

PKF
Chartered Accountants
& Business Advisors
PKF LIMITED

TRINIDAD AND TOBAGO POLICE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025



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TRINIDAD AND TOBAGO POLICE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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Trinidad & Tobago Police Credit Union
Co-operative Society Limited.
HEAD OFFICE: 33-35 EASTERN MAIN ROAD, BARATARIA, TRINIDAD, W.I.
PHONE: 612-4PCU (4728)
www.policecreditunion.com
enquiries@policecreditunion.com

Branch Offices:
Arima: 12-13 Green Street. | **San Fernando:** 17-19 Irving Street. | **Scarborough:** Mt. Marie Road.

Trinidad and Tobago Police Credit Union Cooperative Society Limited and its Subsidiary

Management is responsible for the following:

- preparing and fairly presenting the accompanying financial statements of Trinidad and Tobago Police Credit Union Cooperative Society Limited and its Subsidiary (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of comprehensive income, appropriated funds and undivided earnings and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information;
- ensuring that the Group 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 Group's assets, detection/prevention of fraud, and the achievement of Group 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, Companies Act; and
- using reasonable and prudent judgement in the determination of estimates.

In preparing these audited consolidated financial statements, management utilised the IFRS Accounting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where IFRS Accounting 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 Group will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying consolidated financial statements have been authorised for issue, if later.

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

Colin Eddy
Chief Executive Officer
Date: 13th May 2026

Shameel Reid, FCCA, CA
Manager, Finance
Date: 13th May 2026

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& Business Advisors
PKF LIMITED

INDEPENDENT AUDITORS' REPORT

The Members
Trinidad and Tobago Police Credit Union Co-operative Society Limited

Opinion

We have audited the consolidated financial statements of Trinidad and Tobago Police Credit Union Co-operative Society Limited, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statements of comprehensive income, appropriated funds and undivided earnings and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Trinidad and Tobago Police 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 IFRS Accounting Standards issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Trinidad and Tobago Police Credit Union Co-operative Society Limited 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 the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information included in the Credit Union's Annual Report

Management is responsible for the other information. Other information consists of the information included in the Annual Report, other than the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we concluded that there is a material misstatement of this other information, we are required to communicate the matter to the Board of Directors.

PKF Limited is a member PKF Global, the network of member firms of PKF International Limited, each of which is a separate and independent legal entity and does not accept any responsibility or liability for the actions or inactions of any individual member or correspondent firm(s).

Telephone: (868) 235-5063
Address: 111 Eleventh Street, Barataria, Trinidad, West Indies
Mailing Address: PO Box 10205, Eastern Main Road, San Juan

Directors: Renée-Lisa Philip Mark K. Superville Jenine Felician-Romain Darcel Corbin

INDEPENDENT AUDITORS' REPORT (Cont'd)

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards 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 consolidated 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.

The Board of Directors is responsible for overseeing the credit union's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

INDEPENDENT AUDITORS' REPORT (Cont'd)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (cont'd)

- 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 auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the credit union to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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.

Other Matters

The previous year's accounts, which were not consolidated, were audited by another firm of Chartered Accountants. The Independent Auditor's Report on the financial statements as at and for the year ended 31 December 2024 was dated 15 April 2025 and contained an Unqualified Auditors Opinion.

PKF

Barataria
TRINIDAD
13 May 2026

TRINIDAD AND TOBAGO POLICE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

	Notes	31 December 2025 ($)	2024 ($)
Assets:			
Cash and cash equivalents	8	2,589,320	1,163,663
Investment securities	9	68,181,522	88,818,134
Accrued interest on loans	10	6,236,506	6,030,286
Accounts receivable and prepayments	11	3,398,534	4,260,792
Inventories	12	1,867,365	1,923,105
Loans to members	13	935,089,578	820,450,859
Investment properties	14	2,200,000	2,600,000
Property, plant and equipment	15	312,663,894	247,713,818
Total Assets		**1,332,226,719**	**1,172,960,657**

LIABILITIES AND EQUITY

Liabilities:			
Bank overdraft	16	4,235,454	-
Accounts payable and accruals	17	67,985,256	40,805,060
KCL Bond syndicate	18	58,954,902	63,837,941
Members' deposits	19	104,018,798	86,301,252
Members' shares	20	846,636,832	801,841,329
Total Liabilities		1,081,831,242	992,785,582
Equity:			
General reserve fund	21	74,199,367	71,190,907
Education fund	22	16,441,747	15,167,786
Investment re-measurement reserve	23	(7,820,232)	(6,926,471)
Revaluation reserve	24	72,465,816	15,037,045
Undivided surplus		95,108,779	85,705,808
Total Equity		250,395,477	180,175,075
Total Liabilities and Equity		**1,332,226,719**	**1,172,960,657**

These consolidated financial statements were approved by the Board of Directors and authorised for issue on 13 May 2026 and signed on their behalf by:

President **Treasurer** **Chairman, Supervisory Committee**

(The accompanying notes form an integral part of these consolidated financial statements)

TRINIDAD AND TOBAGO POLICE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	31 December 2025 ($)	2024 ($)
Income:			
Sales		5,694,115	-
Loan interest		69,007,926	64,060,423
Loan service charge		13,381,316	9,260,631
Investment income		6,378,720	3,233,532
Rental income		826,949	833,761
Entrance fees		36,790	42,720
Commissions		1,350,848	1,177,733
Bad debt recovered		452,869	80,176
Other income	25	10,025,157	7,477,285
Total income		107,154,690	86,166,261
Expenditure:			
Administrative expenses:			
Business operations and loan	26 (a)	9,537,230	5,759,626
General administration	26 (b)	10,926,767	10,817,562
Facilities	26 (c)	6,612,090	6,146,496
Finance		509,186	716,232
Information technology		3,580,059	2,767,054
Business development unit		1,552,626	1,552,698
Board and committee expenses	27	1,258,525	1,165,424
Life savings and loan protection insurance		12,614,811	12,462,344
Interest on members' deposits		454,311	400,833
Education committee expenses		211,874	269,638
Finance costs	28	5,132,941	4,676,232
Loss on revaluation of investment property		400,000	-
Personnel costs	29	20,278,177	23,067,148
Cost of Sales		4,205,653	-
Total Expenditure		77,274,250	69,801,287
Net income from operations		29,880,440	16,364,974
Net loss – appliance centre	30	-	(885,018)
Net surplus before taxation		29,880,440	15,479,956
Taxation		(33,759)	-
Net surplus after taxation		29,846,681	15,479,956
Other Comprehensive Income:			
Fair value loss on financial assets classified as fair value through other comprehensive income		(1,008,161)	(2,381,824)
Fair value gain on disposal of equity instruments classified as fair value through other comprehensive income		114,400	-
Increase in revaluation reserve		57,428,771	-
Total Comprehensive Income for the year		86,381,691	13,098,132

(The accompanying notes form an integral part of these consolidated financial statements)

TRINIDAD AND TOBAGO POLICE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED STATEMENT OF APPROPRIATED FUNDS AND UNDIVIDED EARNINGS

