



**TIP** Friendly Society



**2025**  
**ANNUAL**  
**REPORT**



**TIP** Friendly Society

## Our Vision

TIP Friendly Society aims to become the leading Friendly Society that provides world class products and services for members in the educational fraternity.

## Our Mission

To improve the well-being of members and staff while contributing to the development of the wider community, by providing thrift, investment opportunities and credit facilities, sickness, accident and death benefits in the most reliable, efficient, professional and accountable manner.

## Our Values



**Honesty**



**Integrity**



**Accountability**



**Credibility**



**Respect**



**Commitment**



**Discipline**



# Table of Content

|  |     |
|--|-----|
| Notice of Annual General Meeting                       | 04  |
| Minutes of the 24 <sup>th</sup> Annual General Meeting | 06  |
| <b>REPORTS:</b>  |     |
| Committee of Management                                | 22  |
| Treasurer's  | 43  |
| Auditor's  | 51  |
| Credit Committee                                       | 130 |
| Supervisory Committee                                  | 136 |
| Management Progress                                    | 146 |
| Nominating Committee                                   | 156 |
| <b>Our Leadership and Staff</b>                        | 162 |
| <b>Obituaries</b>                                      | 170 |





## NOTICE OF ANNUAL GENERAL MEETING

The Committee of Management of TIP Friendly Society hereby gives notice of its 24<sup>th</sup> Annual General Meeting to be held in a hybrid format on **Saturday, June 6, 2026 starting at 9:00 am.**

The meeting will be held at:

**Terra Nova All Suite Hotel Jamaica,  
17 Waterloo Rd,  
Kingston.**

The meeting is to present the 2025 Audited Financial Statements and to consider and approve Resolutions submitted by the Committee of Management. These Resolutions are in respect of amendments to the Rules of TIP Friendly Society, for:

- **ARTICLE 8: MEMBERSHIP**
- **Article 17: NOMINATIONS FOR BENEFICIARY, Section V**
- **ARTICLE 18: MEETINGS, Section IV & Section VII**
- **ARTICLE 20: ELECTIONS**
- **ARTICLE 21: OFFICERS AND COMMITTEES, Section VI**
- **ARTICLE 23: POWER AND DUTIES OF THE COMMITTEE OF MANAGEMENT, Section III**
- **ARTICLE 40: DISSOLUTION, Section I**
- **ARTICLE 46: INTERPRETATION**

The meeting will be held in a hybrid format. **No children are allowed.** In keeping with our Rule Book, only financial members will be able to participate in the voting process. Financial members only must register at [www.tipfriendly.com](http://www.tipfriendly.com).

**To attend:**

1. Registration will be through our website [www.tipfriendly.com](http://www.tipfriendly.com)
2. Registration for both physical and online attendance will open on **Thursday, May 21, 2026 at 8:30 am** and close on **Thursday, May 28, 2026 at 5:00 p.m.**
3. Members selected to attend physically or online will be notified by email on **Monday, June 1, 2025.**

**Only 100 members will be selected to attend physically.**

Tamashella Smith  
SECRETARY  
MAY 18, 2026

### Serving You Is Our Pleasure!

**HEAD OFFICE**  
80 Half-Way-Tree Road  
Kingston 10  
876-618-1914

**OCHO RIOS**  
Shop 8, Ocho Rios Comm. Ctr.  
Main Street, Ocho Rios, St. Ann  
876-877-5267

**MONTEGO BAY**  
The Annex, Shop 27A  
Fairview, MoBay, St. James  
876-382-7289

**MANDEVILLE**  
24C Lot#3, Caledonia Road  
Mandeville, Manchester  
876-877-5268

 [www.tipfriendly.com](http://www.tipfriendly.com)  [mktqsales@tipfriendly.com](mailto:mktqsales@tipfriendly.com)

   [@tipfriendly\\_society](https://www.instagram.com/tipfriendly_society)



**TIP** Friendly Society

# NEED INSURANCE?

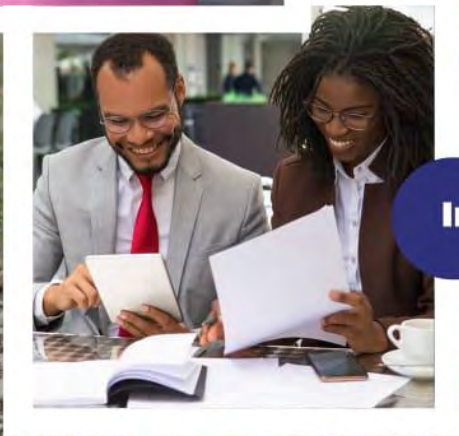
PROTECT TODAY. SAVE FOR TOMORROW. FEEL SECURE.



**Protection**



**Savings**



**Income Support**



**Peace of Mind, up to 5 million dollars.**

[www.tipfriendly.com](http://www.tipfriendly.com)

Visit Us



# MINUTES OF THE 23rd ANNUAL GENERAL MEETING OF TIP FRIENDLY SOCIETY

HELD ON JUNE 07, 2025, AT THE JAMAICA CONFERENCE CENTRE 14 – 20 PORT ROYAL STREET, KINGSTON

## 1.0 CALL TO ORDER/DEVOTIONAL EXERCISE/NOTICE

The Chairman, Dr. Garth Anderson, called the meeting to order at 10:20 a.m. having ascertained from the Secretary, Dr. Lola Bennett, that they had a quorum. He then invited Rev. Mario Samms to offer prayers.

This was followed by the devotional exercise led by Mr. Welch.

The Secretary thereafter was asked to read the Notice convening the meeting.

The Chairman apologized for the absence of the agenda in the booklet and directed the meeting to the screen where it was projected.

## 1.1 OBITUARY:

The Chairman drew the members' attention to the list of fifty-eight (58) names at the back of the Annual Report of the members who transitioned during the period under review. A minute of silence was observed in their honour.

## WELCOME:

The Chairman extended a warm welcome to all members in attendance. He reminded the meeting that its purpose was review and to assess the stewardship of the Board of Directors and those who served on the various committees for the year under review. Dr. Anderson further expressed the hope that their assessment would not be one of "could do better" but that of "well done".

He assured the members that TIP being one of the largest friendly societies remained strong and robust because of their continued support and the hard work of the Chief Executive Officer and his team. He then invited members to give them a round of applause.

He also invited the meeting to applaud the Directors and the members who served on the various committees for their sacrifice.

A special welcome was extended to the following guests:

- Ms Tanesha Facey, Department of Co-operatives and Friendly Societies, Director of Inspectorate
- Ms. Tresann Thompson, Department of Co-operatives and Friendly Societies, Senior Inspection Officer
- Ms. Phebe Henry, Stenographer
- Mr. Royal Thorpe, Auditor, Baker Tilly
- Mr. Leighton Johnson, Immediate Past President of the Jamaica Teachers' Association (JTA)

## APOLOGIES FOR ABSENCE

Apologies for absence were tendered on behalf of Ms. N. Crossman, Director from Hanover, Mrs. Sheron Matheson, Director from St. James and Mrs Jacqueline Hendricks Whyte, Director from St. Thomas.

## INTRODUCTION OF BOARD MEMBERS

Dr. Garth Anderson, President introduced the Board members seated at the head table.

## READING, CORRECTION AND CONFIRMATION OF THE MINUTES OF THE LAST ANNUAL GENERAL MEETING

Secretary Bennett took the meeting through this exercise.

The minutes having been previously circulated were taken as read on a motion moved by Mrs. Eva Coleman Stamp (Wycliffe Martin High School), seconded by Mrs. Sandra Maxwell Williams (Norman Manley High School).

### Corrections to the minutes

#### The following corrections were noted:

- Page 8 under 'Apologies for absence' 'Moureen' should read 'Maureen'
- Page 9 'Vilma Laws' should read 'Vilma Lawes'
- Page 9 'Nickeisha' should read 'Mikeisha' and should be so corrected throughout
- Page 18, 'Winter Walsh' should read 'Uter Walsh'
- Page 23 'Free Hill Primary School' should read 'Free Hill Primary and Infant'
- Page 26 'Tenecia' should read 'Tanesha'; 'Coleman' should read 'Coleman Stamp' and 'Ms Monique Gilmore' should read 'Mrs. Monique Gilmore' and 'Mr Sandra Hunter' should read 'Ms Sandra Hunter'.

There being no further corrections, the minutes were confirmed on a motion moved by Ms Lavern Johnson, (Davis Primary & Infant School) seconded by Beverley Gustaff (Retired teacher).

### Matters Arising

There were no matters arising from the minutes.

### Rule Changes

Treasurer Hall guided the meeting through this exercise. He informed the that the changes were in respect to:

- **Article 8: Membership**
- **Article 17: Nominations for Beneficiary**
- **Article 18: Meetings**
- **Article 20: Elections**
- **Article 21: Officers and Committees**
- **Article 23: Power and Duties of the Committee of Management**
- **Article 40: Dissolution; and,**
- **Article 46: Interpretation**

He thereafter read all the changes and asked for comments or questions.

- With regards to Article 17, Section V which had a rule proposed of increasing the entrance fee from \$100 to \$1000, Ms Camille Douglas (Excelsior High School) queried what was the reason for the change. Mr. Hall pointed out that the fee was set at \$100 over twenty years ago when it could cover the cost for photocopying papers and preparing the documentation but inflation has made the increase necessary.
- With respect to Article 21 regarding officers absenting themselves without reasonable excuse', Ms Janice Johnson (Somerset Primary School) queried how would 'reasonable excuse' be defined. Mr. Hall explained whether the excuse was considered reasonable is determined by the Committee's acceptance of it.

- With respect to Article 23 Section III, concerning the special levy to be applied within 30 days of the occurrence of the event, Mr. Basil Jones (Wolmers Girls High School) asked if 30 days would be enough. Mr. Hall explained that the 30 days did not speak to the commencement of the event but the Board at any point during the pandemic could make a determination during the pandemic provided that it is did so within 30 days, following the end of the pandemic. Mrs. Sandra Maxwell Williams (Norman Manley High School) stated that she agreed with the time limit set as it would have to be taken on a case-by-case basis to protect the institution from having excessive claims based on an extended event.

Ms Hope Arthurs (Wait-a-bit Primary School) moved a motion that the 30 days be extended to 60 days. This was seconded by Mr. Basil Jones (Wolmers Girls High School).

- Rev. Mario Simms (Rural Hill Primary and Infant) noted that the resolution spoke to epidemic which would be local in scope whereas pandemic would be global in nature. He further moved a motion that pandemic be substituted instead of 'epidemic'.

This was seconded by Michelle Barnes (Braeton Primary).

Mr. Hall reread the resolution to include the two changes made.

Thereafter the meeting was asked to vote on the proposals that were put forward. Ms Facey of the Department of Cooperatives conducted the voting exercise. She instructed the meeting that the members who were in favour of the proposals/resolutions presented were to indicate by the show of hands with the blue armband.

She explained that for the resolutions to be carried, 186 persons were needed to vote in favour of them. At the end of the count, she announced that of the 247 members present, 155 voted for, 2 voted against and there were 90 abstentions. She declared that the amendments were not carried.

### Greeting from Past President of JTA Mr. Leighton Johnson

Mr. Leighton Johnson, Past President of the Jamaica Teachers' Association addressed the meeting. In his address he posited that as members of TIP Friendly Society have all gathered to reflect on the operations of The Society which had become a feature on the landscape of education, there is the reflective and poignant reminder of the pivotal role that the organization plays in the lives of teachers across Jamaica. He noted that TIP had cemented its place in their hearts proving itself to be more than just a financial entity and had demonstrated a steadfast commitment to supporting educators by understanding their unique needs, their aspirations and treating with their challenges, showing that they possess a profound purpose in the lives of teachers which they were eternally thankful and grateful for.

He added that the leadership that TIP showed in education through the various initiatives to include the sponsorship of educational activities, and the adoption of schools, was commendable as it exemplified what it meant to be a true partner in education, and at the Jamaica Teachers' Association launch of the 'Go Public! Fund Education Campaign' it was recommended to all other corporate entities to emulate the practices of TIP by supporting education right across the board. These initiatives continued to have a positive impact resonating throughout the education communities, meshing seamlessly with their shared vision for the advancement of education in Jamaica.

The JTA expressed heartfelt gratitude to TIP Friendly Society for its unwavering support and dedication to education and ensuring that teachers' well-beings were being addressed. He assured the meeting that together they would continue to foster an environment that prioritises growth, empowerment, and excellence in education by ensuring that teachers were at the forefront of what they do.

He once again thanked TIP for the innovations shown and for the products, they have designed and developed for the teachers and asked that they all move forward together and continue to uplift and inspire the hearts and minds of future generations by ensuring that the teachers' needs were met.

## REPORTS

### COMMITTEE OF MANAGEMENT REPORT FOR YEAR ENDED DECEMBER 31, 2024

At the close of another financial year, President Anderson expressed pleasure to share the report which was not only an account of their performance but a reaffirmation of their purpose to serve with integrity, innovation and unwavering commitment albeit the challenges experienced.

He then highlighted the following:

- He gave a brief outlook of the financial landscape in which they operated in. He noted that the point-to-point inflation rate as at December 2024 stood at 5%, according to Planning Institute of Jamaica while the Jamaican dollar ended the year at \$154 to the US dollar.
- TIP responded with discipline and foresight, offering competitive loan packages, secure savings products, and insurance coverage tailored for a cautious but hopeful membership, highlighting their ability to remain agile while upholding sound financial principles was what set them apart in the financial arena.
- TIP continued to adhere to the PEARLS ratios resulting in a healthy and well-managed institution. The protection ratio remained robust with adequate provision for delinquent loans. The Society maintained robust financial structure with assets and savings growth aligned with expectations, improved asset quality and while asset liquidity levels remained strong and stable.
- During 2024, TIP did not increase its lending, however, it increased its savings rates and was now one of the most competitive entities among its peers, offering up to 7% per annum on saving products. Dr. Anderson urged the members to save more, desist from withdrawals and instead take a loan which was at an affordable interest rate.
- Net surplus grew from \$239 million to over \$471 million, a 97% increase, which the Chairman stated was a phenomenal performance in a year when they were negatively impacted by mass migration of teachers, albeit to a lesser extent, and the other challenges.
- Delinquency rate increased exponentially and members were urged to reach out to the office if they had a difficulty paying their loans.
- Liquidity was carefully managed by ensuring that the risks remained within tolerable and viable bands as dictated by the PEARLS ratio.
- Liquid investments stood at approximately 13% for the year under review.
- The loan portfolio doubled, moving from \$2.5 billion to \$5.8 billion. The Chairman expressed gratitude to the members for the confidence they have placed in the Society.
- During the period under review, training courses were conducted for volunteers and staff in the areas of Anti-Money Laundering, and the Proceeds of Crime Act (POCA).

