 1 January 2025	\$ 4,868,841	\$ 3,722,261	\$ 4,491,349	\$ 3,248,828	\$ 4,000,000	\$ 20,331,279
Additions	23,450	-	6,301	-	-	29,751
Fixed assets held for sale	-	-	-	(3,248,828)	-	(3,248,828)
<b>Balance as at 31 December 2025</b>	<b>\$ 4,892,291</b>	<b>\$ 3,722,261</b>	<b>\$ 4,497,650</b>	<b>\$ -</b>	<b>\$ 4,000,000</b>	<b>\$ 17,112,202</b>

**Accumulated Depreciation**

Balance as at 1 January 2025	\$ 1,597,584	\$ 1,330,324	\$ 290,366	\$ -	\$ -	\$ 3,218,274
Charge for the year	61,118	81,254	1,665	-	-	144,037
<b>Balance as at 31 December 2025</b>	<b>\$ 1,658,702</b>	<b>\$ 1,411,578</b>	<b>\$ 292,031</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,362,311</b>
<b>Net Book Value</b>	<b>\$ 3,233,589</b>	<b>\$ 2,310,683</b>	<b>\$ 4,205,619</b>	<b>\$ -</b>	<b>\$ 4,000,000</b>	<b>\$ 13,749,891</b>

**AMGECU Credit Union Co-operative Society Limited**

**Notes to the Financial Statements (Continued)**

**31 December 2025**

(Expressed in Trinidad and Tobago Dollars)

**13 Investment Properties (Continued):**

**Year ended December 31, 2024**

<b>Cost</b>	<b>Borde Street Apartments</b>	<b>Borde Street Offices</b>	<b>Dundonald Street</b>	<b>St. Augustine</b>	<b>Sagan Drive Road Reserve/ Land</b>	<b>Total</b>
Balance as at 1 January 2024	\$ 4,864,141	\$ 3,722,261	\$ 4,491,349	\$ 3,248,828	\$ 1,004,741	\$ 17,331,320
Additions	4,700	-	-	-	101,302	106,002
Transfer to fixed assets	-	-	-	-	(1,106,043)	(1,106,043)
Transfer from leased assets	-	-	-	-	4,000,000	4,000,000
Balance as at 31 December 2024	<u>\$ 4,868,841</u>	<u>\$ 3,722,261</u>	<u>\$ 4,491,349</u>	<u>\$ 3,248,828</u>	<u>\$ 4,000,000</u>	<u>\$ 20,331,279</u>
<b>Accumulated Depreciation</b>						
Balance as at 1 January 2024	\$ 1,535,223	\$ 1,249,068	\$ 288,941	\$ -	\$ -	\$ 3,073,232
Charge for the year	62,361	81,256	1,425	-	-	145,042
Balance as at 31 December 2024	<u>\$ 1,597,584</u>	<u>\$ 1,330,324</u>	<u>\$ 290,366</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,218,274</u>
<b>Net Book Value</b>	<u><u>\$ 3,271,257</u></u>	<u><u>\$ 2,391,937</u></u>	<u><u>\$ 4,200,983</u></u>	<u><u>\$ 3,248,828</u></u>	<u><u>\$ 4,000,000</u></u>	<u><u>\$ 17,113,005</u></u>

**AMGECU Credit Union Co-operative Society Limited**

**Notes to the Financial Statements (Continued)**

**31 December 2025**

(Expressed in Trinidad and Tobago Dollars)

**14 Fixed Assets:**

<b>Cost</b>	<b>Land and <u>Building</u></b>	<b>Computer <u>Equipment</u></b>	<b>Furniture and <u>Equipment</u></b>	<b>Work in <u>Progress</u></b>	<b>Total <u>2025</u></b>
Balance as at 1 January 2025	\$ 6,891,139	\$ 687,562	\$ 1,898,707	\$ 53,675	\$ 9,531,083
Additions	8,905	148,513	22,450	112,044	291,912
Balance as at 31 December 2025	<u>\$ 6,900,044</u>	<u>\$ 836,075</u>	<u>\$ 1,921,157</u>	<u>\$ 165,719</u>	<u>\$ 9,822,995</u>
<b>Accumulated Depreciation</b>					
Balance as at 1 January 2025	\$ 733,365	\$ 673,949	\$ 1,825,872	\$ -	\$ 3,233,186
Charge for the year	93,688	69,996	28,090	-	191,774
Balance as at 31 December 2025	<u>\$ 827,053</u>	<u>\$ 743,945</u>	<u>\$ 1,853,962</u>	<u>\$ -</u>	<u>\$ 3,424,960</u>
<b>Net Book Value</b>	<u><u>\$ 6,072,991</u></u>	<u><u>\$ 92,130</u></u>	<u><u>\$ 67,195</u></u>	<u><u>\$ 165,719</u></u>	<u><u>\$ 6,398,035</u></u>