31 DECEMBER 2025

	General Reserve Fund ($)	Education Fund ($)	Investment Re-measurement Reserve ($)	Revaluation Reserve ($)	Undivided Surplus ($)	Total $
Balance, 1 January 2025	71,190,907	15,167,786	(6,926,471)	15,037,045	85,705,808	180,175,075
Total comprehensive income for the year	-	-	(1,008,161)	57,428,771	29,846,681	86,267,291
Transfer of fair value gain/(loss) on disposal of investment in equity instruments designated as at FVTOCI	-	-	114,400	-	(114,400)	-
Appropriations of net surplus for the year:						
10% to General Reserve Fund	2,971,670	-	-	-	(2,971,670)	-
5% to Education Fund	-	1,485,835	-	-	(1,485,835)	-
	74,162,577	16,653,621	(7,820,232)	72,465,816	110,980,584	266,442,366
Dividends and Honorarium	-	-	-	-	(16,046,889)	(16,046,889)
Entrance fees	36,790	-	-	-	(36,790)	-
Education Fund expense	-	(211,874)	-	-	211,874	-
Balance, 31 December 2025	74,199,367	16,441,747	(7,820,232)	72,465,816	95,108,779	250,395,477
Balance, 1 January 2024	69,838,374	14,782,517	(4,544,647)	15,037,045	93,738,539	188,851,828
Total comprehensive income for the year	-	-	(2,381,824)	-	15,479,956	13,098,132
Appropriations of net surplus for the year:						
10% to General Reserve Fund	1,309,813	-	-	-	(1,309,813)	-
5% to the Education Reserve Fund	-	654,907	-	-	(654,907)	-
	71,148,187	15,437,424	(6,926,471)	15,037,045	107,253,775	201,949,960
Dividends & Honorarium	-	-		-	(21,774,885)	(21,774,885)
Entrance fees	42,720	-	-	-	(42,720)	-
Education Fund expense	-	(269,638)	-	-	269,638	-
Balance, 31 December 2024	71,190,907	15,167,786	(6,926,471)	15,037,045	85,705,808	180,175,075

(The accompanying notes form an integral part of these consolidated financial statements)

TRINIDAD AND TOBAGONPOLICE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS

	31 December	
	2025 ($)	2024 ($)
Cash flows from operating activities:		
Net surplus for the year	29,880,440	15,479,956
Expected credit losses	8,275,389	5,014,162
Loss on disposal of assets	36,069	-
Gain on disposal of assets	(100,758)	-
Loss on revaluation of investment properties	400,000	-
Depreciation	6,519,988	6,419,752
Operating surplus before changes in working capital	45,011,128	26,913,870
Net change in accounts receivable and prepayments	862,258	4,559,180
Net change in accrued interest on loans	(206,220)	(75,600)
Net change in accounts payable and accruals	27,180,196	6,117,920
Net change in inventories	55,740	218,094
Net change in loans to members	(123,045,131)	(108,434,646)
Net change in members' deposits	17,717,546	14,025,527
	(32,424,483)	(56,675,655)
Tax paid	(33,759)	-
Net cash used in operating activities	(32,458,242)	(56,675,655)
Cash flow from investing activities:		
Proceeds from net sale of investment securities	19,759,474	12,952,301
Net change in property, plant and equipment	(13,976,604)	(8,071,609)
Net cash provided by investing activities	5,782,870	4,880,692
Cash flows from financing activities:		
Net change in members' shares	44,795,503	56,070,416
Repayment of KCL bond syndicate	(4,883,039)	(5,075,280)
Dividends paid	(16,046,889)	(21,774,885)
Net cash provided by financing activities	23,865,575	29,220,251
Net change in cash and cash equivalents	(2,809,797)	(22,574,712)
Cash and cash equivalents, beginning of year	1,163,663	23,738,375
Cash and cash equivalents, end of year	**(1,646,134)**	**1,163,663**
Represented by:		
Cash and cash equivalents	2,589,320	1,163,663
Bank overdraft	(4,235,454)	-
Net Cash and cash equivalents	**(1,646,134)**	**1,163,663**

(The accompanying notes form an integral part of these consolidated financial statements)

TRINIDAD AND TOBAGO POLICE CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

1. Incorporation and Principal Business Activity:

Trinidad and Tobago Police Credit Union Co-operative Society Limited (the "Credit Union") was incorporated in the Republic of Trinidad and Tobago and is registered under the Co-operative Societies Act Ch: 81:03. Its objectives are to promote the economic welfare of its members, encouraging the spirit and practice of thrift, self-help and co-operation and to promote the development of co-operative ideas. Its registered office is located at 61 Tenth Street, Barataria. Effective 1 January 2025, the group restructured its operations, which involved transferring the appliance centre operations to its subsidiary, PCU PLUS Limited. The financial statements of its fully owned subsidiary, PCU Plus Limited, incorporated in Trinidad and Tobago on August 10, 2018, are included in these consolidated statements.

2. Basis of Consolidated Financial Statements Preparation:

These consolidated financial statements are prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards") and are stated in Trinidad and Tobago dollars. These consolidated financial statements are stated on the historical cost basis, except for the measurement at fair value through profit and loss ("FVTPL") and fair value through other comprehensive income ("FVOCI") investments.

3. Basis of Consolidation:

The consolidated financial statements incorporate the financial statements of the Trinidad and Tobago Police Credit Union Co-operative Society Limited and its wholly owned subsidiary, PCU PLUS Limited, together referred to as the Group. The credit union has the power to govern the financial and operating policies of PCU PLUS Limited so as to obtain benefits from its activities. as to obtain benefits from its activities.

The results of PCU PLUS Limited are included in the consolidated Statement of Comprehensive Income from 1 January 2025. Where necessary, adjustments are made to the financial statements of PCU PLUS Limited to bring the accounting policies used in line with those used by Trinidad and Tobago Police Credit Union Co-operative Society Limited.

All inter-company transactions and balances have been eliminated on consolidation.

4. Use of Judgement and Estimates:

The preparation of consolidated financial statements in compliance with IFRS Accounting Standards requires management to make certain critical accounting estimates and to exercise its judgment in the process of applying the group's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the reporting date and the reported amounts of 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.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are described in **Note 7.**

TRINIDAD AND TOBAGO POLICE CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

5. Summary of the Material Accounting Policies:

(a) New Accounting Standards and Interpretations -

The Group has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they either do not apply to the activities of the Group or have no material impact on its financial statements:

IFRS 1	First-time Adoption of International Financial Reporting Standards - Amendments regarding hedge accounting for a first-time adopter (effective for accounting periods beginning on or after 1 January 2026).
IFRS 7	Financial Instruments: Disclosures - Amendments to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9: Financial Instruments (effective for accounting periods beginning on or after 1 January 2026).
IFRS 7	Financial Instruments: Disclosures - Amendments regarding contracts referencing nature-dependent electricity (effective for accounting periods beginning on or after 1 January 2026).
IFRS 7	Financial Instruments: Disclosures - Amendments to move the disclosure requirements in IAS 1 regarding puttable financial instruments, classified as equity instruments, to IFRS 7 (effective for accounting periods beginning on or after 1 January 2027).
IFRS 9	Financial Instruments - Amendments to address matters identified during the post-implementation review of the classification and measurement requirements of the standard (effective for accounting periods beginning on or after 1 January 2026).
IFRS 9	Financial Instruments - Amendments to address a potential lack of clarity in the application of the requirements in the standard to account for an extinguishment of a lessee's lease liability (effective for accounting periods beginning on or after 1 January 2026).
IFRS 9	Financial Instruments - Amendments regarding contracts referencing nature-dependent electricity (effective for accounting periods beginning on or after 1 January 2026).

TRINIDAD AND TOBAGO POLICE CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

5. **Summary of the Material Accounting Policies (Cont'd):**

(a) New Accounting Standards and Interpretations - (cont'd)

IFRS 9 Financial Instruments - Amendments to address the potential confusion between the definitions of the term 'transaction price' in IFRS 15: Revenue from Contracts with Customers, and the standard (effective for accounting periods beginning on or after 1 January 2026).

IFRS 10 Consolidated Financial Instruments - Amendments relating to an investor determining whether another party is acting on its behalf as a 'de facto agent' (effective for accounting periods beginning on or after 1 January 2026).

IFRS 18 Presentation and Disclosure of Financial Statements (effective for accounting periods beginning on or after 1 January 2027).

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for accounting periods beginning on or after 1 January 2027).

IAS 7 Statement of Cash Flows – Amendments to address the use of the term 'cost method' that is no longer defined in IFRS Accounting Standards (effective for accounting periods beginning on or after 1 January 2026).