- The volunteers and management team submitted their annual fit and proper documentation to the regulators, a requirement placed on them to ensure that The Society had the best persons leading and managing the affairs of the Society.
- The branches were complemented by roving Business Development Officers in the various parishes in addition to the pop-up offices, and limited banking online services to ensure accessibility to all members. They were presently exploring the possibility of introducing a bus which would operate as a mobile office and would serve the parishes that did not have physical offices.
- During the year, TIP registered its 100 percent fully owned subsidiary company called TIP Investment and Real Estate chaired by Mr. Albert Corcho, and it was highlighted that all profits made from this entity would be shared among the members.
- Going forward focus would be placed on investing in innovation, deepened financial education for all stakeholders, and building a company that was agile, inclusive, and sustainable, while continuing to build on the foundation started by some of those who had transitioned.
- He recognized the presence of Mr. Ray Howell, one of the founding members and invited all to applaud him.
- The membership was reminded that TIP's core business was that of providing insurance to protect the income of members in times of disability and trauma in addition to offering financial services such as savings and loans and urged the members to upgrade their current plans to more meaningful plans in keeping with cost of living.
- He indicated that of the approximately 1000 schools, only 400 were on the School's Insurance Plan and stated that going forward the Board would be granting scholarships exclusively to colleges and schools that were on the plan.
- The meeting's attention was drawn to a table projected on screen outlining claims paid out over the three-year period.
- During the year under review TIP donated approximately \$7 million to various institutions to include schools, colleges, churches, members and JTA.
- He informed the meeting that during the year under review they adopted the Jacob's Ladder home in St. Ann run by the Mustard Seed Community and thanked the volunteers and employees who turned out to support the initiative.
- TIP was again the Title Sponsor for ISSA Girls' football competition.
- TIP provided scholarships to Primary Exit Profile (PEP's) top-performing boys and girls in each parish and continued to grant scholarships to the top-performing PEP scholars for two years of high school education. Scholarships were also provided to teachers pursuing undergraduate and post graduate studies at local universities.
- The list of products offered were projected on screen, as also the attendance of Board Members at monthly meetings.
- TIP being a member of the International Cooperative Conference, Dr. Garth Anderson, President and Mr. Clayton Hall Treasurer, attended and participated in the Conference held in New Delhi, India.
- The 5-year Strategic Business Plan developed to guide the organization for the next five years was projected on screen which members were invited to read it at a later date.

In closing, the Chairman stated that despite the challenges, they recorded solid growth in customer engagement, product uptake, and digital transformation, which successes, he added, were a testament to the team's professionalism, and members believing in TIP, and asked all present to face the future, not with fear, but with purpose.

He thanked the volunteers and management and staff for their passion, resilience and commitment, and the valued members for their unwavering commitment and support during the year.

### Questions/Queries

- Ms. Simone Miller (Castleton Primary) queried if it was possible for Grade 8 students to be awarded a scholarship as they did not get a scholarship when they entered Grade 7. The Chairman noted that currently the policy did not allow for that, but it was an item that would be taken under advisement.
- Ms Janice Johnson (Somerset Primary School) indicated that she lost her father-in-law last year and only received \$200,000 and asked if the premium could be increased so they could get a bigger payout. The Chairman stated that the idea of increasing the premium was something that they would have to look at to see how it could be rearranged but in the interim members could upgrade their current plan to a more meaningful one which he suggested earlier.
- Ms Annette Clarke (Norman Manley High School) queried if insurance was offered to students in the summer, especially the incoming grade 7 students, and if the insurance would cover right up to the end of the upcoming academic year.

The Chairman indicated that the insurance covers the students for the entire year, September to August, and for new students, the plan would start from September and end in August.

Ms. Clarke added that she had a challenge as the summer school coordinator at her school where it was stipulated that only insured students could go on field trips and questioned whether a two-month insurance could be put in place for those students. The Chairman asked her to come in and have dialogue with management.

- Mrs. Naomi Foster-Brooks (Beersheba Primary,) suggested that Teacher's Day gift be distributed the same way that the JTA had their names and their gifts were sent to the schools, that this practice be adopted by TIP. The Chairman posited that the comparison with the JTA was not a fair comparison, as JTA was a union that has the mechanism and wherewithal to do that. He added that the plan in place was that if members turned up at offices and did not get a gift because the gift ran out, the offices were instructed to take their names, as it was impossible for them to purchase gifts for 25,000 members as this was not financially viable. Mr. Hall further explained that no financial institutions anywhere on the island gives a token to every member of their organisation.

**There being no further questions/comments, the Committee of Management Report was accepted on a motion moved by Ms. Laverne Johnson (Davis Primary) seconded by Mrs. Michelle Strachan Morris (Windsor Primary)**

## TREASURER'S AND AUDITOR'S REPORTS

The Treasurer, Mr. Hall, invited Mr. Royal Thorpe from the Auditing Firm, Baker Tilly, to present the Auditor's Report. Mr. Royal guided the meeting through the Auditor's Report.

The Treasurer's Report was taken as read. He then highlighted the following:

- Operational income increased from \$849 million to \$1.12 billion in one year.
- Expenses increased by a little over \$20 million, moving from \$622 million to \$640 million.
- Surplus doubled last year's figure, ending the year 2024 at \$471.78 million.
- He directed the members to the table on page 52 of the Annual Report showing expenditure by group, with **Employee cost** being the major expense item at \$315 million, followed by **General expenses** at \$193 million, and **Finance cost**, at \$91 million.
- Whenever there was an increase in finance cost, it was a good indicator as it meant that they were doing greater business.
- 2024 ended with an undistributed surplus of \$178 million, and thereafter he directed the meeting to page 73 which outlined how the surplus of \$400 plus was distributed.
- Investments grew marginally over the period moving from \$389 million in 2023 to \$410 million.
- Members' loans grew exponentially over the period moving from \$4.6 billion to \$5.4 billion. Mr. Hall expressed the hope to hit the \$6 billion mark by the next AGM.
- Interest income to members declined during the period.

- In terms of permanent shares, over the last four years TIP consistently paid 10% dividend annually, the highest interest rate paid on permanent shares in the marketplace currently, and yet still at the end of 2024 they had just over \$70 million, which he indicated was a shocker to him as members had the option of investing up to a maximum of \$100,000 in permanent shares.
- Further in the meeting a resolution would be put to the floor, which he was asking the members to pass, that would see a guaranteed 10% return on permanent shares for the next five years commencing in 2025. He encouraged all to increase their permanent shares going forward.

In concluding, he expressed thanks, on behalf of the Finance Committee, to the various stakeholders who played a part in a successful 2024.

He thanked the external auditors for their observations and recommendations and the Department of Cooperatives and Friendly Societies for their guidance and strong regulatory oversight.

He thanked the TIP Finance Department for their continued effort to simplify the accounting process and maintaining strong internal controls.

### Questions/comments

- Mr. Ray Howell commended the Board and management for the historical surplus which moved from \$222.6 million to \$471 million. He pointed out that in relation to the PEARLS Ratio table, there was a missing column and asked that management correct it.

**Questions/comments**

- Mr. Hall indicated that the year that was missing from the PEARLS ratio was 2024, and asked the members to imput the information to the left of the table:

| Metric                                 | Percentage (%) |
|--|----------------|
| Net Loans to Total Assets              | 71.55%         |
| Savings to Assets                      | 56.24%         |
| Liquidity Reserve / Savings & Deposits | 19.16%         |
| Delinquency Rate                       | 8.51%          |
| Non-earning Assets                     | 12.34%         |
| Operating Expense / Average Assets     | 0.59%          |
| Income / Average Assets                | 1.71%          |
| Growth in Assets                       | 18.18%         |
| Growth in Membership                   | 24.62%         |

- Mr. Howell expressed concern with the movement of delinquency from 5.84% to 8.51%, the highest for the past five years, and queried what was being done to address it, and whether it was attributable to local members or the persons who migrated.
- Mr. Hall agreed that the delinquency rate had skyrocketed, and that over 70% of the delinquent borrowers had in fact migrated, and they had been exploring several partnerships with governmental and non-governmental organisations in order to reach these individuals. They also used social media as a way of seeking to provide information and publishing as well as locally.
- The Chairman added that discussions were currently taking place with other cooperatives as it was not TIP alone that was plagued with this challenge.

Dr. Andersons further stated that the Registrar had indicated that the cooperatives should collectively come to him so his office could assist and work with the wider government structure to reach those persons

- In terms of the relationship between the savings and members' loans, Mr. Howell stated that the concern members had was the disparity of the interest rate between the two, resulting in many persons opting to withdraw their funds instead of borrowing, and asked that management take a serious look at this.
- In terms of unsecured loans, Mr. Howell commended management for providing \$183 million but noted that in the document it stated that TIP unsecured loan reserve was 1% of surplus and queried if that would be able to cover the cost as stipulated by the Department of Friendly Societies. He further asked whether the current unsecured loan was under or over 80% as that would determine the provision going forward.
- Mr. Hall stated that the unsecured loan portfolio was approximately 70% of the total loan portfolio, and added that the 1% mentioned was in addition to the surplus allocation. He further added that the challenge they had with unsecured loans and loans versus savings was that cooperatives needed to use their savings as the financing for their loans, while TIP had an additional income source from insurance premiums which they use as funding for the provision of consumer loans, hence the reason The Society was able to provide for a greater loan outlay outside of their ability to attract savings. He noted that this was an area they were working on.

Ms Maxine Lewis (Essex Hall Primary) stated that the insurance premium was unattractive and so she stopped her insurance in addition the interest rates for the different products were unattractive, hence the reason why persons were not saving with them. She indicated that she was in the Christmas Partner Plan and she stopped it because the pay-out was on the 24<sup>th</sup> of December which did not allow her any room to do any shopping which the fund was meant for. She further stated that she had some money that she was willing to invest with them and asked if there was an investment that she could put it in. Mr. Hall directed her to TIP Lock and Key which he stated had an attractive interest rate as well as Platinum Eagle which had an even better interest rate.

- Mr. Hall reiterated that the major income earner was real estate, and TIP, having launched its subsidiary, would be creating an investment vehicle where if a member could not own the whole apartment, they could own a part of it and collect rent without owning the entire property. He noted that this would be coming on board soon and further information would be provided on this product.
- Ms Beverly Gustaff (retired teacher) stated that she had some funds in TIP for Wealth, but she did not understand anything about it and asked for information on it.
- Mr. Hall explained that it was a saving product and when he reached to the declaration of dividend, he would inform her of the interest rate being paid on it.

**There being no further questions or queries, the Treasurer's and Auditor's Reports were accepted on a motion moved by Mrs. Sandra Maxwell Williams (Norman Manley High School) seconded by Mrs. Marcia Grey-Excell (Negril Primary).**

## **AMENDMENT TO DONATIONS ALLOCATION**

Mr. Hall noted that \$7 million was recommended by the Board to go towards donations from the surplus but they were asking the AGM to amend the way in which donation would be made going forward by booking it as an expense instead of booking it from surplus.

Mrs. Josette Smith-Atkinson (Iris Gelly Primary School) asked why not write it off in profit tax. Mr. Hall explained that Friendly Societies were not subject to that kind of taxation, and added that the creation of the subsidiary came about because of their tax status where investment properties would be subject to taxation but TIP as an entity was not, and as such, they had to find a way to move these investment properties into a vehicle that would meet the tax requirements of government.

Ms. Facey (Department of Co-operatives) asked for the rationale behind the proposal. Mr. Hall pointed out that other entities treat it as an expense, and they wanted to ensure that their surpluses were pure where donations were not taken from it and instead budget a certain expense called 'Donations', which would form part of their budget instead of having to take it from the surplus. He stated that for this year the \$7 million set aside would be coming out of the surplus but thereafter it would be booked as an expense.

## **APPROPRIATION OF SURPLUS**

- The Board of Management proposed a dividend of 5% compared to 4% the previous year on ordinary shares. The Treasurer pointed out that 5% was what other entities pay on fixed deposits while they were paying it on regular savings.
- Permanent shares of 10% annually guaranteed for the next five years.

**This was approved on a motion moved by Ms Loraine Morgan (Angels Primary) seconded by Ms Keyon Whyne (Mount Alvernia High).**

**FIXING OF MAXIMUM LIABILITY**

The Treasurer, Mr. Hall, proposed that the maximum liability be set at 10 times the asset base.

**This was approved on a motion moved by Mrs. Estelle Davis Wright, (retired teacher) seconded by Mrs. Michelle Strachan Morris (Windsor Primary).**

At this juncture the Chairman asked for a motion to be moved to adjust the Standing Orders to take the Nominating Committee Report.

This was accepted on a motion moved by Norman Allen, seconded by Paul Clarke (G.C.Foster College).

**NOMINATING COMMITTEE REPORT AND ELECTIONS**

Mr. Normal Allen, Chairman of the Nominating Committee was invited to present the Nominating Committee Report.

He stated that in accordance with the provisions of Article 20, Section I of the Rules of the Society, the Committee of Management appointed a Nominating Committee comprising himself as Chairman, Rhamona Bromfield, Member and Mr. Wilton South, CEO.