**AMGECU Credit Union Co-operative Society Limited**

**Notes to the Financial Statements (Continued)**

**31 December 2025**

(Expressed in Trinidad and Tobago Dollars)

**14 Fixed Assets (Continued):**

<b>Cost</b>	<b>Land and Building</b>	<b>Computer Equipment</b>	<b>Furniture and Equipment</b>	<b>Work in Progress</b>	<b>Total 2024</b>
Balance as at 1 January 2024	\$ 5,658,719	\$ 679,977	\$ 1,878,789	\$ 116,156	\$ 8,333,641
Additions	53,396	11,380	44,853	10,500	120,129
Disposals	-	(3,795)	(24,935)	-	(28,730)
Transfer to fixed assets	72,981	-	-	(72,981)	-
Transfer from Sagan Drive Land Reserve	1,106,043	-	-	-	1,106,043
Balance as at 31 December 2024	\$ 6,891,139	\$ 687,562	\$ 1,898,707	\$ 53,675	\$ 9,531,083
<b>Accumulated Depreciation</b>					
Balance as at 1 January 2024	\$ 641,414	\$ 623,994	\$ 1,825,059	\$ -	\$ 3,090,467
Charge for the year	91,951	53,750	21,244	-	166,945
Disposals	-	(3,795)	(20,431)	-	(24,226)
Balance as at 31 December 2024	\$ 733,365	\$ 673,949	\$ 1,825,872	\$ -	\$ 3,233,186
<b>Net Book Value</b>	<b>\$ 6,157,774</b>	<b>\$ 13,613</b>	<b>\$ 72,835</b>	<b>\$ 53,675</b>	<b>\$ 6,297,897</b>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 15 Accounts Payable and Accrued Charges:

	<u>2025</u>	<u>2024</u>
Accounts payable and accrued charges	\$ 155,943	\$ 236,476
Honoraria provision	-	195,022
CUNA Insurance Premium	64,673	138,209
CUNA Indemnity Insurance Plan	301,847	201,873
National Insurance payable	-	1,518
PAYE/Health Surcharge payable	23,878	-
Suspense account	212,156	212,216
Apartment rental deposit	47,290	47,290
Members' dividend deposits	570	516
Annuity payable	-	378
Group Health/ Life Insurance payable	578	4,674
Staff incentives	74,200	248,175
	<u>\$ 881,135</u>	<u>\$ 1,286,347</u>

### 16 Christmas Savings Plan:

The Christmas Savings Plan is a facility established for members. This Plan runs in a twelve (12) month cycle (November to October) and paid an interest of 0.5% per annum.

### 17 Education Savings Plan:

The Education Savings Plan is a facility established for members. This Plan runs in a twelve (12) month cycle (June to May) and paid an interest of 1% per annum.

### 18 Members' Savings and Pooled Funds:

	<u>2025</u>	<u>2024</u>
Members' pooled funds and accrued interest	\$ 729,241	\$ 476,923
Members' savings deposits	8,612,037	8,805,229
Members' special deposit	2,718,482	3,193,019
Members' quick cash overdraft	(9,474)	(8,442)
	<u>\$ 12,050,286</u>	<u>\$ 12,466,729</u>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 19 Employee Benefit Obligation:

	<u>2025</u>	<u>2024</u>
<u>Amount Recognized in the Statement of Financial Position</u>		
Present value of the Defined Benefit Obligation	\$ 103,000	\$ 79,000
Liability recognized on the Statement of Financial Position	\$ 103,000	\$ 79,000
<u>Net Amount Recognized in the Statement of Comprehensive Income</u>		
Current service cost	\$ 12,000	\$ 14,000
Interest cost	5,000	6,000
Cost recognized in the Statement of Comprehensive Income	\$ 17,000	\$ 20,000
<u>Net Amount Recognized in Other Comprehensive Income</u>		
Experience (gains)/losses – Demographic	\$ 7,000	\$ (45,000)
Remeasurement (gains)/losses – Financial	-	(11,000)
Actuarial (gains)/losses recognized in Other Comprehensive Income	\$ 7,000	\$ (34,000)
<u>Movement in Liability Recognized in the Statement of Financial Position</u>		
Employee Benefit Obligation as at beginning of year	\$ 79,000	\$ 93,000
Net amount recognized in the Statement of Comprehensive Income	17,000	20,000
Net amount recognized in Other Comprehensive Income	7,000	(34,000)
Contributions	-	-
<b>Employee Benefit Obligation as at end of year</b>	<b>\$ 103,000</b>	<b>\$ 79,000</b>

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	<u>2025</u>	<u>2024</u>
Discount rate at 31 December	6.00%	6.00%
Future Medical Claims Inflation	3.00%	3.00%

The Society is not expected to contribute to its post-retirement medical plan in 2026.