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – IAS 8 (2005) will be superseded by IAS (2024) Basis of Preparation of Financial Statements when an entity applies IFRS 18 (effective for accounting periods beginning on or after 1 January 2027).

IAS 21 The Effects of Changes in Foreign Exchange Rates – Amendments to specify when a currency is exchangeable and how to determine the exchange rate when it is not exchangeable (effective for accountability periods beginning on or after 1 January 2025).

IAS 33 Earnings Per Share -Amendments to permit an entity to disclose additional earnings per share in the notes to the financial statements only if the numerator is either a total or subtotal identified in IFRS 18 or is a management performance measure (effective for accounting periods beginning on or after 1 January 2027).

IAS 34 Interim Financial Reporting – Amendments that requires an entity to include in its interim report the disclosures about management-defined performance measures required by IFRS 18 (effective for accounting periods beginning on or after 1 January 2027).

TRINIDAD AND TOBAGO POLICE CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

5. Summary of Material Accounting Policies (Cont'd):

(b) Property, plant and equipment -

Property and Equipment are stated at historical cost less accumulated depreciation except for certain land and buildings which is stated at fair value. Depreciation is provided on the reducing balance method, except for building and computers, which are depreciated on the straight-line basis.

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

Buildings	- 2%
Leasehold improvements	- 20%
Computer equipment and software	- 20%
Fixtures and fittings	- 10%
Motor vehicles	- 33 1/3%
Office furniture and equipment	- 10%
Computer Equipment – Board and Committee	- 33 1/3%

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

Increases in the carrying amount arising on revaluation of land and buildings are credited to revaluation reserve in shareholders equity. Decreases that offset previous increases of the same asset are charged against revaluation reserves directly in shareholders' equity; all other decreases are charged to the statement of comprehensive income. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the Consolidated Statement of Comprehensive Income and depreciation based on the asset's original cost is transferred from revaluation reserve to shareholders' equity. When revalued assets are sold, the amounts included in revaluation reserves are transferred to shareholders' equity.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. 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 recognized within the "Other (losses)/gains – net" in the Consolidated Statement of Comprehensive Income.

TRINIDAD AND TOBAGO POLICE CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

5. Summary of Material Accounting Policies (Cont'd):

(c) **Revenue recognition -**

Revenue includes interest on loans to members, which is computed on the effective interest rate method, as well as income from investments. The effective interest method is used in the calculation of the amortized cost of investment securities held at amortized cost, and in the allocation and recognition of the interest income.

Loan Interest
Interest charged on all loans to members is calculated at a range between 3% to 12% per annum, on the reducing balance at the end of each month and is accounted for on the accruals basis.

Non-performing loans are amounts for which interest no longer continues to be accrued and taken into income on an ongoing basis because there is doubt as to the recoverability of the loans. Income from non-performing loans is taken into income on a cash basis, but only after prior specific allowances for losses have been made.

For non-performing loans, specific allowances are made for the unsecured portion of the loan. The amount of the allowance is dependent upon the extent of the delinquency.

Investment Income
Income from investments is accounted for on the accruals basis except for dividends, which are accounted for on a cash basis, consistent with IAS 10.

(d) **Dividends payable to members -**

Dividends are computed on the basis of the average value of shares in issue throughout the year, the average being determined on the basis of the value of shares held at the end of each month. Dividends that are proposed and declared after the reporting date are not shown as a liability as at the reporting date.

(e) **Foreign currency -**

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange ruling at the reporting date. All revenue and expenditure transactions denominated in foreign currencies are translated at the average rate and the resulting profits and losses on exchange from these trading activities are recorded in the Consolidated Statement of Comprehensive Income.

TRINIDAD AND TOBAGO POLICE CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

5. Summary of Material Accounting Policies (Cont'd):

(f) Provisions -

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(g) Inventories -

Inventories have been valued at the lower of cost and net realisable value. Cost is determined on the average cost basis.

(h) Investment property -

Properties held for long-term rental yields and capital appreciation, which is not substantially occupied by the Group are classified as investment properties. Investment properties comprise land and buildings and are stated at revalued amounts less accumulated depreciation which is provided on a straight-line basis.

(i) Taxation -

The profits arising from the Group's activities are exempt from income tax, as per the Corporation Tax Act section 6 (1) (d). The Credit Union pays Green Fund Levy at 0.3% of its gross receipts.

Income Tax

Income taxes are accounted for using the Statement of Financial Position liability method whereby:

- current and deferred taxes are recognised as income or expense;
- a deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available to recognise the asset; and
- deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

5. Summary of Material Accounting Policies (Cont'd):

(i) **Taxation (cont'd) -**

Current Tax

Current tax assets and liabilities for the current period is measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred Tax

Deferred income tax is provided, using the liability method on all temporary differences at the Statement of Financial Position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry-forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

(j) **Cash and cash equivalents -**

Cash and cash equivalents are short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risks of change in value. These are shown at cost, which is equivalent to fair value.

Cash and cash equivalents also comprise cash balances that are payable on demand and deposits with maturities of three months or less from the date of acquisition. Bank overdrafts are disclosed as current liabilities.

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5. Summary of Material Accounting Policies (Cont'd):

(k) Members' deposit savings and time deposits -

Members' deposits are initially measured at fair value, net of any transaction costs directly attributable to the issuance of the instrument. Members' deposits are subsequently measured at amortized cost, using the effective interest rate method.

(l) Members' shares -

Upon opening an account at the Group, new members are required to subscribe for a minimum of one share. Subsequently, every member subscribes at least twelve shares per annum to his/her share capital in the Group. Members can withdraw all or any portion of their unencumbered shares from the Group at any time.

Members' shares are classified as other financial liabilities under the IAS 32 *Financial Instruments: Disclosure and Presentation* and are measured at par value.

(m) Accounts payable and accruals -

Liabilities for creditors and other payables are classified as accounts payable and accruals and initially measured at fair value net of any transaction costs directly attributable to the issuance of the instrument and subsequently carried at amortized cost using the effective interest rate method.

(n) Funds and reserves -

Included within this consolidated financial statement caption are the following funds and reserves:

(i) General Reserve Fund

In accordance with the Co-operative Societies Act (Section 47(2)) and By-laws 12(a) of the Credit Union, at least 10% of the net surplus of each year is transferred to the reserve fund. The reserve fund is indivisible, and no member is entitled to any specific share thereof.

Under Regulation 47 of the Co-operative Society Act 1971, the reserve fund of a Credit Union may, with the approval of the Commissioner, be applied to meet bad debts or losses sustained through extraordinary circumstances over which the Credit Union has no control.

(ii) Education Fund

In accordance with By-laws 12(a) of the Credit Union, an amount of 5% of the net surplus for the year, is transferred to the education fund. This fund is to be used for educational purposes.

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5. Summary of Material Accounting Policies (Cont'd):

(n) Funds and reserves (cont'd) -

(iii) Investment Re-Measurement Reserve

The Group created an investment re-measurement reserve to include unrealized gain/losses on investments recorded as fair value through other comprehensive income.

(o) Leases -

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- There is an identified asset;
- The Group obtains substantially all the economic benefits from the use of the asset; and
- The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease. In determining whether the Group obtains substantially all the economic benefits from the use of the asset, the Group considers only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Group considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRS Accounting Standards rather than IFRS 16.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low-value assets; and
- Leases with a duration of 12 months or less.

The Group has one lease which is considered a short-term lease and as such has been exempted from IFRS 16 requirements.

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5. Summary of Material Accounting Policies (Cont'd):

(p) Comparative Information -

The comparative data has not been adjusted to conform with changes in presentation in the current year as the group did not exist as at December 31, 2024.

(q) Financial instruments -

All recognized financial assets that are within the scope of IFRS 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 Group reassesses its business models each reporting period to determine whether they have changed. No such changes have been identified for the current year.