He stated that the Committee met on April 17, 2025 where a transformational approach was taken in choosing the nominees. They looked at the criteria for the selection of the Board and committees, to include, having the requisite skills and knowledge of financial matters, meeting the fit and proper requirement and expressing a willingness to serve. The Committee ensured that the nominees selected were from the different sectors in education: tertiary, secondary, primary and early childhood levels.

He then indicated the members of the Committee of Management, Credit and Supervisory Committees who were retiring and those recommended to fill the vacancies.

**Committee of Management**

| <b>RETIRING</b>  | <b>RECOMMENDED</b>  | <b>TERM</b> |
|--|---|-------------|
| Mrs. Sheron Matheson, Principal Lecturer, Sam Sharpe Teachers' College - St. James | Ms. Keyon Whynes, Principal, Mount Alvernia High          | 3 years     |
| Mr. Robert Anderson, Bursar, Tacious Golding High School - St. Catherine           | Mr. Robert Anderson, Bursar, Tacious Golding High School  | 3 years     |
| Dr. Lola Bennett, Senior Lecturer, Church Teachers' Colleges - St. Elizabeth       | Ms. Camelia Lalor Welsh, teacher, Lacovia High            | 3 years     |
| Mr. Howard Isaacs, Principal, Moneague College – St. Ann                           | Mr. Howard Isaacs, Principal, Moneague College – St. Ann  | 3 years     |
| Ms. Claudia McLean, Retired Principal, Norwich Primary – Portland                  | Mr. Mario Samms, Principal, Rural Hill Primary            | 3 years     |
| Youth Rep – Ms. Shanice Dennis, Teacher, Rousseau Primary                          | Youth Rep – Ms. Shanice Dennis, Teacher, Rousseau Primary | 3 years     |

Mr. Allen thanked Mrs. Matheson , Dr. Lola Bennett and Ms. Claudia McLean for their yeoman services rendered to the Committee spanning nine years each.

### Credit Committee

| RETIRING  | RECOMMENDED  | TERM    |
|---|--|---------|
| Ms. Erica Ewbanks<br>Principal, Garvey<br>Maceo High School                 | Mr. Philmore<br>McCarthy, Principal,<br>Excelsior Community<br>College           | 2 years |
| Mr. Eaton<br>McNamee,<br>Principal, Broadleaf<br>Primary & Infant<br>School | Mr. Eaton McNamee<br>Principal, Broadleaf<br>Primary & Infant<br>School          | 2 years |
| Mr. Winston Smith,<br>Principal, Golden<br>Spring Primary<br>School         | Mrs. Lou-Ann<br>Bramwell Shakes,<br>Teacher, Hayes<br>Primary and Junior<br>High | 2 years |

### Supervisory Committee

The meeting was informed that all members of the Supervisory Committee retire annually.

| RETIRING   | RECOMMENDED  |
|--|--|
| Mrs. Sandra Hunter,<br>Lecturer, G.C. Foster<br>College of Physical<br>Education & Sport | Mrs. Sandra Hunter,<br>Lecturer, G.C. Foster<br>College of Physical<br>Education & Sport |
| Mr. Philmore McCarthy<br>Principal, Excelsior<br>Community College                       | Ms Erica Ewbanks,<br>Principal, Garvey Maceo<br>High                                     |
| Mr. Rohan Johnson,<br>Senior Teacher, Denham<br>Town High School                         | Mr. Rohan Johnson,<br>Senior Teacher, Denham<br>Town High                                |
| Mrs. Lou-Ann Bramwell-<br>Shakes<br>Teacher, Hayes Primary<br>and Junior High School     | Ms. Kara Polson, Norwich<br>Primary School   |
| Mr. Leon Nash<br>Administrative Officer,<br>Communication and<br>Public Relations, JTA   | Dr. Kasia Archer-Howell,<br>Education Officer, Early<br>Childhood Commission             |

### Election:

The Registrar's representative, Ms. Tanesha Facey, was invited to take the meeting through the election exercise.

She congratulated TIP for hosting another AGM and for achieving the impressive surplus, one of the highest she has ever seen. This, she added, showed that the members had an interest in the organization and there was a level of prudence being exercised in the management of the affairs of the organization.

She however noted that the Registrar expressed concern about the high delinquency rate and called on the to collectively take all necessary measures is to reduce it to an acceptable level.

She outlined the ground rules for the election and pointed out that for the parishes, only persons who live and work in the area could make nominations, but it could be seconded by anyone from another parish.

She noted that the vacancies existing on the Committee of Management were for the parishes of St. Catherine, St. James, St. Elizabeth, St. Ann and Portland and the Youth Representative

The nomination aspect of the voting began with the parish of St. Catherine. Nominations from the floor for the position were asked for by Ms. Facey , the standard three times. With no response to the call, Mr. Robert Anderson was duly elected to serve for 3 years on the Committee of Management.

She thereafter asked for nominations from the floor for Elizabeth and the parish of St. Elizabeth. Having asked for nominations from the floor three times, and hearing none, she declared Camelia Lalor Welsh duly elected to serve for a term of three years on the Board of Management,

The process continued with nominations were asked from the floor for the parish of St. James three times. Hearing none Ms. Facey declared Ms Kayon Whyne duly elected to serve for 3 years on the Committee of Management.

Nominations were then asked from the floor three times for the parish of St. Ann and hearing none, she declared Mr. Howard Isaacs duly elected to serve for 3 years on the Committee of Management.

In relation to the parish Portland, nominations from the floor were asked three times, hearing none, Mr. Mario Samms was duly elected to serve for 3 years on the Committee of Management.

In relation to the Youth Representative, she asked for nominations from the floor three times and there being none, Miss Shanice Dennis was duly elected to serve for one year as the Youth Representative.

As it related to the nominees for St. Mary, she asked that ballots be distributed and she gave instructions as to the voting procedure. Upon the request of the meeting, Mrs. Eva Coleman Stamp provided a brief profile of herself. You were the nominees and what was the score?

She thereafter asked all the newly elected persons to stand and be recognized.

### **Credit Committee**

Ms. Facey continued the election process by seeking nominations from the floor in relation to the three nominees for the Credit Committee. These were Mr. Philmore McCarthy, Mrs. Lou-Ann Bramwell- Shakes and Mr. Eaton McNamee. Nominations were asked three times from the floor in relation to the three nominees and hearing none she declared Mr. Philmore McCarthy, Mr. Eaton McNamee and Mrs. Lou-Ann Bramwell Shakes duly elected to serve for two years on the Credit Committee and asked them to stand and be recognized.

### **Supervisory Committee**

There being no nominations from the floor having been asked for three times, she declared Ms. Sandra Hunter, Ms. Erica Ewbanks, Mr. Rohan Johnson, Ms. Kara Polson and Dr. Kasia Archer-Howell duly elected to serve on the Supervisory Committee for one year and asked them to stand and be recognized.

She noted that the profiles of the new persons on the Committee of Management and committees were presented in the Annual Report in the and members could view them at their leisure.

She asked that the Committee of Management, the Credit and Supervisory Committees to meet within ten days and elect the executive and submit this information to the Registrar's office. She informed the volunteers that they were all required to fill out a fit and proper questionnaire which should be supported with a photograph and a resume and submitted to the Registrar's Office.

She thanked all for the opportunity given her to conduct the elections and wished for a successful AGM.

The Standing Order was resumed on a motion moved by Ms Ewbanks, ( school) seconded by Ms Audrey Williams, (retired teacher).

### **Lunch Break**

The Standing Order was suspended on a motion moved by Mr. Howard Isaacs, seconded by Gregory King to adjourn for lunch.

### **RESUMPTION**

**The Standing Order was resumed on a motion moved by Mr. Gregory King, seconded by Mrs. Eva Coleman Stamp. The resumption of the meeting was at 3:15 p.m.**

### **CREDIT COMMITTEE REPORT**

The report was presented by the Secretary of the Committee, Ms Ewbanks.

She apologized for the absence of the Chairman, Mr. Winston Smith, who was unavoidably absent.

She acknowledged the contribution of Ms Judith Wilson and John Emery (Moses) to the Committee during the period under review.

She outlined that the Committee carried out its functions diligently and unbiased and successfully fulfilled all its functions.

She drew the meeting's attention to the attendance record on page 159 of the Annual Report

She opined that during meetings they repeatedly discussed the core values, with honesty being the primary one and expressed surprise to see delinquency coming from former staff members. She suggested that they look at having an amnesty, among other innovative ways to cauterize the delinquency explosion.

### Questions/Comments

Queried by Ms Sharon Campbell (Clifton Primary) if a payment programme was in place for the persons who migrated, Ms Ewbanks stated that there were several agencies that they could go through to make payments, and added that they might have to look at overseas bailiffs and start publishing people's photographs.

**There being no questions, the Credit Committee Report was accepted on a motion moved by Ms Kadian Scott, seconded by Mrs. Eva Coleman Stamp.**

### SUPERVISORY COMMITTEE REPORT

Mr. Philmore McCarthy, Chair of the Supervisory Committee presented the report.

He acknowledged the members of the Committee to include:

- Ms Sandra Hunter
- Mr. Rohan Johnson
- Mrs. Lou-Ann Bramwell Shakes
- Mr. Leanon Nash.

He asked members to view the attendance record on page 167 of the Annual Report and then highlighted the following:

- The main function of the Committee was that of providing internal financial control oversight as prescribed by the regulators.
- He expressed appreciation on behalf of the Committee for the training they received which enabled them to carry out their functions more effectively.
- At the commencement of the year's activities, an Audit Plan was created to govern the way in which they conducted the business of the Committee. In addition to their duties, they assisted in the development of the Strategic Plan, and reviewed the operating budget.
- The members were assured that the management team continued to adhere to the regulatory requirements and took on board the Committee's recommendations. He added they were pleased with the outcome and actions taken by management to ensure the continuity and safe operation of the Society, and commended the Chief Executive Officer and the management team for a job well done.
- The management team was applauded for the approach taken in relation to the strategic management plan which he noted led to the success of the organisation as reported by the President and the Treasurer.
- The Chair of the Committee was invited to the retreat for the management team and was able to provide valuable input and get a better understanding as to the processes and steps taken in developing the strategic plan.

- The Committee observed the issues related to delinquency and recommended that they seek to introduce triggers to address this and put in place corrective measures.
- The Committee further recommended that more effective ways of treating with the overseas portfolios be found, and consider exploring different rates in terms of persons' risk profiles and engage in additional profiling which would assist in reducing the delinquency rate. He commended the management team for the steps taken to seek to treat with the matter.

In closing, Mr. McCarthy thanked the Department of Co-operatives and Friendly Societies for their guidance; the management team and the staff for their support and the Board of Management for their support and guidance. He thanked the Committee members for executing their duties in a professional manner and the loyal members for enabling them to serve.

### Queries/comments

Mr. Howell shared in the endorsement of the Supervisory Committee in relation to the progressive plan which he stated was professionally done and was achievable.

Mrs. Smith Atkinson (school) recommended that management look at engaging companies in the US to track down the delinquent members, which the Chairman stated was something the Financial Controller (FC) was working on and assured the meeting that steps were being taken to treat with and make it easier for members overseas to be able to pay their outstanding debts.

Ms. Helen Wilkinson (school) suggested that they develop an exchange with the teachers in different schools abroad which could assist in tracking down some of the delinquent teachers.

**There being no further questions/ comments, the Supervisory Committee Report was accepted on a motion moved by Ms. Nickeisha Griffiths (Woodford Primary & Infant) seconded by Ms. Narda James, (Falmouth Infant).**

### MANAGEMENT REPORT

The report, which was presented by the CEO, Mr. Wilton South, was taken as read.

He noted that the President referred to the FC throughout the meeting and formally introduced the FC, Mr. Hibbert Anderson who joined the team in November of 2024.

He thanked the Committee of Management for the guidance and direction given to the management team during the year under review, and the feedback given by the Credit and Supervisory Committees.

He extended thanks to the management team and the valuable and hard-working staff for their resourcefulness and dedication to the task at hand and asked them to stand and be recognized.

He then highlighted the following:

- That the long-awaited property in Cookson Pen in Portmore, St. Catherine, was rented on July 1, 2024 to HEART/NSTA Trust.
- He noted that all their properties would be now managed by TIP Real Estate and Investment Company whose external Directors were: Cecile Black, Allison Peart, Kadean Vendryes, Billy Heaven and chaired by Mr. Albert Corcho, and the two internal Directors in the form of the President, Dr Garth Anderson and the Treasurer, Mr. Clayton Hall.

- Mr. South informed the meeting of the staff complement of The Society. He stated that the total staff complement of 91 members comprised of 69 staff members at Head Office, Mandeville 8, Montego Bay 7 and Ocho Rios 7.
- 10 persons resigned since the last AGM because of varying reasons.
- The annual Strategic Planning Retreat was held, from which the Progressive Plan was developed which would be used to guide The Society over the next five years.
- At the end of December, the Asset Base stood at \$7.6 billion; Loan Portfolio stood at \$5.5 billion, and Surplus generated was a whopping \$450 million.
- Over the last three years delinquency became a major problem which was being addressed through varying methods.
- The Business Development Officer (BDO) of the year was Mr. Marquez Cole. The names of the Business Development Officers were projected on screen.
- The Society made donations of \$7 million to members, churches, schools and organisations, and provided scholarships of over \$10 million to PEP students, and those pursuing undergrad and postgrad studies locally.
- A new product termed the Critical Illness Plan would be brought to the market before the next AGM which members would be informed of.
- Focus continued to be placed on technological innovations for future expansion and growth.

In conclusion, he noted the importance of Contact Members and bemoaned the fact that this was one of their weak areas but undertook to remedy this by going out and meeting with persons to tell them about the benefits of being a Contact Member and encouraging them to become one. In addition, they were looking at putting incentives together to encourage persons to become contact members.

He thanked the members for their continued patronage and noted that there would be no TIP without them and serving them was a pleasure.

He extended thanks to the dedicated and hard-working volunteers for always putting TIP Friendly Society first, and for their tireless and invaluable service which helped to increase the status of the Society.