Sensitivity of Present Value of Defined Benefit Obligation	1% increase	1% decrease
Medical Inflation Rate	\$ 23,000	\$ 18,000

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 20 Members' Shares Account:

In accordance with existing International Financial Reporting Standards and given the substance and nature of members' shares, this balance is accounted for as a liability and not as capital of the Credit Union. The Credit Union Bye Laws 12 (a) allows for the issue of an unlimited number of shares of \$5 each.

### 21 Reserve Fund:

The Co-operatives Act 1971 Section 47 (2) requires that at least 10% of the net surplus of the Society for the year be transferred to a Reserve Fund. In accordance with Bye-Laws 19 and 22 of the Credit Union, this reserve may be used only with the approval of the Commissioner for bad loans or losses sustained through extraordinary circumstances over which the Credit Union has no control.

### 22 Other Funds:

At a Special Meeting of the Board of Directors held on 21 February 2011, a decision was taken to establish for the following funds from January 2011:

Building Fund for constructions projects	-	\$100,000
Charitable Fund for charitable donations	-	\$50,000
Education Fund for educational programs	-	\$100,000

#### **Subsequent Board Decisions**

30 January 2019: The Board approved the use of the Building Fund for the renovation of the Port-of-Spain Office. It was further resolved that this fund would not be replenished.

15 January 2021: The Board approved an increase in the Education Fund from \$200,000 to \$410,000 as at 31 December 2021, for a period of one (1) year.

29 March 2023: The Board approved a top-up of the Education Fund to \$410,000 for the year 2022, with a reversion to \$200,000 as at 31 December 2023.

#### **Fund Closure**

As at 31 December 2025, the remaining balance of \$7,536 in the Building Fund was reduced to nil and transferred to Undivided Surplus.

### 23 Investment Re-measurement Reserve:

In accordance with IFRS 9, the Board of Directors has created an investment re-measurement reserve which includes unrealized gains/losses on available-for-sale investments.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 24 Related Party Transactions:

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial decisions. Related parties to the Credit Union include the directors, committee members, key management personnel and their family members.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Society.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates.

Balances and transaction with related parties and key personnel during the year were as follows:

	<u>2025</u>	<u>2024</u>
<b><u>Assets, Liabilities and Members' Equity</u></b>		
<b>Loans and Other Receivables</b>		
Loans to members	\$ 5,987,038	\$ 5,007,011
<b>Shares, Deposits and Other Liabilities</b>		
Shares and members' savings and pooled funds	\$ 3,824,265	\$ 5,315,462
<b><u>Income and Expenses</u></b>		
Interest on loans to related parties	\$ 313,591	\$ 254,260
<b><u>Key Management Compensation</u></b>		
Short-term benefits	\$ 1,186,442	\$ 1,072,768

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 25 Fair Values:

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis.

The following methods have been used to estimate the fair values of various classes of financial assets and liabilities:

#### a) **Current Assets and Liabilities**

The carrying amounts of current assets and liabilities are a reasonable approximation of fair values because of their short-term nature.

#### b) **Members' Loans**

Loans are net of specific provisions for losses. These assets result from transactions conducted under typical market conditions and their values are not adversely affected by unusual terms. The inherent rates of interest in the portfolio approximate market condition and yield discounted cash flow values which are substantially in accordance with financial statement amounts.

#### c) **Investments**

The fair values of investments are determined on the basis of market prices available at 31 December 2025.

#### d) **Members' Deposits**

Members' deposits bear interest at rates that are not significantly different from current rates and are assumed to have discounted cash flow values which approximate carrying values.

### 26 Capital Risk Management:

The Society manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to members, whilst providing value to its members by offering loan and savings facilities. The Society's overall strategy remains unchanged from previous years.

The capital structure of the Society consists of equity attributable to members, which comprises reserves and undivided surplus.