Principal 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.

i. Recognition and initial measurement

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

The Group measures fair values in accordance with IFRS 13, which defines fair value as 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. The credit union uses a 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.

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5. Summary of Material Accounting Policies (Cont'd):

(q) Financial instruments (cont'd) -

A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

ii. 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 at FVOCI'*.

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.

iii. Reclassification

If the business model under which the Group 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 Group opted to treat at FVTOCI cannot be reclassified.

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5. Summary of Material Accounting Policies (Cont'd):

(q) **Financial instruments (cont'd) -**

iv. Impairment

Financial assets 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 Group under contract; and (ii) the cash flows that the Group 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 Group considers that a significant increase in credit risk has occurred, and the asset is deemed to be at Stage 2 and the loss allowance is measured as the lifetime ECL.

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5. Summary of Material Accounting Policies (Cont'd):

(q) **Financial instruments (cont'd) -**

iv. Impairment (cont'd)

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 asset 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 Group 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 Group also considers a financial asset to be credit impaired if the borrower is unlikely to pay its credit obligation. To determine this, the Group takes into account both qualitative indicators such as unemployment, bankruptcy, divorce or death and quantitative indicators, such as overdue status. The Group uses 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 Group will measure the loss allowance based on lifetime rather than twelve-month ECL.

Modification and Derecognition of Financial Assets

The Group renegotiates loans to customers in financial difficulty to maximize 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 Group assesses whether this modification results in derecognition of the original loan, such as when the renegotiation gives rise to substantially different terms.

5. Summary of Material Accounting Policies (Cont'd):

(q) **Financial instruments (cont'd) -**

iv. Impairment (cont'd)

Modification and Derecognition of Financial Assets (cont'd)

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, Group will measure loss allowance at an amount equal to lifetime ECL.

Write-off

Loans and receivables are written off when the Group has no reasonable expectations of recovering the financial asset, for example, when the Group 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 Group's enforcement activities will result in gains.

Financial Liabilities

Since the Group does not trade in financial liabilities, and since there are 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.

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).

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5. Summary of Material Accounting Policies (Cont'd):

(q) **Financial instruments (cont'd) -**

iv. Impairment (cont'd)

Measurement of ECL (cont'd)

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The Group'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.

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

An analysis of the Group 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.

31 December 2025

Loans	Stage 1 $	Stage 2 $	Stage 3 $	Total $
Personal loans	260,017,737	9,247,909	21,876,036	291,141,682
Back Pay loans	3,832,875	88,900	97,687	4,019,462
Vehicle loans	96,265,464	5,784,252	3,206,087	105,255,803
Other loans	164,728,001	4,779,105	7,945,389	177,452,495
Free Yourself loans	342,938,945	13,170,300	23,287,424	379,396,669
Total gross carrying amount	**867,783,022**	**33,070,466**	**56,412,623**	**957,266,111**

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

	Stage 1 12 month ECL $	Stage 2 Lifetime ECL $	Stage 3 Lifetime ECL $	Total $
Loss allowance, beginning of year	1,500,533	129,105	12,851,132	14,480,770
Write-offs / change in ECL	(147,097)	830,981	7,011,879	7,695,763
Loss allowance, end of year	**1,353,436**	**960,086**	**19,863,011**	**22,176,533**

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31 DECEMBER 2025

5. Summary of Material Accounting Policies (Cont'd):

(q) **Financial instruments (cont'd) -**

iv. Impairment (cont'd)

Measurement of ECL (cont'd)

31 December 2024

Loans	Stage 1 $	Stage 2 $	Stage 3 $	Total $
Personal loans	268,679,772	6,780,973	17,667,779	293,128,524
Back Pay loans	5,443,038	-	19,207	5,462,245
Vehicle loans	80,288,098	2,340,694	437,565	83,066,357
Other loans	125,015,913	2,792,539	5,225,779	133,034,231
Free Yourself loans	293,088,103	9,465,969	17,686,200	320,240,272
Total gross carrying amount	772,514,924	21,380,175	41,036,530	834,931,629

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

	Stage 1 12 month ECL $	Stage 2 Lifetime ECL $	Stage 3 Lifetime ECL $	Total $
Loss allowance, beginning of year	2,075,341	108,823	9,289,981	11,474,145
Write-offs / change in ECL	(574,808)	20,282	3,561,151	3,006,625
Loss allowance, end of year	1,500,533	129,105	12,851,132	14,480,770

Security

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

General loans	Shares in the credit union
Mortgage	Deed of Mortgage on property lending *
Vehicle loans	Deed of Mortgage on vehicles

*The Group 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.

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31 DECEMBER 2025

5. **Summary of Material Accounting Policies (Cont'd):**

(p) Financial instruments (cont'd) -

iv. Impairment (cont'd)

Assets obtained by taking possession of collateral

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

	31 December	
	2025 ($)	2024 ($)
Shares	-	15,745
Vehicles	575,000	682,509
Assets obtained by taking possession of collateral	575,000	698,254

6. **Financial Risk Management:**

Financial Instruments

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

	2025	
	Carrying Value ($)	Fair Value ($)
Financial Assets		
Cash and cash equivalents	2,589,320	2,589,320
Investments securities	68,181,522	68,181,522
Accrued interest on loans	6,236,506	6,236,506
Accounts receivable and prepayments	3,398,534	3,398,534
Loans to members	935,089,578	935,089,578
Financial Liabilities		
Bank overdraft	4,235,454	4,235,454
Accounts payable and accruals	67,985,256	67,985,256
KCL Bond syndicate	58,954,902	58,954,902
Members deposits	104,018,798	104,018,798
Members shares	846,636,832	846,636,832

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6. Financial Risk Management:

Financial Instruments (cont'd) -

	2024	
	Carrying Value ($)	Fair Value ($)
Financial Assets		
Cash and cash equivalents	1,163,663	1,163,663
Investments securities	88,818,134	88,818,134
Accrued interest on loans	6,030,286	6,030,286
Accounts receivable and prepayments	4,260,792	4,260,792
Loans to members	820,450,859	820,450,859
Financial Liabilities		
Accounts payable and accruals	40,805,060	40,805,060
KCL Bond syndicate	63,837,941	63,837,941
Members deposits	86,301,252	86,301,252
Members shares	801,841,329	801,841,329

As at 31 December 2025, loans totalling **$22,176,533** (2024: **$14,480,770)** were considered impaired. The individually impaired loans mainly relate to members who are in unexpected difficult economic situations.

The aging of the impaired loans is as follows:

	31 December	
	2025 ($)	2024 ($)
Less than 1 month (Stage 1)	1,353,436	1,500,533
More than 1 month but less than 3 months (Stage 2)	960,086	129,105
More than 3 months (Stage 3)	19,863,011	12,851,132
	22,176,533	14,480,770

As at 31 December 2025, a total of **$22,176,533** (2024: **$14,480,770**) in loans were considered to be past due but not impaired. This value includes loans whose payments were received after the year-end date, but which, at that date, were considered to be due.

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31 DECEMBER 2025

6. Financial Risk Management (Cont'd):

Financial Instruments (cont'd) -

Loans identified as past due but were not considered to be impaired are as follows:

	31 December	
	2025 ($)	2024 ($)
More than 1 month but less than 3 months (Stage 2)	32,110,379	21,251,070
More than 3 months (Stage 3)	36,549,612	28,185,398
	68,659,991	49,436,468

Financial Risk Factors

The Group 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 Group 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 Group 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 market conditions and yields.

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6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(a) Interest Rate Risk (cont'd) -

i) Bonds

The Group invests mainly in medium to long term bonds consisting of both floating rate and 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 value will not impact the Consolidated Statement of Comprehensive Income.