#### **Questions/Comments**

- Ms Maria Hemmings (Wakefield Primary) implored management to put something in place so that Contact Members, like herself, could feel appreciated. She recalled being on training once or twice and after that nothing and questioned how they were planning to empower them as Contact Members eachers.

Mr. South stated that they would be going back to the drawing board to come up with something that was more inclusive.

The Chairman added that they would be developing a regime that would ensure that contact members are treated well.

- Mr. Howell noted that loan loss provision increased by 24% over the previous year and recommended that the Board at every meeting track these write-offs with the aim of recovering at least 85% of the write-offs over the next five years. Mr. South stated that the FC, who oversaw delinquency, no doubt had taken note of that recommendation.

- In relation to the critical illness plan, Mrs. Quest-Stewart (Belmont Academy) queried if it was possible for them to partner with other insurance companies to get an additional health card, which Mr. South stated was something that would have to be explored.

**The Management Report was approved on a motion moved by Ms Whyne (Mount Alvernia) seconded by Eva Coleman Stamp.**

### **Any other Business**

Ms. Judith Wilson, Branch Operations Manager, was invited to announce the winner of the Branch of the Year. She outlined the criteria used for determining the winner and announced that Ocho Rios Branch was again the winner and was closely followed by Mandeville Branch. She noted that they would receive three prizes, one being \$100,000, and the runner-up would receive \$75,000 and invited the Chairman to make the presentation.

### **CLOSING**

In closing, the Chairman thanked management, volunteers, members, the Registrar's Department and the auditors for attending and contributing to the success of the meeting and noted that their presence was a demonstration of their commitment and dedication to TIP. He implored the members to continue investing in TIP Friendly Society and wished for all a safe journey home.

### **TERMINATION**

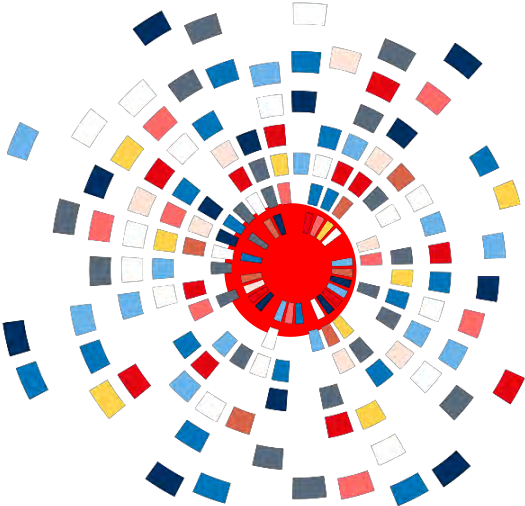
The agenda having been exhausted, the meeting was terminated at 4:21 p.m.



Dr. Garth Anderson, President

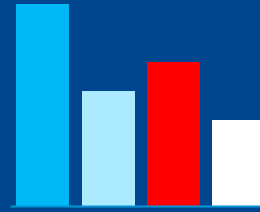
# COMMITTEE OF MANAGEMENT REPORT

For the year ended December 31, 2025



# 2025 Financial Highlights

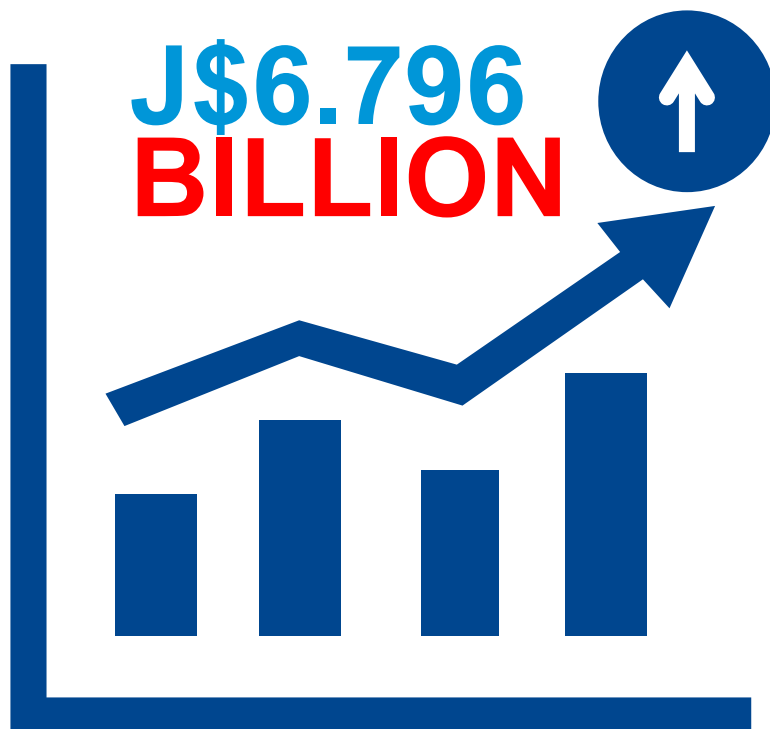
COMMITTEE OF MANAGEMENT REPORT



**J\$476.8** IN TOTAL  
**MILLION** SURPLUS

**99.88%**

INCREASE IN LOAN  
PORTFOLIO OVER 5  
YEARS



**15.2%**

INCREASE IN  
TOTAL ASSET  
BASE

**J\$8.73**  
**BILLION**

**J\$170**  
**MILLION**

CLAIMS SETTLED  
OVER 3 YEARS  
(2023-2025)

## REFLECT, INTROSPECT AND RESET

At the outset of 2025, we established the year's direction under the theme **“Reflect, Introspect & Reset.”** This theme served as a strategic guide, capturing both the realities of the period under review and the opportunities ahead. In addressing inefficiencies and past shortcomings, we reflected on key lessons, critically assessed our current position, and repositioned ourselves to respond to future demands with greater agility, innovation, and purpose.

Looking back, we acknowledged the significant strides that TIP Friendly Society made during the period under review. In maintaining stability and growth, we have continued to demonstrate resilience amid an ever evolving global and domestic economic landscape. The Society has not been immune to the challenges of rising geopolitical tensions, climate-related vulnerabilities, and tightening international financial conditions but through prudent fiscal management, and the enduring strength of our stakeholders, The Society has remained on a path of measured stability and growth.

We introspectively evaluated the challenges that persisted, including global instability, rising living costs, and ever-present risks due to climate change. The call to reset is therefore both timely and necessary. This remains an opportunity to embrace our strategies, strengthen trust, modernize operations, and continue to foster sustainable products that has not only set us apart from other institutions, but improve the wellbeing of our membership.

The Bank of Jamaica (BOJ) in 2025 maintained a cautious but gradually accommodative monetary policy stance aimed at keeping inflation within its target range of 4.0% to 6.0% while supporting macroeconomic stability. However, it cannot be ignored that there has been an increase in the cost of living, along with a higher demand for accessible, affordable financial solutions.

In this regard, The Society continued to offer very secure savings products, insurance coverages, and multiple competitive loan options to meet the need of all members of the education sector.

## Growth Strategies and Recovery Efforts

While The Society continues to move forward, major issues have both indirectly and directly affected the Society's operations. In the first half of the year, the war between Russia and Ukraine had escalated and briefly contributed to exorbitant gas prices and disruptions to supply chains for the wider economy, contributing to the growing cost of living. For the latter part of the 2025 fiscal year, the impact of the passing of Hurricane Melissa must not be ignored. Such effects included:

- Lost income and/or unexpected rebuilding costs faced by our membership in the Western Region of Jamaica.
- A demand for emergency financial support increased following widespread property and infrastructure damage.
- Brief closure and a temporary halt in operations for TIP branch offices in the affected areas.

Due to continuous efforts, we have managed to balance financial stability while supporting our members facing hardship after the disaster. In addition, temporary payment moratoriums were provided for our most affected members and The Society also distributed care packages to hurricane victims in the most affected parishes.

TIP Friendly Society activated our contingency measures to ensure continuity of service delivery and prioritized member support during the recovery period. This experience reinforced the importance of resilience planning, digital transformation, and sustainable operational strategies as The Society continues to adapt to the realities of climate risk and environmental uncertainty.

TIP Friendly Society continued to increase its access to members and is in the process of rolling out our mobile office during 2026. This initiative was strategically undertaken to expand access for members who are unable to travel to one of our branch locations. Through this mobile office, we will be able to provide many of the same services currently available at our physical offices.

### **PEARLS Performance and Financial Resilience**

The past year saw TIP Friendly Society demonstrating strong financial resilience by maintaining prudent financial management practices and aligning its operations with the PEARLS standards used by cooperative and financial institutions. That is to measure and monitor our financial structure, our protection over our membership, TIP's asset quality, liquidity, operational efficiency, and growth.

The Society has continued to focus on safeguarding members' savings, strengthening our loan and insurance portfolio, and sustaining adequate liquidity despite many economic uncertainties in Jamaica. In aligning with the PEARLS framework, we continue to express a commitment to sound governance, risk management, and long-term sustainability.

In response to the Bank of Jamaica's cautious monetary policy stance and the broader economic environment, we have adopted a disciplined and strategic approach to our financial operation. The Society reviewed its investment and lending strategies to preserve capital strength while continuing to provide accessible financial solutions to our large membership across the education sector.

### **Operating Results**

TIP Friendly Society maintained loan rates while increasing savings rates on some savings product during 2025, in response to increased competition in the financial market. TIP currently offers up to **6.5%** per annum on some savings products. We encourage you to take up these offerings when seeking savings options.

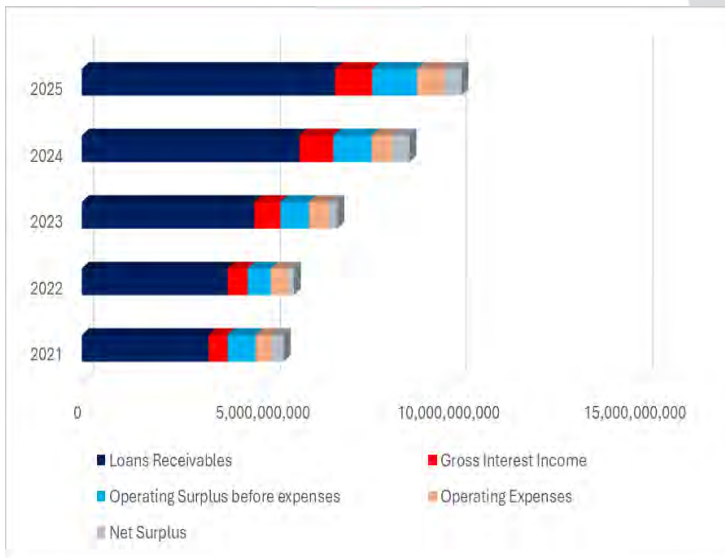
The Society recorded a net surplus of **\$476.880** million for the financial year under review, representing an increase of **1.08%** when compared to the previous year's surplus of **\$471.777** million. This marginal increase reflects The Society's financial stability and resilience in a challenging economic environment characterized by inflationary pressures, rising operational costs, and continued uncertainties within both the local and global economy. In times like these, we had to maintain prudent financial management practices while continuing to meet our operational and member obligations effectively. The performance reflects the institution's strategic focus on sustainability, risk management, and long-term value creation while navigating a more demanding economic landscape.



### Loans Management

During 2025, TIP Friendly Society maintained a disciplined and proactive approach to liquidity management in response to a rising demand in loans and withdrawals to members. The Society focused on preserving adequate cash reserves and maintaining a balanced investment portfolio to ensure that it could meet member withdrawals, loan disbursements, and operational obligations in a timely manner. We continue to assure our members that you will be able to continue accessing all our product offerings when needed. An analysis for the last 5-years shows that the loan portfolio has almost doubled, moving from \$3.400B in 2021 to approximately \$6.796B in 2025, a growth of 99.88%.

The diagram below offers a pictorial view of our progress over the period. These figures are measured from 2021-2025



### Investments

TIP Friendly Society has liquid investments in the form of preference shares, unit trust, deferred shares and bonds. The deferred shares, preference shares and bonds earn attractive fixed interest rates ranging from 8.75% to as high as 11.10%.

On the other hand, our unit trust portfolio moves in tandem with market trends. For the year under review, the combined portfolio grew by an average of 2.26% when compared with prior year balances.

### Upholding Accountability and Fiscal Responsibility

During the review period, TIP Friendly Society remained steadfast in upholding the principles of probity, accountability, and fiscal responsibility as central pillars of its governance framework. In an economic environment marked by inflationary pressures, global uncertainty, and evolving financial risks, The Society continued to exercise prudent financial stewardship to safeguard members' funds and ensure the long-term sustainability of the institution. Management and the Board has maintained strict oversight of financial operations, ensuring that all decisions are being guided by transparency, ethical conduct, regulatory compliance, and are working in the best interests of our membership.

The Society reinforced its commitment to sound governance through disciplined budgeting, effective internal controls, and ongoing monitoring of operational and financial performance. Expenditure management remained a priority throughout the year, with careful assessment of costs, investment decisions, and allocation of resource to preserve financial stability while continuing to deliver quality services to members. TIP Friendly Society also maintained compliance with relevant statutory and regulatory requirements, strengthening confidence among members, stakeholders, and partners.

As part of its broader commitment to fiscal responsibility, The Society continued to enhance its risk management and audit functions to support operational integrity and institutional resilience. Regular financial reviews, policy assessments, and governance evaluations enabled the organization to respond proactively to emerging challenges while maintaining strong liquidity and capital adequacy positions. These efforts has shown The Society's dedication towards having sustainable growth, maintaining the trust and the confidence of its members during this period of economic reflection, introspection, and reset.

TIP places a high value on the training of all our volunteers and staff. It is through training that up-to-date skills are acquired, and reminders are provided for routine activities. We continue to expose our volunteers and staff to the tenets of good corporate governance via training in Anti-Money Laundering (AML) and the Proceeds of Crime Act (POCA).

All volunteers and management staff are required to submit their annual Fit and Proper documentation to our regulators, the Department of Cooperatives and Friendly Societies, within one month of the Annual General Meeting.