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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27 **Investment Income:**

	<u>2025</u>	<u>2024</u>
Interest on fixed deposits and savings accounts	\$ 1,198,059	\$ 842,320
Dividends, interest on bonds and other investments	2,293,904	2,099,735
Rental income – Car park	50,700	48,450
Rental income – Apartments	493,200	493,200
	<u>\$ 4,035,863</u>	<u>\$ 3,483,705</u>

28 **Other Income:**

	<u>2025</u>	<u>2024</u>
Loan processing fees	\$ 208,986	\$ 195,551
CUNA commissions	140,592	129,634
Entrance fees	1,935	1,825
Loss on disposal of asset	-	(4,505)
Gain on foreign exchange	20,044	2,469
Miscellaneous income	450,460	178,479
Quick cash overdraft fee	9,600	9,790
	<u>\$ 831,617</u>	<u>\$ 513,243</u>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 29 Administrative Expenses:

	<u>2025</u>	<u>2024</u>
Advertising and promotion	\$ 32,140	\$ 64,196
Annual general meeting	155,578	178,480
Bad and doubtful debts	627,478	536,409
Bank charges	33,956	33,021
Computer expenses	85,588	70,011
CUNA premiums	427,457	517,653
Electricity	36,032	42,591
Green Fund Levy	40,777	39,591
Insurance	78,929	80,548
Investment commissions and fees	17,715	16,286
Investment premium write-off	31,618	50,497
League dues	48,516	48,516
Legal and professional fees	198,954	134,453
Maintenance	123,367	114,384
Member relation expense	6,412	6,971
Office expenses	149,514	112,823
Postage and courier	9,217	16,404
Printing and stationery	39,728	74,633
Property tax	-	5,712
Rates and taxes	10,164	13,084
Security	118,296	115,544
Subscriptions	59,041	49,566
Telephone and internet	76,746	72,186
	<u>\$ 2,407,223</u>	<u>\$ 2,393,559</u>

### 30 Board and Committee Expenses:

	<u>2025</u>	<u>2024</u>
Committee stipend allowance	\$ 198,975	\$ 196,625
Committee meeting expenses	55,176	22,103
Youth Committee expenses	50,938	48,292
Retirees Event expenses	59,215	57,744
	<u>\$ 364,304</u>	<u>\$ 324,764</u>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

### 31 Interest on Members' Savings and Pooled Funds:

	<u>2025</u>		<u>2024</u>
Interest on members' savings and pooled funds	\$3,608	\$	3,440
Special deposit interest	14,792		15,097
Education savings plan interest	848		1,265
Christmas savings plan interest	2,422		1,839
	<u>\$ 21,670</u>	<u>\$</u>	<u>21,641</u>

### 32 Personnel Costs:

	<u>2025</u>		<u>2024</u>
Annuity	\$ 38,753	\$	36,186
Employee Benefit Asset/Obligation – IAS 19 adjustment	(425,000)		(434,000)
Employee Assistance Program	7,540		3,500
Group life insurance	27,382		27,382
Medical insurance plan	29,617		30,248
National Insurance scheme	167,502		160,934
Pension fund	30,161		28,987
Salaries	2,441,066		2,367,719
Training	30,538		23,010
Travelling and subsistence allowance	12,080		5,190
Uniforms	-		47,831
	<u>\$ 2,359,639</u>	<u>\$</u>	<u>2,296,987</u>

# AMGECU Credit Union Co-operative Society Limited

## Notes to the Financial Statements (Continued)

31 December 2025

(Expressed in Trinidad and Tobago Dollars)

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### 33 Net Actuarial (Gain)/Loss on Employee Benefit Asset/Obligation:

	<u>2025</u>	<u>2024</u>
Actuarial loss on Employee Benefit Asset	\$ 7,809,000	\$ 760,000
Actuarial loss/(gain) on Employee Benefit Obligation	7,000	(34,000)
	<u>\$ 7,816,000</u>	<u>\$ 726,000</u>

During the year, the Society recognised an adjustment to the defined benefit asset arising from the application of IFRIC 14 – IAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction. IFRIC 14 requires that a surplus in a defined benefit plan be recognised only to the extent that the entity can realise economic benefits through refunds from the plan or reductions in future contributions.

Based on the information provided by the actuary, the Society is matching the contributions required under the plan's funding arrangement. As a result, the society is unable to reduce future contributions in order to access the surplus previously identified in the plan.

### 34 Prior Year Adjustment:

Accruals – The prior year adjustments arose as a result of an (overprovision)/under provision of various expenses.