The Group actively monitors bonds with maturities greater than ten years, as well as the interest rate policies of the Central Bank of Trinidad and Tobago.

ii) Loans

The Group generally invests in fixed rate loans for terms not exceeding ten years. These are funded mainly from members' deposits and shares.

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31 DECEMBER 2025

6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(a) Interest Rate Risk (cont'd) -

iii) Interest rate sensitivity analysis

The Group'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.

31 December 2025	Effective Rate $	Up to 1 year $	1 to 5 years $	Over 5 years $	Non-Interest Bearing $	Total $
Financial Assets						
Cash and cash equivalents	0.01%	2,589,320	-	-	-	2,589,320
Investment securities	4.99%	33,803,212	18,967,551	6,610,485	8,800,274	68,181,522
Accrued interest on loans		-	-	-	6,236,506	6,236,506
Accounts receivable and prepayments		-	-	-	3,398,534	3,398,534
Loans to members	5.76%	19,505,376	282,545,680	633,038,522	-	935,089,578
		55,897,908	301,513,231	639,649,007	18,435,314	1015,495,460
Financial Liabilities						
Bank overdraft	8.50%	4,235,454	-	-	-	4,235,454
Accounts payable and accruals		67,985,256	-	-	-	67,985,256
KCL Bond syndicate		7,294,942	38,339,451	13,320,509	-	58,954,902
Members' deposits		104,018,798	-	-	-	104,018,798
		183,534,450	38,339,451	13,320,509	-	235,194,410
		(127,636,542)	263,173,780	626,328,498	18,435,314	780,301,050

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6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(a) Interest Rate Risk (cont'd) -

iii) Interest rate sensitivity analysis (cont'd)

31 December 2024	Effective Rate $	Up to 1 year $	1 to 5 years $	Over 5 years $	Non-Interest Bearing $	Total $
Financial Assets						
Cash and cash equivalents	0.01%	1,163,663	-	-	-	1,163,663
Investment securities	4.99%	41,089,503	26,372,066	9,662,530	11,694,035	88,818,134
Accrued interest on loans		-	-	-	6,030,286	6,030,286
Accounts receivable and prepayments		-	-	-	4,260,792	4,260,792
Loans to members	6.02%	150,671,023	669,077,733	702,103	-	820,450,859
		192,924,189	695,449,799	10,364,633	21,985,113	920,723,734
Financial Liabilities						
Accounts payable and accruals		40,805,060	-	-	-	40,805,060
KCL Bond syndicate		5,891,701	27,785,808	30,160,432	-	63,837,941
Members' deposits		86,301,252	-	-	-	86,301,252
		132,998,013	27,785,808	30,160,432	-	190,944,253
		59,926,176	**667,663,991**	**(19,795,799)**	**21,985,113**	**729,779,481**

At 31 December 2025, if the interest rate increased/decreased by 1% with all other variables constant, post-tax profit for the year would have been **$7,803,010** (2024: **$7,077,944**) lower/higher.

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31 DECEMBER 2025

6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(b) Credit Risk -

Credit Risk is the risk that a member will default on his contractual obligations resulting in financial loss to the Group. Credit risk mainly arises from loans, and because it represents the Group's main income generating activity, credit risk is the principal risk for the Group.

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 reporting date. The Group 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 Group'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 Group's loan portfolio is managed and consistently monitored by the Credit Committee and is adequately secured by collateral and where necessary, allowances have been established for potential credit losses on delinquent accounts.

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

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

TRINIDAD AND TOBAGO POLICE CREDIT UNION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(b) Credit Risk (cont'd) -

Credit Risk Management

The Group's credit committee is responsible for managing the Credit Union's credit risk by:

(i) ensuring that the Group has appropriate credit risk practices, including an effective system of internal control, to consistently determine adequate allowances in accordance with the Group's policies and procedures, IFRS Accounting Standards and relevant supervisory guidance.

(ii) identifying, assessing and measuring credit risk across the Group, from an individual financial instrument to the portfolio level.

(iii) creating credit policies to protect the Group against the identified risks, including obtaining collateral from borrowers, performing robust ongoing credit assessment of borrowers, and continually monitor exposures.

(iv) as far as possible, limiting concentrations of exposure by type of loan, industry, credit rating, geographic location, etc.

(v) establishing a robust control mechanism for loan approval.

(vi) categorising exposures according to the degree of risk of default.

(vii) developing and maintaining processes for measuring ECL.

(viii) providing guidance to promote best practice in the management of risk.

The internal audit function performs regular audits making sure that the established controls and procedures are adequately designed and implemented.

The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than thirty (30) days past due, unless the Group has reasonable and supportable information that demonstrates otherwise. The Group has monitoring procedures to ensure that significant increase in credit risk is identified before default occurs.

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6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(b) Credit Risk (cont'd) -

Credit Risk Management

Financial assets that are neither past due nor impaired

	31 December	
	2025 ($)	2024 ($)
Cash and cash equivalents held in reputable financial institutions	2,041,519	10,553
Investments with no default anticipated	68,181,522	88,818,134
Accounts receivable with full repayment expected	3,398,534	4,260,792
Loans to members	935,089,578	756,533,621
	1,008,711,153	849,623,100

(c) Liquidity Risk -

Liquidity Risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability but can also increase the risk of losses. The Group has procedures with the object of minimising 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 Group is exposed to daily calls on its available cash resources to settle financial and other liabilities.

Risk Management

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

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6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(c) Liquidity risk (cont'd) -

Liquidity Gap

The Group's exposure to liquidity risk is summarized in the table below which analyses assets and liabilities based on the remaining period from the reporting date to the contractual maturity date.

	Due on Demand ($)	Up to 1 Year ($)	1 to 5 Years ($)	Over 5 Years ($)	Total ($)
31 December 2025					
Assets					
Cash	2,589,320	-	-	-	2,589,320
Investment securities	8,800,274	33,803,212	18,967,551	6,610,485	68,181,522
Accrued interest on loans	-	6,236,506	-	-	6,236,506
Accounts receivable	-	3,398,534	-	-	3,398,534
Loans to members	4,786,327	14,719,049	282,545,680	633,038,522	935,089,578
	16,175,921	58,157,301	301,513,231	639,649,007	1,015,495,460
Liabilities					
Bank overdraft	4,235,454	-	-	-	4,235,454
Accounts payable and accruals	-	67,985,256	-	-	67,985,256
KCL Bond syndicate	-	7,294,942	38,339,451	13,320,509	58,954,902
Deposits	104,018,798	-	-	-	104,018,798
Shares	846,636,832	-	-	-	846,636,832
	954,891,084	75,280,198	38,339,451	13,320,509	1,081,831,242
Liquidity Gap	(938,715,163)	(17,122,897)	263,173,780	626,328,498	(66,335,782)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(c) Liquidity risk (cont'd) -

31 December 2024	Due on Demand ($)	Up to 1 Year ($)	1 to 5 Years ($)	Over 5 Years ($)	Total ($)
Assets					
Cash	1,163,663	-	-	-	1,163,663
Investment securities	11,694,035	41,089,503	26,372,066	9,662,530	88,818,134
Accrued interest on loans	6,030,286	-	-	-	6,030,286
Accounts receivable	4,260,792	-	-	-	4,260,792
Loans to members	4,859,634	145,811,389	669,077,733	702,103	820,450,859
	28,008,410	186,900,892	695,449,799	10,364,633	920,723,734
Liabilities					
Accounts payable and accruals	40,805,060	-	-	-	40,805,060
KCL Bond syndicate	-	5,891,701	27,785,808	30,160,432	63,837,941
Deposits	86,301,252	-	-	-	86,301,252
Shares	801,841,329	-	-	-	801,841,329
	928,947,641	5,891,701	27,785,808	30,160,432	992,785,582
Liquidity Gap	(900,939,231)	181,009,191	667,663,991	(19,795,799)	(72,061,848)

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(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 Group's measurement currency. The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Group's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

	USD (TT equivalent) $	CAD (TT equivalent) $	Total $
31 December 2025			
Cash and cash equivalents	39,170	-	39,170
Investment securities	9,275,621	477,996	9,753,617
	9,314,791	**477,996**	**9,792,787**
31 December 2024			
Cash and cash equivalents	89,333	-	89,333
Investment securities	8,912,704	268,036	9,180,740
	9,002,037	**268,036**	**9,270,073**

Reporting date spot rate	**2025**	**2024**
USD	6.7704	6.7474
CAD	5.1192	5.1629

At 31 December 2025, if the currency had weakened/strengthened by 5% against the United States Dollar (USD) with all other variables constant, post-tax profit for the year would have been **$465,740** (2024: **$450,102**) lower/higher, mainly as a result of foreign exchange losses/gains on translation of USD denominated balances.