We continue to encourage our volunteers, management, and staff to harness their collective expertise, think innovatively, and propose strategies that will keep TIP ahead of its competitors. In support of this objective, The Society implemented a five-year Strategic Business Plan effective January 1, 2025, to guide our medium-term growth and development. Progress report on the targets and outcomes is presented to the Board monthly as part of the ongoing monitoring process.

## **REGIONAL SERVICES**

Our Head Office at 80 Half Way Tree Road is supported by branches in convenient locations:

- The Annex at Fairview, Montego Bay; 24C,
- Lot #3 Caledonia Road, Mandeville; Shop 8,
- Ocho Rios Commercial Centre, Ocean Village Shopping Centre, Main Street, Ocho Rios, St. Ann;

These offices are complemented by our Business Development Officers, who provide pop-up services in several parishes. This will be supported by our soon to be added mobile office that becomes available at the end of June 2026.

We also encourage you to utilise the many available features of our website and stay updated on events through our available social media platforms.

## **TIP Investment and Real Estate Company**

In October 2024, TIP incorporated its wholly owned subsidiary, **TIP Investment and Real Estate Company**. The company continues to be governed by a seven-member board whose expertise spans law, real estate, business management, and education. Operational preparations are well advanced, and the company is expected to expand its activities in the second half of 2026. These activities are expected to include the leasing of TIP-owned properties at Drax Hall, St. Ann and Cookson Pen, St. Catherine. Additional acquisitions are also under active consideration and are anticipated to materialize during 2026. Further plans are being developed to provide members with investment opportunities, including the holding of preference shares, as part of the company's strategy to raise capital for project financing.

### **Looking Ahead: Navigating Shifts in Technology and Global Competition**

As The society moves into a new fiscal year, our institution remains focused on navigating the rapid shifts in technology, member expectations, and increasing economic competition. The accelerating pace of digital transformation continues to reshape how financial institutions operate and deliver value, requiring organizations to become more agile, innovative, and responsive. In recognition of these changes, The Society is committed to adapt to this landscape. We will continue to modernize our operations, strengthen our digital platforms, also improving service and accessibility to better meet the needs of our continuously growing and increasingly technology-driven membership base.

The rise of fintech solutions, digital banking services, and global financial connectivity presents both opportunities and challenges for traditional member-based institutions. We recognize that maintaining competitiveness will require continuous investment in technology, cybersecurity, and human capital development. By embracing innovation and leveraging data-driven decision-making, The Society aims to streamline our processes, provide more secure and convenient financial solutions while preserving the personalized and trusted service that remain a hallmark of the institution.

Looking forward, we will continue to strengthen The Society's resilience through sustainable growth initiatives. We remain committed to fostering a culture of adaptability to respond to an increasingly interconnected and competitive global environment.

Guided by our mission and cooperative values, TIP Friendly Society is positioning itself, not only to withstand future disruptions, but to seize new opportunities that will support long-term value and improve the economic well-being of its members and communities.

### **Members' Contribution/Insurance Premium**

TIP Friendly Society's primary mission continues to be the provision of annuity and insurance solutions designed to protect the financial well-being of our members during periods of disability, illness, trauma, and other life-changing events. In addition to these core services, The Society also offers a range of financial products, including savings and loan facilities, to support the broader financial needs of our members. While we remain mindful of the challenging economic environment and the constrained fiscal conditions affecting many households, we recognize that these circumstances often increase the financial burden associated with unexpected medical expenses and other personal obligations.

Accordingly, members are encouraged to review and strengthen their existing coverage by selecting insurance plans that are better aligned with today's rising healthcare costs and the realities of current morbidity and mortality trends. Enhancing your coverage today can provide greater financial security and peace of mind for you and your family in the future.

TIP has been fulfilling its mandate in providing members with tangible benefits. The table below provides you with an understanding of how the money you spend on TIP insurance products has benefitted your families over the last three (3) years. In fact, over \$170.094 million in claims were settled for the three (3) years 2023, 2024, & 2025, when compared to the prior three years of \$162.108 million. This includes money paid to reinsurers.

**TIP FRIENDLY SOCIETY SUMMARY CLAIMS REPORT JANUARY TO DECEMBER 2025**

| <b>TIP Friendly Society</b>        |                      |                      |                      |
|------------------------------------|----------------------|----------------------|----------------------|
| <b>Summary Claims Report</b>       |                      |                      |                      |
| <b>Type of Claims</b>              | <b>2025</b>          | <b>2024</b>          | <b>2023</b>          |
| <b>Accident</b>                    | 2,087,239.36         | 1,863,556.21         | 1,749,313.72         |
| <b>Sickness</b>                    | 5,557,353.45         | 11,231,304.29        | 9,361,171.17         |
| <b>Maternity</b>                   | 792,000.00           | 421,000.00           | 439,000.00           |
| <b>Death Claims Self Insurance</b> | 13,086,670.00        | 12,564,333.57        | 11,791,176.04        |
| <b>Student Plan Self Insurance</b> | 11,441,235.25        | 2,700,321.44         | 2,681,873.53         |
| <b>Total Paid</b>                  | 36,964,498.06        | 28,780,515.51        | 26,012,534.48        |
| <b>Exgratia</b>                    | 4,000,000.00         | 250,000.00           | 10,000.00            |
| <b>Grand Total</b>                 | <b>40,964,498.36</b> | <b>29,030,515.51</b> | <b>26,022,534.46</b> |
| <b>Total Count</b>                 | <b>475</b>           | <b>490</b>           | <b>440</b>           |

**REINSURERS EXPENSES 2025**

| <b>TIP Friendly Society</b>       |                      |                      |                      |
|-----------------------------------|----------------------|----------------------|----------------------|
| <b>Reinsurance Expenses 2025</b>  |                      |                      |                      |
| <b>Expenses</b>                   | <b>2025</b>          | <b>2024</b>          | <b>2023</b>          |
| <b>Personal Accident</b>          | 5,450,309.60         | 4,865,954.62         | 5,041,138.58         |
| <b>Group Life</b>                 | 21,748,589.00        | 17,387,552.21        | 19,583,535.00        |
| <b>Total Payout to Reinsurers</b> | <b>27,198,898.60</b> | <b>22,253,506.83</b> | <b>24,624,673.58</b> |

**Obituaries**

It is with deep sadness that we report the deaths of Fifty (50) of our members during the year 2025. May their souls rest in peace. **Kindly find this listing at the back of this annual report.**

**Corporate Social Responsibility**

TIP continues to expand our social community outreach throughout Jamaica, for the benefit of our stakeholders, by giving back to the community over the years. TIP Friendly Society caters to the financial needs of persons employed in Jamaica’s education sector. We deem it our responsibility to give back to the sector we serve and beyond. Please review the figures below to get a better understanding of our corporate giving for 2025.

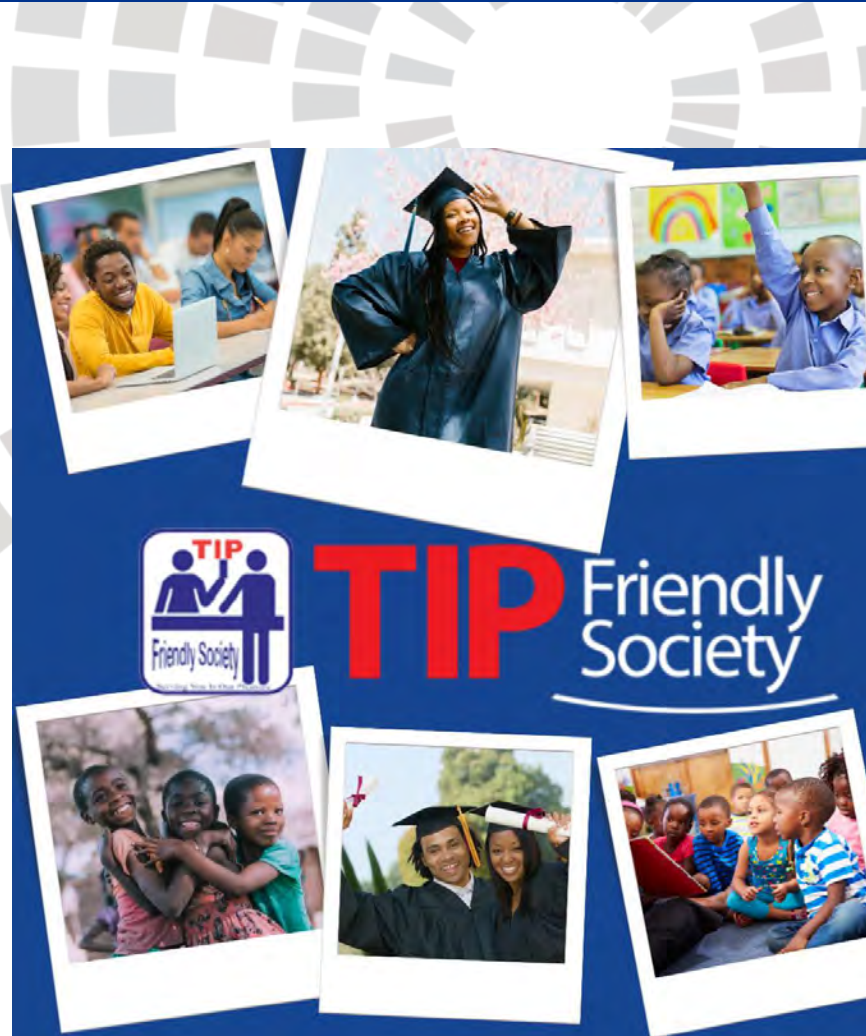
**Donations**

|                               |                                      |                              |                           |
|-------------------------------|--------------------------------------|------------------------------|---------------------------|
| <b>\$4,417,600</b><br>Schools | <b>\$479,058</b><br>Clubs/ Charities | <b>\$385,000</b><br>Colleges | <b>\$53,000</b><br>Church |
| <b>\$1,090,000</b><br>Members | <b>\$345,000</b><br>JTA              |                              |                           |

**TIP Scholarship Programme**

Our benevolence is also demonstrated through the giving back of scholarships to PEP students from each parish where at least one parent is a member. TIP provided scholarships to the top boy and girl in each parish. Financial support is also provided to the top performing awardees among our PEP scholars for an additional four years of their high school education.

TIP is also proud to provide scholarships to teachers pursuing undergraduate and postgraduate studies at local universities. We extend heartfelt congratulations to all the scholarship recipients for 2025 listed in the table below. We wish them every success in their studies.



## 2025 Scholarship Awardees

| 2025 P.E.P. SCHOLARSHIP AWARDEES                                 |                             |               |       |              |
|--|-----------------------------|---------------|-------|--------------|
| NAME OF STUDENT  | TIP MEMBER (PARENT)         | PARISH        | GRADE |              |
| DIJONAE GORDON   | DEBRA-KAYE STEWART          | KINGSTON      | 318.6 | \$ 40,000.00 |
| AYDEN SCOTT  | SASHAUN ARCHER              | KINGSTON      | 362.9 | \$ 40,000.00 |
| BRIHANNA BLAGROVE  | SCORSHANE ROBINSON-BLAGROVE | PORTLAND      | 286   | \$ 40,000.00 |
| MALACHI COUSINS  | MARSHA WRAY-COUSINS         | PORTLAND      | 357.7 | \$ 40,000.00 |
| AVYANNA HENRY  | SANCHIA MCBEAN              | ST. ANN       | 375.1 | \$ 40,000.00 |
| ASIA HENRY   | SANCHIA MCBEAN              | ST. ANN       | 370.8 | \$ 40,000.00 |
| DA'JHAUNE HALL   | MARSHA HALL                 | ST. ANN       | 347.1 | \$ 40,000.00 |
| I'SAUNA LEDGISTER  | SHERRIE-ANN FINDLAY         | ST. ELIZABETH | 370.7 | \$ 40,000.00 |
| NOEL SICHERAN  | NICOLE ORRIDGE              | ST. ELIZABETH | 382.1 | \$ 40,000.00 |
| HOWAN LEDFORD  | HOWARD LEDFORD              | ST. ELIZABETH | 368.8 | \$ 40,000.00 |
| NATHANYA THOMPSON  | SIMONE CAMPBELL-THOMPSON    | ST. JAMES     | 388.8 | \$ 40,000.00 |
| LIAM RUSSELL (REPLY)   | KARIM RUSSELL               | ST. JAMES     | 391.7 | \$ 40,000.00 |
| KHAVOI CROOKS  | SIMONE BARRETT-CROOKS       | ST. JAMES     | 383.3 | \$ 40,000.00 |
| JAYDEJA MORRIS   | DEIDRE SOLOMON-MORRIS       | ST. MARY      | 323.9 | \$ 40,000.00 |
| ETHAN BOURNE   | KAREEN PURCELL-BOURNE       | ST. MARY      | 308.5 | \$ 40,000.00 |
| DAMARA NEVERS  | DAMAIN NEVERS               | ST. THOMAS    | 359.9 | \$ 40,000.00 |
| JAMAIN CUNNINGHAM  | KERESHA STEWART CUNNINGHAM  | TRELAWNY      | 374.6 | \$ 40,000.00 |
| 2025 BEVERLEY MILLER P.E.P. AWARDEES (CLARENDON RECIPIENTS)      |                             |               |       |              |
| NAME OF STUDENT  | TIP MEMBER (PARENT)         |               |       |              |
| KAYA ABBOTT  | FITZROY ABBOTT              |               | 365.4 | \$ 45,000.00 |
| XAUNDRE BARRETT  | CAMESA PENCIL               |               | 352.5 | \$ 45,000.00 |
| 2025 JUDITH THOMPSON P.E.P. AWARDEES (MANCHESTER RECIPIENTS)     |                             |               |       |              |
| NAME OF STUDENT  | TIP MEMBER (PARENT)         | PARISH        |       |              |
| RI-CHANNE THOMAS   | ANTHONEAL KNIGHT-THOMAS     |               | 380.4 | \$ 45,000.00 |
| DERWIN MAYNARD   | MARIE POWELL                |               | 339   | \$ 45,000.00 |
| 2025 LIVINGSTON ALLEN P.E.P. AWARDEES (ST. CATHERINE RECIPIENTS) |                             |               |       |              |
| NAME OF STUDENT  | TIP MEMBER (PARENT)         | PARISH        | GRADE |              |
| ARI MURRAY   | DAIN MURRAY                 |               | 384.3 | \$ 45,000.00 |
| LA'SHANAE BURTON   | KAREN BROWN-BURTON          |               | 380.2 | \$ 45,000.00 |