At 31 December 2025, if the currency had weakened/strengthened by 5% against the Canadian Dollar (CAD) with all other variables constant, post-tax profit for the year would have been **$23,900** (2024: **$13,402**) lower/higher, mainly as a result of foreign exchange losses/gains on translation of CAD denominated balances.

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6. Financial Risk Management (Cont'd):

Financial Risk Factors (cont'd)

(e) Operational Risk -

Operational Risk is the risk that derives from deficiencies relating to the Group information technology and control systems, as well as the risk of human error and natural disasters. The Group's systems are evaluated, maintained and upgraded continuously.

(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 Group.

(g) Reputation Risk -

The risk of loss of reputation arising from the negative publicity relating to the Group's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Group. The Group applies procedures to minimize this risk.

7. Critical Accounting Estimates and Judgements:

The preparation of Consolidated Financial Statements in accordance with IFRS Accounting Standards requires management to make judgements, estimates and assumptions in the process of applying the Group's accounting policies.

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 Group makes estimates and assumptions concerning the future and 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:

Changes in accounting estimates are recognized in the Consolidated 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.

TRINIDAD AND TOBAGO POLICE CREDIT UNION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

7. **Critical Accounting Estimates and Judgements (Cont'd):**

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

i) Whether investments are classified as Fair Value through Profit and Loss, Fair Value through Other Comprehensive Income or Amortized Cost.

ii) Which depreciation method for plant and equipment is used.

iii) Business model assessment:

The Group reassesses its business models 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 Group 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 that 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 Group 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 Group 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.

7. Critical Accounting Estimates and Judgements (Cont'd):

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 are as follows:

i) Impairment of Assets

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

ii) Probability of Default (PD)

Probability of Default (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.

iii) Loss Given Default (LGD)

Loss Given Default (LGD) is an estimate of the percentage loss arising on default and is based on the difference between the contractual cash flows due and those that the Group 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.

iv) Fair value measurement and valuation process

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

v) Exposure at Default (EAD)

Exposure at Default (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.

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7. **Critical Accounting Estimates and Judgements (Cont'd):**

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.

8. **Cash and Cash Equivalents:**

	31 December 2025 ($)	2024 ($)
Cash in hand - Trinidad	410,890	990,195
Cash in hand - Tobago	136,911	162,915
First Citizens Bank Limited	2,041,519	7,522
Guardian Asset Management Limited	-	3,031
	2,589,320	1,163,663

9. **Investment Securities:**

	31 December 2025 ($)	2024 ($)
Investment securities measured at FVTOCI	8,800,274	11,694,035
Investment securities measured at FVTPL	4,325,997	11,192,674
Investment securities measured at amortized cost	55,055,251	65,931,425
	68,181,522	88,818,134

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9. Investment Securities (Cont'd):

Investment securities measured at FVTOCI	31 December 2025 ($)	2024 ($)
Mutual Fund Units		
Trinidad and Tobago Unit Trust Corporation – Calypso Fund	-	1,885,600
Trinidad and Tobago Unit Trust Corporation – First Scheme	1,593,362	1,623,669
Quoted Equities		
Republic Financial Holdings Limited	2,673,761	2,924,644
First Citizens Bank Limited	1,947,904	2,321,663
Trinidad and Tobago NGL Limited	588,249	1,062,985
Grace Kennedy Limited	322,710	344,100
Guardian Holdings Limited	314,727	314,727
Royal Bank of Canada	477,996	268,036
National Commercial Bank of Jamaica Limited	192,000	239,000
Jamaica Money Market Brokers	39,151	55,120
Trinidad Cement Limited	11,603	15,680
Unquoted Equities		
LinCU Limited	3,034,500	3,034,500
Central Finance Facility Co-operative Society	625,000	625,000
Less: Expected Credit Loss	(3,020,689)	(3,020,689)
Investment securities measured at FVTPL	**8,800,274**	**11,694,035**
Mutual Fund Units		
Trinidad and Tobago Unit Trust Corporation	2,140,587	7,614,186
Guardian Group Trust Limited	2,050,573	3,013,651
RBC Royal Bank - Roytrin Mutual Fund	134,837	564,837
	4,325,997	**11,192,674**

TRINIDAD AND TOBAGO POLICE CREDIT UNION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

9. **Investment Securities (Cont'd):**

	31 December 2025 ($)	31 December 2024 ($)
Investment securities measured at amortized cost		
Bonds		
Government of the Republic of Trinidad and Tobago	10,604,734	13,166,150
Trinidad and Tobago Mortgage Finance	7,587,395	10,642,198
Aspire Fund Management	8,021,529	7,908,630
Tobago House of Assembly	5,047,014	5,023,507
Telecommunication Services of Trinidad and Tobago	4,561,409	4,695,162
National Insurance Property Development Company Limited	3,040,405	4,407,721
Jokhan Limited	3,276,438	2,976,438
First Citizens Investment Services Limited	2,120,966	2,088,790
BP Trinidad and Tobago	1,406,609	1,391,882
Guardian Holdings Limited	1,005,000	1,044,497
Repurchase Agreements		
Sagicor Financial Corporation	3,035,572	2,979,162
Participation Investment Certificates		
Bayshore Finance Trinidad and Tobago Limited	3,126,045	4,442,041
KCL Capital Market Brokers Limited	-	1,031,677
Corporate Notes		
Firstline Oil Notes Limited	2,065,945	4,253,681
Towers Consortium Consultancy Limited	2,557,113	2,408,595
Discounted Invoice		
Towers Consortium Consultancy Limited	834,000	837,241
Less: Expected Credit Loss	(3,234,923)	(3,365,947)
	55,055,251	65,931,425

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10. Accrued Interest on Loans:

	31 December 2025 ($)	2024 ($)
Accrued interest	6,305,472	6,099,252
Less: Expected Credit Loss	(68,966)	(68,966)
	6,236,506	**6,030,286**

11. Accounts Receivable and Prepayments:

	31 December 2025 ($)	2024 ($)
Other receivables	1,624,168	2,040,800
Emergency medical fund receivable	1,038,856	1,305,129
Prepayments	459,261	449,357
Rent receivable	409,070	416,070
V.A.T. recoverable	182,049	364,306
Mt. Marie Guest House - trade receivables	219,645	219,645
Less: Expected Credit Loss	(534,515)	(534,515)
	3,398,534	**4,260,792**

12. Inventories:

	31 December 2025 ($)	2024 ($)
Fast moving consumer goods	1,850,282	1,889,612
Stationery	13,467	16,996
Janitorial	3,014	11,410
Commissary	602	5,087
	1,867,365	**1,923,105**

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13. Loans to Members:

	31 December 2025 ($)	31 December 2024 ($)
a) Loan categories		
Free Yourself loans	379,396,670	320,240,272
Personal loans	291,141,682	293,128,524
Special Vehicle loans	105,255,803	83,066,357
Christmas loans	99,849,930	65,625,173
Welcome loans	21,073,528	17,151,663
Equity loans	22,135,588	14,233,986
Vehicle loans	454,205	1,272,932
Back to School loans	11,850,810	8,856,793
Vacation loans	6,940,092	7,752,599
Dividend Multiplier loans	4,692,697	5,853,661
Back Pay loans	4,019,462	5,462,245
Consumer loans	1,892,000	2,656,845
Land loans	2,156,232	2,580,917
Share Incentive 2011 loans	639,553	2,500,505
Wedding loans	1,535,354	1,503,588
999 Share Incentive loans	307,348	1,269,567
Soft loans	1,770,181	1,257,652
Share Incentive Plan loans	1,980,149	261,470
Staff Vehicle loans	162,978	241,895
LinCu loans	11,849	14,985
Total loans to members	957,266,111	834,931,629
Less Expected Credit Loss	(22,176,533)	(14,480,770)
	935,089,578	**820,450,859**
b) Expected Credit Loss:		
Balance brought forward	14,480,770	11,474,145
Write off of loans provided for	(710,649)	(2,007,537)
Current year Expected Credit Loss	8,406,412	5,014,162
	22,176,533	**14,480,770**

14. Investment Property:

The value of investment property reflected in the statement of financial position as at 31 December 2025 of **$2,000,000** (2024:**$2,600,000**) is based on a valuation exercise completed on October 27, 2025, by Tobago Estates Agency Limited an independent real estate valuator, on the basis of market value. The investment property is made up land and building located at #19A & #21 Mon Chagrin Street, San Fernando.

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15. Property Plant and Equipment:

Cost	Freehold Property ($)	Work in Progress ($)	Leasehold Improvements ($)	Computer Equipment and Software ($)	Fixtures and Fittings ($)	Motor Vehicles ($)	Office Furniture and Equipment ($)	Computer Equipment Board and Committee ($)	Total $
Balance, 1 January 2025	215,518,488	18,642,722	337,721	9,271,720	5,253,596	556,500	23,603,427	301,545	273,485,719
Additions	12,744,529	-	-	504,172	193,628	322,148	189,164	188,228	14,141,869
Disposals	-	-	-	(2,603,400)	(195,758)	(253,302)	(683,776)	-	(3,736,236)
Transfers	18,087,541	(18,087,541)	-	-	-	-	-	-	-
Revaluation	45,919,441	-	-	-	-	-	-	-	45,919,441
Balance, 31 December 2025	292,269,999	555,181	337,721	7,172,492	5,251,466	625,346	23,108,815	489,773	329,810,793
Accumulated Depreciation									
Balance, 1 January 2025	7,846,328	-	336,248	6,699,660	2,196,260	535,363	7,909,840	248,202	25,771,901
Charge for the year	3,662,999	-	295	861,144	312,460	61,445	1,575,610	46,035	6,519,988
Disposals	-	-	-	(2,591,759)	(189,566)	(252,859)	(601,479)	-	(3,635,663)
Revaluation	(11,509,327)	-	-	-	-	-	-	-	(11,509,327)
Balance, 31 December 2025	-	-	336,543	4,969,045	2,319,154	343,949	8,883,971	294,237	17,146,899
Net Book Value									
Balance, 31 December 2025	292,269,999	555,181	1,178	2,203,447	2,932,312	281,397	14,224,844	195,536	312,663,894
Balance, 31 December 2024	207,672,160	18,642,722	1,473	2,572,060	3,057,336	21,137	15,693,587	53,343	247,713,818

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DECEMBER 2025

15. Property Plant and Equipment(Cont'd):

Cost	Freehold Property ($)	Building ($)	Office Equipment ($)	Computer Equipment ($)	Furniture and Fittings ($)	Security System ($)	Motor Vehicle ($)	Piarco Office Assets and Infrastructure ($)	Total ($)
Balance, 1 January 2024	210,516,246	17,568,761	337,721	7,811,712	4,957,704	556,500	23,398,921	266,545	265,414,110
Additions	5,002,242	1,073,961	-	1,460,008	295,892	-	204,506	35,000	8,071,609
Balance, 31 December 2024	215,518,488	18,642,722	337,721	9,271,720	5,253,596	556,500	23,603,427	301,545	273,485,719
Accumulated Depreciation									
Balance, 1 January 2024	4,296,061	-	335,879	5,954,316	1,840,819	524,789	6,179,146	221,139	19,352,149
Charge for the year	3,550,267	-	369	745,344	355,441	10,574	1,730,694	27,063	6,419,752
Balance, 31 December 2024	7,846,328	-	336,248	6,699,660	2,196,260	535,363	7,909,840	248,202	25,771,901
Net Book Value									
Balance, 31 December 2024	207,672,160	18,642,722	1,473	2,572,060	3,057,336	21,137	15,693,587	53,343	247,713,818
Balance, 31 December 2023	206,220,185	17,568,761	1,842	1,857,396	3,116,885	31,711	17,219,775	45,406	246,061,961

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16. Bank Overdraft:

The overdraft facilities are held with Republic Bank Limited. The facility is repayable on demand and is utilised to support the Group's short-term liquidity requirements. Interest is charged at variable rates linked to the respective banks' prime lending rates.

The facilities are reviewed annually and were not in breach of any covenants as at the reporting date. The overdraft balance is classified as a current liability in the statement of financial position.

The overdraft limit of **$5 Million** is secured by a charge over the following investments:

222,848	Trinidad and Tobago NGL Limited Ordinary Shares
21,052	Guardian Holdings Limited Ordinary Shares
6,272	Trinidad Cement Limited Ordinary Shares
93,000	GraceKennedy Limited Ordinary Shares
57,325	First Citizens Group Financial Holdings Limited Ordinary Shares
51,514	JMMB Group Limited Ordinary Shares
100,000	NCB Financial Group Limited Ordinary Shares
88,195	Unit Trust Corporation First Scheme Ordinary Shares

17. Accounts Payable and Accruals:

	31 December	
	2025 ($)	2024 ($)
Members' Trust Fund	17,197,565	16,932,638
Loan expenses payable	13,897,396	6,201,165
Group medical and life	9,800,405	4,857,479
Accrued expenses	17,597,238	3,352,915
Accounts payable	4,542,860	3,319,233
Staff costs payable	1,173,018	2,724,131
Other payables	2,475,328	1,762,410
Family indemnity plan payable	687,855	1,250,293
Claims payable	576,537	270,076
VAT payable	37,054	134,720
	67,985,256	**40,805,060**

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18. KCL Bond Syndicate:

The Group completed construction of the new Head Office building at #33-35 Eastern Main Road, San Juan, with the Group taking occupation in October 2022. The project was funded in part by a TTD$90 million Bond, facilitated by KCL Capital Market Brokers Limited, which is fully subscribed by investors from within the Cooperative Movement. The full drawdown on this bond facility totalled **$72.41 million**.

Collateral pledged by the Credit Union:

- 1st priority mortgage on land and building located at #33-35 Eastern Main Road, San Juan
- 1st priority mortgage on land and building located at #17-19 Irving Street, San Fernando
- 1st priority mortgage on land and building located at #61 Tenth Street, Barataria
- 1st priority mortgage on land located at lot#125 Corner Cunapo Southern Main Road and Juteram Street, Sangre Grande
- 1st priority mortgage on land and building located at #62 Tenth Street, Barataria
- 1st priority mortgage on land and building located at #19-21 Mon Chagrin Steet, San Fernando
- Debenture over fixed and floating assets of the Group stamped to cover $72.4M.
- Assignment of a debt service reserve account with a minimum balance of 3% of the amount disbursed until the facility is repaid in full.