|  |                            |               |       |                 |
|--|----------------------------|---------------|-------|-----------------|
| NAPHTALI TOMLINSON   | MONIQUE LEWIS-MARAGH       |               | 369.8 | \$<br>45,000.00 |
| <b>2025 WAYNE MULLINGS P.E.P. AWARDEES (ST. ANDREW RECIPIENTS)</b>                     |                            |               |       |                 |
| <b>NAME OF STUDENT</b>   | <b>TIP MEMBER (PARENT)</b> | <b>PARISH</b> |       |                 |
| AMELIA DIXON   | DANIEL DIXON               |               | 371.3 | \$<br>45,000.00 |
| KHYLE ROBINSON   | NICCOLA NELSON-ROBINSON    |               | 384.7 | \$<br>45,000.00 |
| <b>2025 STAFFORD BLAKE P.E.P. AWARDEES (WESTMORELAND RECIPIENTS)</b>                   |                            |               |       |                 |
| <b>NAME OF STUDENT</b>   | <b>TIP MEMBER (PARENT)</b> | <b>PARISH</b> |       |                 |
| DAVIANAE BROWN   | CLAUDIA RICKETTS-BROWN     |               | 327.5 | \$<br>45,000.00 |
| ANDREW ROMANS  | MICHELLE BENNETT-ROMANS    |               | 378.6 | \$<br>45,000.00 |
| <b>2025 P.E.P. SCHOLARSHIP AWARDEES (STAFF)</b>  |                            |               |       |                 |
| <b>NAME OF STUDENT</b>   | <b>TIP STAFF (PARENT)</b>  |               |       |                 |
| ANNALIA EBANKS   | TABRINA CREARY             |               |       | \$<br>40,000.00 |
| JAIDEN ISAACS  | SHANNON BROWN              |               |       | \$<br>40,000.00 |
| KOURTNEY HARVEY  | MOYA-LEE DICKENSON-HARVEY  |               |       | \$<br>40,000.00 |
| <b>REPEAT P.E.P. AWARDEES FROM 2024 (PAST AWARDEES WHO EXCELLED IN 1ST FORM)</b>       |                            |               |       |                 |
| <b>NAME OF STUDENT</b>   | <b>TIP MEMBER (PARENT)</b> | <b>PARISH</b> |       |                 |
| ARIELLE SMITH  | STACEY-ANN BURRELL         |               | 95.7  | \$<br>40,000.00 |
| KAJEAN MORRIS  | KAMAYLA SMITH              |               | 91.2  | \$<br>40,000.00 |
| KARILEE BROWN  | NERISA DAVIS-BROWN         |               | 90.5  | \$<br>40,000.00 |
| CHARIZMA BROWN-SIMPSON   | ELEANOR BROWN-SIMPSON      |               | 87.4  | \$<br>40,000.00 |
| RICHELLE DOYLE   | KEASHA THOMAS-DOYLE        |               | 86.6  | \$<br>40,000.00 |
| ANIELA RILEY   | VALCIA ELLINGTON-RILEY     |               | 85.8  | \$<br>40,000.00 |
| <b>STAFF REPEAT P.E.P. AWARDEES FROM 2024 (PAST AWARDEES WHO EXCELLED IN 1ST FORM)</b> |                            |               |       |                 |
| JERMAINE MILLS   | DONNALEY DRUMMOND          |               |       | \$<br>40,000.00 |
| LEONA BARNABY  | LEON BARNABY               |               |       | \$<br>40,000.00 |
| <b>REPEAT P.E.P. AWARDEES FROM 2023 (PAST AWARDEES WHO EXCELLED IN 2ND FORM)</b>       |                            |               |       |                 |
| <b>NAME OF STUDENT</b>   | <b>TIP MEMBER (PARENT)</b> | <b>PARISH</b> |       |                 |
| ELIANA MCGREGOR  | SUZETTE MCGREGOR           | KINGSTON      | 87.7  | \$<br>40,000.00 |
| MICKEL GRAHAM  | SHELLY-ANN STEWART-GRAHAM  | ST. JAMES     | 86.3  | \$<br>40,000.00 |
| KEANDRA KING   | MAXINE DOBSON-KING         | KINGSTON      | 85.1  | \$<br>40,000.00 |

| <b>REPEAT P.E.P AWARDEES FROM 2022 (PAST AWARDEES WHO EXCELLED IN 3RD FORM)</b>               |                                |   |      |               |
|---|--------------------------------|---|------|---------------|
| <b>NAME OF STUDENT</b>  | <b>TIP MEMBER (PARENT)</b>     | <b>PARISH</b>                           |      |               |
| KELECIA HOILETT   | KEMISHA MCCURRIE               | MANCHESTER                              | 89.3 | \$ 40,000.00  |
| KAYLIE GORDON   | KAYDIAN SCOTT                  | MANCHESTER                              |      | \$ 45,000.00  |
| ZOEY DAVIS  | CAVEEN KHAN                    | MANCHESTER                              | 85.4 | \$ 40,000.00  |
| <b>REPEAT P.E.P AWARDEES FROM 2021 (PAST AWARDEES WHO EXCELLED IN 4TH FORM) - FINAL AWARD</b> |                                |   |      |               |
| <b>NAME OF STUDENT</b>  | <b>TIP MEMBER (PARENT)</b>     | <b>PARISH</b>                           |      |               |
| LA'TAVIER BURTON  | COURTNEY BURTON                | KINGSTON                                | 93.2 | \$ 40,000.00  |
| <b>2025 CONTINUED SCHOLARSHIP GRANT</b>   |                                |   |      |               |
| <b>NAME OF STUDENT</b>  | <b>TIP MEMBER (PARENT)</b>     | <b>PARISH</b>                           |      |               |
| AQEEL BADDAL  |                                |   |      | \$ 40,000.00  |
| <b>2025 SYLVIA SPENCE SCHOLARSHIP AWARDEES (UNDERGRADUATES)</b>                               |                                |   |      |               |
| <b>NAME OF TIP MEMBER</b>   | <b>PLACE OF EMPLOYMENT</b>     | <b>SCHOOL ATTENDING</b>                 |      |               |
| TRUDY EDWARDS-DUNBAR  | MITCHELL TOWN PRIMARY & INFANT | SHORTWOOD TEACHERS' COLLEGE             |      | \$ 150,000.00 |
| LINTON ALLEN  | DUPONT PRIMARY                 | SHORTWOOD TEACHERS' COLLEGE             |      | \$ 150,000.00 |
| ABBY-GAIL HYLTON  | MANDEVILLE INFANT              | CHURCH TEACHERS' COLLEGE                |      | \$ 150,000.00 |
| NICKIESHA SCOTT-GORDON  | PHILADELPHIA PRIMARY           | SHORTWOOD TEACHERS' COLLEGE             |      | \$ 150,000.00 |
| DIAN PALMER   | LIBERTY HILL INFANT            | CHURCH TEACHERS' COLLEGE                |      | \$ 150,000.00 |
| MICHELLE DENTON-RICHARDS  | MANDEVILLE PRIMARY             | CHURCH TEACHERS' COLLEGE                |      | \$ 150,000.00 |
| <b>2025 VILMA LAWES-MUNROE SCHOLARSHIP AWARDEES (POST-GRADUATES)</b>                          |                                |   |      |               |
| <b>NAME OF TIP MEMBER</b>   | <b>PLACE OF EMPLOYMENT</b>     | <b>SCHOOL ATTENDING</b>                 |      |               |
| ZOYA KNIGHT-SAMUELS   | WINDSOR SCHOOL OF SPECIAL ED   | UWI                                     |      | \$ 200,000.00 |
| JOVAN DWYER   | NEW WORKS PRIMARY & INFANT     | UWI                                     |      | \$ 200,000.00 |
| SASKIEA WHYTE   | MANNINGS SCHOOL                | UWI                                     |      | \$ 200,000.00 |
| ADESUWA OMOREGIE  | CHURCH'S TEACHERS' COLLEGE     | LONDON INSTITUTE OF BUSINESS TECHNOLOGY |      | \$ 200,000.00 |
| <b>2025 SHERLOCK ALLEN SCHOLARSHIP AWARDEES (PRINCIPAL AND VICE PRINCIPAL POST-GRADUATES)</b> |                                |   |      |               |
| <b>NAME OF TIP MEMBER</b>   | <b>PLACE OF EMPLOYMENT</b>     | <b>SCHOOL ATTENDING</b>                 |      |               |
| AVRIL NUGENT-DIXON  | SCHOOL OF HOPE                 | UWI                                     |      | \$ 200,000.00 |

| 2025 NON-TEACHING STAFF SCHOLARSHIP AWARDEES (UNDER GRADUATES) |                     |                             |  |                 |
|--|---------------------|-----------------------------|--|-----------------|
| NAME OF TIP MEMBER   | PLACE OF EMPLOYMENT | SCHOOL ATTENDING            |  |                 |
| TERRY-ANN SHORTER  | CENTRAL HIGH        | SHORTWOOD TEACHER'S COLLEGE |  | \$ 100,000.00   |
| NICOLE ROBERTS   | TACIUS GOLDING HIGH | UWI                         |  | \$ 100,000.00   |
| DONESIA ROPER  | CASE                | CASE                        |  | \$ 100,000.00   |
| TRACY- ANN ALLWOOD- JOHNSON                                    | JOSE MARTI TECH     | SHORTWOOD TEACHERS' COLLEGE |  | \$ 100,000.00   |
| EVA COLEMAN-STAMP (POSTGRAD GRANT)                             |                     |                             |  | \$ 200,000.00   |
|  |                     |                             |  |                 |
| TOTAL  |                     |                             |  | \$ 4,540,000.00 |



### **ISSA School Girls Football**

The Society was the leading sponsor for the ISSA School Girls Football competition in 2025. We invested over J\$7,000,000 for this competition.

In summary, TIP Friendly Society spent in excess of \$18M on corporate giving during 2025.



### Board Meetings/Fiduciary Responsibility/Sustainability

For the administrative year 2025, the Committee of Management held its normal slate of meetings. Each month the Committee of Management received detailed reports of financial and operational activities from the management of the Society. Reports of the Credit and Supervisory Committees, as well as ad-hoc committees were also taken and apologies received for all absences. The table below details Directors' attendance at the monthly Committee of Management meetings during the period.

#### Directors Attendance Chart

| NAMES                      | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept | Oct | Nov | Dec |
|----------------------------|-----|-----|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|
| Garth Anderson             | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Howard Isaacs              | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Clayton Hall               | √   | √   | √   | √   | √   | √   | √   | ab  | √    | √   | √   | √   |
| Norman Allen               | √   | √   | √   | √   | √   | √   | ab  | √   | √    | √   | √   | √   |
| Tamashella Smith           | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Claudia McLean             | √   | √   | √   | √   | √   | 0   | 0   | 0   | 0    | 0   | 0   | 0   |
| Mona Ennis                 | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Audrey Williams            | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Mario Samms                | 0   | 0   | 0   | 0   | 0   | √   | √   | √   | √    | √   | √   | √   |
| Gregory King               | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Kaydian Scott              | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Robert Anderson            | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Nadienne Crossman          | √   | √   | √   | √   | √   | 0   | √   | √   | √    | √   | √   | √   |
| Camillia Laylor-Welsh      | 0   | 0   | 0   | 0   | 0   | √   | √   | √   | √    | √   | √   | √   |
| Kayon Whyne                | 0   | 0   | 0   | 0   | 0   | √   | √   | √   | √    | √   | √   | √   |
| Shanice Dennis             | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Jacqueline Hendricks-White | √   | √   | √   | √   | √   | 0   | √   | √   | √    | √   | √   | √   |
| Eva Coleman-Stamp          | √   | √   | √   | √   | √   | √   | √   | √   | √    | √   | √   | √   |
| Lola Bennett               | √   | √   | √   | √   | √   | 0   | 0   | 0   | 0    | 0   | 0   | 0   |
| Sheron Matheson            | √   | √   | √   | √   | √   | 0   | 0   | 0   | 0    | 0   | 0   | 0   |

## In Conclusion

Despite the challenges, we recorded solid growth in customer engagement, product uptake, and digital service adoption. These successes are a testament to our team's professionalism and our customers' belief in the value we provide. To our employees: thank you for your passion, resilience, and commitment. To our customers: thank you for your continued trust. Together, you are the reason we do what we do, and the reason we will keep doing it better. Let us face the future not with fear, but with purpose. With every loan we approve, every policy we underwrite, and every savings account we grow, we are helping individuals and communities build a stronger, more secure tomorrow. We are ready for what's next. And with your continued support, we will meet the future with strength, unity, and ambition.



**Garth  
Anderson**

**President, TIP Friendly Society**



**TIP** Friendly Society

# 2026 SCHOLARSHIP OPENS IN JUNE

**GET READY!**

- ✓ Gather your documents
- ✓ Stay tuned for the official application period

## WHO CAN APPLY?

- ✓ PEP 2025 Scholars
- ✓ TIP Members in final year of study

Stay tuned for more information

**DON'T MISS OUT!**

Follow all social media and official website for updates



[www.tipfriendly.com](http://www.tipfriendly.com)

## Regional Meeting of ICA

**Cancun, Mexico | August 27–29, 2025**

The meeting, organized by Cooperatives of the Americas in collaboration with Mexico was an event planned as part of the International Year of Cooperatives. The meeting held under the theme “Cooperative Finance for Integration and the 2030 Agenda” brought together cooperative leaders, policymakers, development partners, and financial experts to discuss the role of cooperatives in advancing financial integration and achieving the Sustainable Development Goals .

The conference emphasized that cooperatives are not only economic institutions but also social enterprises capable of promoting equity, inclusion, sustainability, and regional cooperation. Discussions focused on how cooperative finance can respond to global economic challenges while improving the quality of life for vulnerable communities.

### Key Topics and Perspectives Discussed

#### 1. The Cooperative Paradigm and Global Transformation

Participants explored the cooperative model as an alternative development paradigm grounded in democratic participation, solidarity, equity, and shared prosperity.

##### Main Perspectives

- Cooperatives provide people-centered economic solutions.
- The cooperative model promotes sustainable and inclusive development.
- Cooperation among cooperatives strengthens regional integration.
- Cooperative values can help address inequality, unemployment, and social exclusion.

### Key Message

The cooperative movement offers a transformative approach to economic development that balances profit with social responsibility.

#### 2. Cooperative Finance as an Engine of Social Inclusion

This session focused on the ability of cooperative financial institutions to expand access to credit, savings, insurance, and financial services for underserved populations.

##### Main Perspectives

- Cooperative finance supports rural communities, women, youth, and small entrepreneurs.
- Financial cooperatives reduce poverty and encourage economic participation.
- Inclusive financing strengthens community resilience and local economies.
- Cooperatives build trust through member ownership and democratic governance.

### Key Message

Cooperative finance is a powerful tool for reducing inequality and promoting inclusive economic participation.

#### 3. Cooperative Finance in the Current Context: From Hyper-Regulation Toward Better Values Within the Ecosystem

Participants examined challenges created by excessive financial regulations and discussed the need for balanced policies that protect institutions while allowing cooperatives to grow.

##### Main Perspectives

- Hyper-regulation can limit innovation and accessibility within cooperatives.
- Regulations should recognize the unique nature and social mission of cooperatives.

- Strong governance and transparency remain essential.
- Cooperative ecosystems must balance compliance with member-centered values.

**Key Message**

Financial regulation should support rather than hinder the development and sustainability of cooperative institutions.

**4. Reforming the International Financial Architecture for Economic and Social Transformation**

This discussion addressed the need for global financial reforms that better support developing countries and community-based economic models.

**Main Perspectives**

- Current financial systems often exclude vulnerable economies and communities.
- Cooperative finance can contribute to fairer economic systems.
- International partnerships are necessary for sustainable regional development.
- Financial institutions should prioritize social impact alongside economic growth.

**Key Message**

A reformed international financial system is necessary to achieve equitable and sustainable development goals.

**5. Cooperative Financial Integration and Technological Transformation**

Participants discussed digital transformation and the need for cooperatives to adopt innovative technologies while maintaining cooperative values.

**Main Perspectives**

- Technology improves efficiency, accessibility, and service delivery.
- Digital finance can expand inclusion in remote and underserved areas.
- Cooperatives must invest in digital literacy and cybersecurity.

- Technological innovation should remain people-centered and ethical.

**Key Message**

Technology is essential for the modernization and competitiveness of cooperatives in the global economy.

**6. Cooperatives for Better Food Integration, Sustainable Diets, and Public Procurement**

This session highlighted the role of agricultural and food cooperatives in strengthening food security and sustainable food systems.

**Main Perspectives**

- Cooperatives support local food production and sustainable agriculture.
- Public procurement policies can strengthen small producers and cooperatives.
- Sustainable diets contribute to environmental protection and public health.
- Regional food integration enhances resilience against global crises.

**Key Message**

Food cooperatives play a critical role in promoting sustainable agriculture, nutrition, and economic resilience.

**7. Cooperatives for Social Inclusion and Revitalizing International Cooperation**

The final discussions focused on strengthening partnerships among nations, organizations, and cooperative movements.

**Main Perspectives**

- International cooperation enhances knowledge sharing and innovation.
- Cooperatives create opportunities for marginalized groups.
- Strong partnerships are essential for achieving the SDGs.

- Social inclusion must remain central to development policies.

**Key Message**

Revitalized international cooperation can strengthen cooperatives' ability to promote peace, inclusion, and sustainable development.

**Conclusion**

The meeting reinforced the importance of cooperatives as strategic actors in achieving the 2030 Agenda. Participants agreed that cooperative finance has the potential to transform economies by promoting inclusion, sustainability, democratic participation, and social justice.

The sessions collectively emphasized:

- Financial inclusion
- Sustainable development
- Technological innovation
- Food security
- Regional and international cooperation
- Social and economic transformation

The conference concluded with a shared commitment to strengthening cooperative systems globally and ensuring that cooperative principles remain central to future economic and social development initiatives.



From left: Dr. Garth Anderson, Mona Ennis, Clayton Hall, Judith Wilson and Gregory King



**TIP** Friendly Society

# **TIP** **Educator** **Plan**

## **Plan Features**

- Savings designed for your child's future
- Starting at \$3,500 per month
- Lock in for up to 5 years & earn interest.

**Start today. Watch their future blossom.**

[www.tipfriendly.com](http://www.tipfriendly.com)

[Visit Us](#)

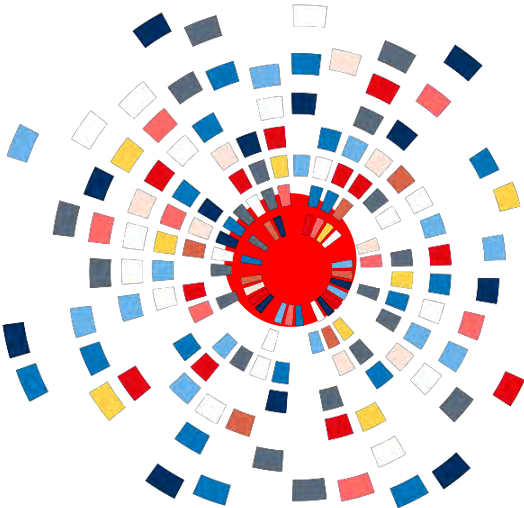




Clayton Hall

# TREASURER'S REPORT

For the year ended December 31, 2025



**Members, Committee of Management, and Stakeholders,** it is my privilege to present the Treasurer's Report on the financial performance and position of TIP Friendly Society for the year ended December 31, 2025. This report reflects not only the visible numerical outcomes achieved during the year, but also the broader economic realities, financial pressures, and operational opportunities that shaped TIP Friendly Society's performance throughout 2025.

The year under review was characterized by a challenging but gradually stabilizing macroeconomic environment in Jamaica and internationally. Elevated interest rates, persistent though moderating inflationary pressures, tighter liquidity conditions, higher operating costs, and continued economic uncertainty placed pressure on households and financial institutions alike. At the same time, the Jamaican economy continued to benefit from relative exchange rate stability, growth in tourism and remittances, increased business activities, and improving employment conditions. These factors collectively influenced members' borrowing patterns, savings behaviour, loan repayment capacity, and overall demand for The Society's products and services.

Against this backdrop, TIP Friendly Society demonstrated resilience, disciplined financial management, and sustained member confidence. The financial statements show continued growth in assets, stronger institutional capital, expanded lending activity, and improved liquidity, while maintaining prudent provisioning and regulatory compliance.

The Society recorded total assets of approximately \$8.734 billion at the end of 2025, representing an increase of approximately \$1.152 billion or 15.2% over the prior year's total assets of \$7.582 billion. This expansion was driven primarily by significant growth in the loan portfolio and increases in member savings and cash and cash equivalent resources.

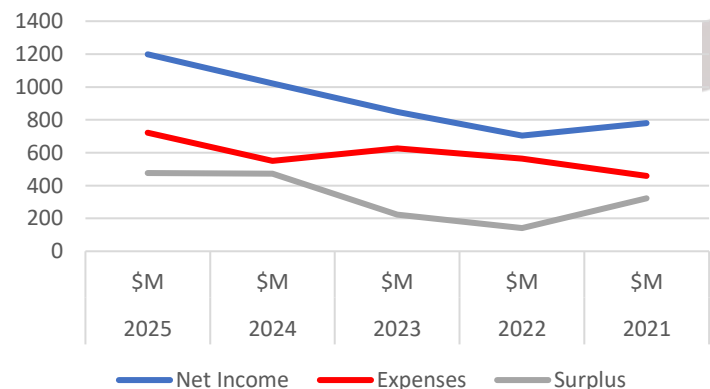
### Financial Performance

The Society generated total comprehensive income of approximately \$428.8 million for the year, compared with \$420.8 million in 2024. This was achieved despite higher operating costs and increased interest expenses associated with the increased interest rate environment as a commercial borrower comparable to 2024. The Society maintained strong profitability and continued to strengthen its reserves demonstrating resilience in challenging times.

Net surplus for the year amounted to approximately \$476.88 million, an increase over the prior year surplus of \$471.78 million. This outcome reflects prudent operational management and continued growth in core revenue streams.

| MEASURE                               | 2025        | 2024       | 2023       | 2022        | 2021        |
|---------------------------------------|-------------|------------|------------|-------------|-------------|
| <b>USD to JMD</b>                     | \$159.83    | \$157.22   | \$154.99   | \$152.60    | \$150.63    |
| <b>Inflation Rate</b>                 | 4.5%        | 5.0%       | 6.9%       | 9.36%       | 7.3%        |
| <b>Treasury Bill- 90/180 Day Rate</b> | 5.13%/5.37% | 6.3%/6.17% | 8.1%/8.46% | 8.04%/8.18% | 4.09%/4.33% |
| <b>Unemployment Rate</b>              | 3.3%        | 3.5%       | 4.5%       | 6.6%        | 7.0%        |

### OPERATIONAL PERFORMANCE



Interest income from loans increased substantially to approximately \$964.2 million from \$868.5 million in 2024, reflecting strong demand for credit facilities among members. The increase in lending activity indicates that members continued to rely heavily on The Society as a trusted financial partner amid high living costs and tighter commercial lending conditions. This was buoyed in the last quarter of 2025 with the advent of Hurricane Melissa.

Investment income from securities declined to approximately \$33.5 million from \$44.3 million in the previous year. This reflects changing market yields, broader financial market conditions during the period and portfolio adjustments as The Society was engaged in development of its properties during 2025. Nonetheless, The Society maintained a diversified investment base and continued to preserve capital strength.

Insurance premium contributions from members remained relatively stable at approximately \$352.01 million, demonstrating continued member participation in The Society's benefit programmes.

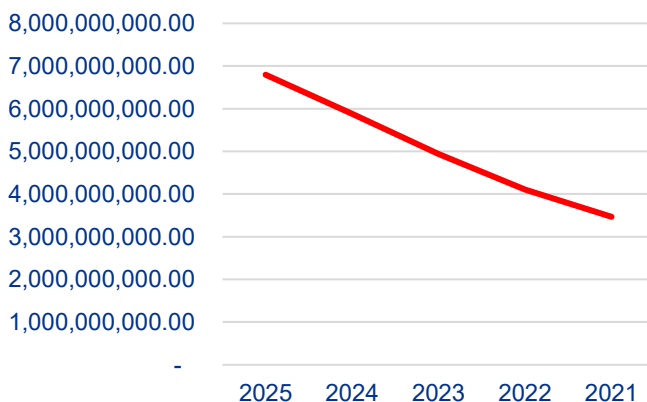
Operating expenses increased significantly to approximately \$722.82 million compared with \$549.81 million in 2024. This increase reflects the impact of inflationary pressures, higher administrative costs, technological and operational investments, staffing costs, and general increases in the cost of doing business during 2025. While this rise warrants continued monitoring, it is evident that The Society invested in sustaining operational capacity and member service delivery even during a demanding economic period.

### Loan Portfolio and Asset Management

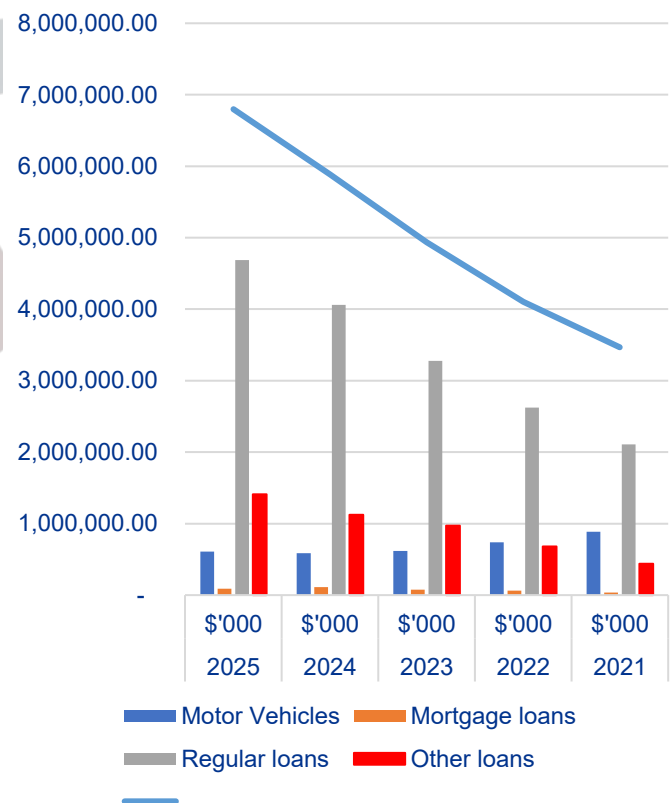
One of the most significant indicators of The Society's growth during 2025 was the expansion of the loan portfolio.

Loan receivables increased from approximately \$5.481 billion in 2024 to \$6.796 billion in 2025, representing growth of over \$1.315 billion or approximately 24%. This growth underscores The Society's active role in supporting members acquisition through personal financing, unsecured credit, motor vehicle loans, real estate financing, and other facilities.