	31 December	
	2025 ($)	2024 ($)
Balance, beginning of year	63,837,941	68,913,221
Repayments	(4,883,039)	(5,075,280)
	58,954,902	**63,837,941**
Current portion of Bond Syndicate	7,294,942	5,891,701
Non-Current portion of Bond Syndicate	51,659,960	57,946,240
	58,954,902	**63,837,941**

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19. Members' Deposits:

	31 December 2025 ($)	2024 ($)
Member Savings	92,970,874	84,257,101
Member Term Deposits	11,047,924	2,044,151
	104,018,798	**86,301,252**

20. Members' Shares:

According to the By-Laws of the Trinidad and Tobago Police Credit Union Co-operative Society Limited (Section 6(i) and 7(a) (i)), the capital of the Society may be composed of an unlimited number of shares of $5.00 each. In accordance with International Financial Reporting Interpretation Committee (IFRIC) Interpretation 2, redeemable shares have been treated as liabilities.

21. General Reserve Fund:

In accordance with the Co-operative Societies Act, 1971, Section 47 (2) and By-Law 11 (i) of the Credit Union, at least 10% of the annual net surplus for the year of the Society is charged to the Reserve Fund.

22. Education Fund:

In accordance with By-Law 11 (i) of the Credit Union, an amount not exceeding 5% of the net surplus for the year, is transferred to the Education Fund. This fund is to be used for educational purposes.

23. Investment Re-Measurement Reserve:

The Group has created an investment reserve which includes the following:

i. Unrealized gains/losses on investments recorded as Fair Value through Other Comprehensive Income.
ii. Transfers from Retained Earnings.

24. Revaluation Reserve:

The revaluation of the Group's properties was done by independent valuators Tobago Estates Agency Limited during the year 2025. This resulted in an increase in the property revaluation reserve of **$57,428,771**.

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25. Other income:

	31 December 2025 ($)	2024 ($)
Creditor life insurance recharged	9,057,916	7,067,071
Other income	967,241	410,214
	10,025,157	7,477,285

26. Administrative Expenses:

a) Business Operations and Loans

	31 December 2025 ($)	2024 ($)
Increase in provision for expected credit losses	8,275,389	5,014,162
Local subsistence- officers	254,817	302,465
Local travelling- officers	136,815	189,525
LINCU expenses	162,700	162,000
Donations and scholarships	250,678	65,683
Trans Union expenses	16,356	13,904
Other	271,960	11,887
Discounts allowed and stock adjustments	168,515	-
	9,537,230	5,759,626

b) General Administration

	2025 ($)	2024 ($)
Depreciation	6,519,988	6,419,758
Legal & professional fees	2,172,812	1,795,966
Insurance	1,235,170	1,091,178
Green Fund Levy	186,908	456,277
Subscriptions/Periodicals/News	103,103	341,169
Audit fees	300,000	290,841
Annual/Special General Meeting	248,202	225,626
League dues	100,406	100,406
Tobago air fares	13,491	63,783
Doxa Ministries staff parking	26,530	25,090
Postage and freight	12,357	7,468
Transport	7,800	-
	10,926,767	10,817,562

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26. Administrative Expenses (Cont'd):

c) Facilities

	31 December 2025 ($)	2024 ($)
Security	2,009,671	2,068,873
General building maintenance	1,861,838	1,460,466
Electricity	1,064,715	970,435
Janitorial	936,588	846,775
Office rental	259,639	482,501
Repairs and maintenance	199,682	109,606
Generator maintenance	85,804	63,977
Tea supplies	54,238	55,506
Flagship expenses	56,280	33,732
Decorations	12,800	31,991
Disposal of Fixed Assets	36,069	-
Water rates	38,493	15,900
Motor vehicle rental	-	9,367
Foreign exchange translation	(3,727)	(2,633)
	6,612,090	6,146,496

27. Board and Committee Expenses:

	31 December 2025 ($)	2024 ($)
Committee expenses	537,865	438,706
Officers' allowances	447,625	417,711
Meeting expenses	273,035	309,007
	1,258,525	1,165,424

28. Finance Costs:

	31 December 2025 ($)	2024 ($)
KCL Bond Syndicate interest	4,298,124	3,970,109
Bank charges	826,407	695,158
Other finance costs	8,410	10,965
	5,132,941	4,676,232

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29. Personal Costs:

	31 December 2025 ($)	2024 ($)
Salaries basic	15,369,386	18,431,577
Gratuity	1,269,619	1,234,176
National Insurance employer's contribution	1,305,973	1,193,073
Pension plan employer's contribution	607,019	673,857
Salaries overtime	446,753	513,177
Medical plan employer's contribution	353,678	352,039
Employees education and training	281,363	334,804
Executive medical	183,731	186,764
Staff benefits	380,151	113,795
Group life employer's contribution	30,425	25,561
Casual labour	50,079	8,325
	20,278,177	**23,067,148**

30. Net Loss - Appliance Centre:

	31 December 2025 ($)	2024 ($)
Appliance Centre sales	-	5,218,995
Less: Cost of sales	-	(4,272,718)
Gross profit	-	**946,277**
Less: overhead expenses		
Salaries and wages	-	1,238,740
Administration cost	-	213,463
Discounts allowed	-	212,577
Advertising and promotion	-	51,228
Bank charges	-	41,640
Building maintenance	-	34,440
Motor vehicle repairs and maintenance	-	17,245
Office supplies	-	16,862
Travelling and subsistence	-	2,250
Utilities	-	1,347
Security	-	743
Appliance centre repairs	-	760
Total overhead expenses	-	1,831,295
Net loss	-	**(885,018)**

The operations of the appliance centre were transferred to PCU Plus Limited on 01 January 2025, and have been incorporated into the consolidated financial statements as at 31 December 2025, in accordance with IFRS 10 - Consolidated Financial Statements.

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31. 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 the fair values because of their short-term nature.

b) Members' loans -

Loans are net of specific allowances 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 conditions 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 quoted market prices available at the reporting date.

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.

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32. Capital Risk Management:

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to members and providing value to its members by offering loan and savings facilities. The Group overall strategy remains unchanged from previous years.
The capital structure of the Group consists of equity attributable to members, and comprises members' shares, reserves and retained earnings.

33. Contingent Liability:

Under the existing agreement with the Bank and General Workers' Union, the Group is contingently liable to its employees for severance payments in the event of redundancy and termination by the Group on grounds of ill-health. No provision has been made for these liabilities in the financial statements and the expense is accounted for when paid.

34. Dividends:

The Board of Directors intends to propose an average dividend of 3.5% in the amount of **$28,407,462** and an interest rebate of 1.5% in the amount of **$903,135** for the year ended 31 December 2025. This is subject to approval by the membership at the Annual General Meeting and is not recorded as a liability in these financial statements in accordance with IFRS Accounting Standards.

35. 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. The Group considers Directors and Statutory Committee members to be related parties.

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

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35. Related Party Transactions (Cont'd):

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 management personnel during the year were as follows:

	31 December	
	2025 ($)	2024 ($)
Balances at year end:		
Loans to related parties and key management	8,047,231	7,332,251
Shares held by related parties and key management	3,725,485	3,670,968
Deposit balances of related parties and key management	422,856	422,856
Transactions with related parties and key management personnel:		
Stipends, allowances and Honoraria paid to related parties	1,932,989	2,021,421
Interest income from loans to related parties and key management	469,905	412,025
Dividends paid to related parties and key management	72,809	111,945
Interest paid to related parties and key management	2,031	2,090
Key management compensation:		
Short term benefits	1,730,465	1,289,481
Post employment benefits	-	181,500

36. Subsequent events:

On 26 March 2026, the Group entered into a sale agreement for the property at 19a-21 Mon Chagrin, San Fernando. The total consideration of **$2 million**, will be recognised in the financial statements for the period in which the transaction is completed. Management has evaluated this subsequent event and determined that it does not necessitate an adjustment to the measurement of assets and liabilities as at the reporting date.

37. Capital commitments:

The Group had capital commitments totalling **$970,000** related to Computer Equipment and Software and Freehold Property. There were no other material contractual commitments to acquire property, plant and equipment as at 31 December 2025.