#### Loan Receivables

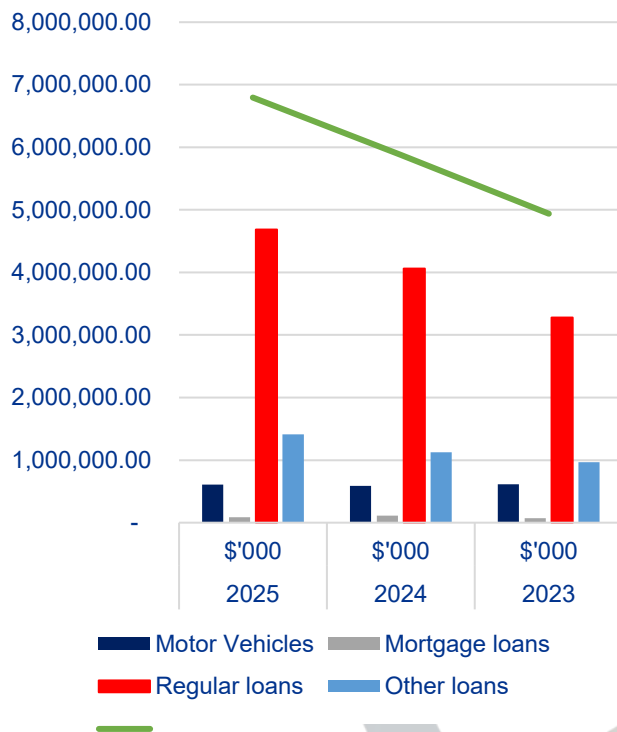


#### Loans to Members, before Impairment Loss Allowance



The composition of the loan portfolio reveals that unsecured lending continues to represent the largest concentration of credit exposure at approximately \$5.982 billion. While unsecured lending provides accessibility and flexibility to members, it also increases exposure to credit risk during periods of economic uncertainty and elevated household debt burdens.

### Loan Composition



Importantly, The Society continued to apply prudent risk management practices. The impairment provision for loans increased to approximately \$470.7 million from \$430.2 million in 2024. This increase demonstrates conservative and responsible provisioning in accordance with IFRS 9 requirements and reflects management's recognition of the evolving credit environment. Further, The Society has made additional provision for our concern regarding the growing credit risk exposure by creating a special reserve and an unsecured loan reserve, which now stands at \$372 million as at December 31, 2025.

Although non-performing loans increased during the year, The Society's disclosures indicate that governance systems, credit monitoring processes, and impairment methodologies remain robust. The Society continued to employ forward-looking credit assessment models, monitor delinquency trends, and maintain oversight through the Credit Committee and Supervisory Committee.

The quality of asset management during 2025 can therefore be viewed as balanced and deliberate. Management pursued growth opportunities while simultaneously strengthening risk controls and maintaining adequate provisions against potential losses. This reflects a mature approach to financial stewardship in a high-demand lending environment.

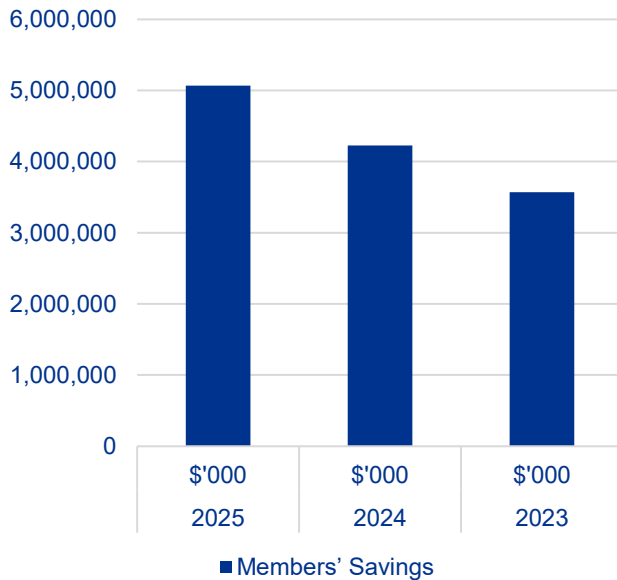
### Liquidity and Funding

The Society's liquidity position improved considerably during the year.

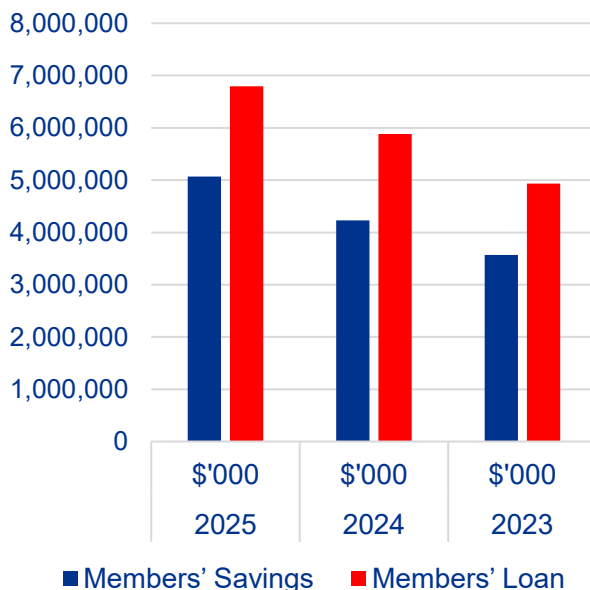
Cash and cash equivalents increased from approximately \$210.7 million in 2024 to approximately \$507.3 million in 2025. This substantial increase of over 140% represents strong positive developments in the financial statements and indicates improved liquidity management and stronger cash generation capacity.

Members' savings grew significantly from approximately \$4.228 billion to \$5.067 billion, representing an increase of approximately \$839 million. This is a powerful signal of member confidence in The Society despite broader economic uncertainty. In an environment where many consumers faced financial strain, members continued to entrust their savings to The Society, reflecting confidence in its governance, stability, and long-term viability.

### Members' Savings



### Members' Savings/ Loan



The Society also reduced its external borrowing balances, with external credits declining from approximately \$1.010 billion to \$898.4 million as these credit facilities are being paid down. This reduction strengthened The Society's balance sheet and reduced exposure to financing costs during a period of elevated borrowing rates.

Overall, The Society's funding structure became more member-driven and internally supported during 2025, which is a positive indicator of financial sustainability and institutional strength.

### Capital Strength and Reserves

The Society continued to strengthen its capital base during 2025.

Total capital and reserves increased from approximately \$2.156 billion in 2024 to \$2.558 billion in 2025. This growth was driven by increased retained earnings, reserve transfers, and continued profitability.

Institutional capital rose to approximately \$1.645 billion from \$1.324 billion in the prior year. These reserves are critical because they strengthen The Society's long-term stability and provide protection for members against future financial shocks or economic downturns.

Permanent shares also increased from approximately \$70.7 million to \$75 million, reflecting continued member participation and confidence in The Society's future.

The consistent transfer of surpluses into statutory and special reserves demonstrates The Society's forward-thinking approach alongside compliance with The Friendly Societies Act and prudent institutional governance.

### **Governance, Risk, and Operational Oversight**

The financial statements reflect that The Society continues to place significant emphasis on governance, internal control, and risk oversight.

The roles of the Supervisory Committee, Credit Committee, and Finance Committee remain central to The Society's risk management framework. This governance structure is particularly important given The Society's heavy exposure to consumer lending and the broader economic pressures affecting member repayment capacity.

The independent auditors issued an unqualified opinion, confirming that the financial statements present a true and fair view of The Society's financial position and performance in accordance with International Financial Reporting Standards (IFRS) and The Friendly Societies Act. This outcome reinforces confidence in the integrity of The Society's financial reporting and internal financial management practices.

### **Macroeconomic Perspective**

The Society's 2025 performance must also be understood within the wider Jamaican economic context.

During 2025, consumers continued to face relatively high borrowing costs even as monetary authorities tried to sway financial institutions to adapt their interest rate to match that of the Bank of Jamaica's cautious approach to inflation management. Household budgets remained under pressure from elevated food, transportation, utilities, and housing costs. These realities likely contributed to increased demand for loans and the growth in unsecured lending.

At the same time, improved employment conditions, stable remittance inflows, and continued economic activity provided members with sufficient confidence to maintain savings growth and to continue participating actively within The Society.

**PEARLS Ratios**

| INDICATOR                              | STANDARD  | 2025      | 2024      | 2023   | 2022   | 2021   |
|--|-----------|-----------|-----------|--------|--------|--------|
| PROVISION FOR LOAN LOSS                |           | \$470.66M | \$430.16M |        |        |        |
| EFFECTIVE FINANCIAL STRUCTURE          |           |           |           |        |        |        |
| NET LOANS / TOTAL ASSETS               | 70% - 80% | 72.30%    | 72.29%    | 69.21% | 64.76% | 65.96% |
| TOTAL SAVINGS/ TOTAL ASSET             | 70% - 80% | 58.02%    | 55.77%    | 53.97% | 49.67% | 52.68% |
| ASSET QUALITY                          |           |           |           |        |        |        |
| DELINQUENCY RATE                       | <5%       | 10.74%    | 8.51%     | 5.84%  | 4.12%  | 4.23%  |
| NON-EARNING ASSET/ TOTAL ASSET         | <7%       | 10.76%    | 8.42%     | 12.10% | 15.40% | 15.77% |
| RATES OF RETURN & COST                 |           |           |           |        |        |        |
| OPERATING EXPENSE/ AVERAGE ASSETS      | <8%       | 14.05%    | 8.58%     | 9.58%  | 8.36%  | 1.73%  |
| NET INCOME / AVERAGE ASSET             | >5%       | 8.33%     | 6.56%     | 3.22%  | 2.51%  | 0.80%  |
| LIQUIDITY                              |           |           |           |        |        |        |
| LIQUIDITY RESERVES/ SAVINGS & DEPOSITS | >10%      | 8.0%      | 4.14%     | 19.94% | 24.20% | 20.94% |
| SIGNS OF GROWTH                        |           |           |           |        |        |        |
| GROWTH IN TOTAL ASSETS                 | >7.1%     | 15.19%    | 13.82%    | 10.06% | 17.22% | 28%    |
| GROWTH IN MEMBERS SAVINGS              | >10.2%    | 19.84%    | 18.51%    | 21.35% | 11.50% | 14.98% |

TIP Friendly Society's performance therefore reflects both resilience and relevance. Members increasingly relied on The Society not merely as a savings institution, but as an essential source of financial support and economic stability during uncertain times.

### Conclusion and Outlook

The 2025 financial year can be regarded as a successful year for The Society. The Society achieved:

- Strong growth in total assets;
- Significant expansion of the loan portfolio;
- Improved liquidity;
- Continued profitability;
- Increased member savings;
- Stronger institutional reserves; and
- Reduced dependence on external borrowing.

These outcomes suggest that The Society's assets were generally managed prudently, strategically, and with an appropriate balance between growth and risk management. While increases in loan impairments and operating expenses indicate areas requiring ongoing vigilance, the overall financial position of The Society remains strong and stable.

Looking ahead, management must continue to focus on:

- Maintaining asset quality;
- Closely monitoring delinquency trends;
- Improving operational efficiency;
- Strengthening digital capabilities;
- Preserving liquidity; and
- Ensuring sustainable long-term growth in a still uncertain economic environment.

The Society remains well positioned to continue serving its members effectively while safeguarding the institution's long-term financial sustainability.

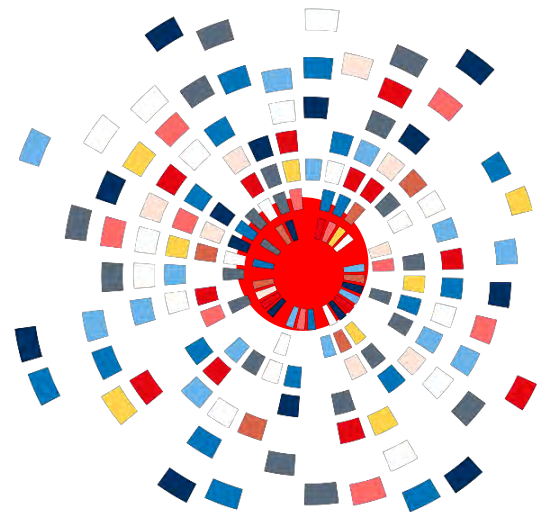
On behalf of the Treasury function, I extend sincere appreciation to the Committee of Management, management team, staff, volunteers, and members for their continued support, confidence, and commitment throughout 2025 and have an outlook for an even more successful upcoming year.





**TIP** Friendly Society

# 2025 AUDITED FINANCIAL STATEMENTS





# Ministry of Industry Investment & Commerce

Jamaica's **Business** Ministry



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

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

**S1**  
**F547-929/06/2026**

**June 2, 2026**

The Secretary  
TIP Friendly Society  
80 Half-Way-Tree Road  
Kingston 10

Dear Sir/Madam,

I forward herewith the Financial Statements of your Society for the year ended December 31, 2025.

The Annual General Meeting (AGM) must be convened under **Regulation 8A-8F** of the Friendly Societies (Amendment) Regulations, 2021.

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

Regards,

.....  
**Vanessa Porter Allen (Mrs.)**  
**(For) REGISTRAR OF CO-OPERATIVE SOCIETIES**  
**AND FRIENDLY SOCIETIES**

**HEAD OFFICE**  
10A Chelsea Avenue  
Kingston 5, Jamaica, W. I.  
(658) 219-1060 | (876) 822-5284

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

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

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

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

**TIP Friendly Society**  
(A Society Registered Under the Friendly Societies Act)

**Financial Statements**  
**31 December 2025**

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Index**  
**31 December 2025**

---

|  | <b>Page</b> |
|--|-------------|
| <b>Independent Auditors' Report to the Registrar</b> |             |
| <b>Financial Statements</b>                          |             |
| Statement of financial position                      | 1           |
| Statement of comprehensive income                    | 2           |
| Statement of changes in equity                       | 3-4         |
| Statement of cash flows                              | 5           |
| Notes to the financial statements                    | 6 – 71      |

6 Collins Green Avenue  
Kingston 5  
Jamaica

T: 876 906 1658-9  
F: 876 920 3226

admin@bakertilly.com.jm  
www.bakertilly.com.jm

## **INDEPENDENT AUDITORS' REPORT**

To the Registrar of Co-operatives and Friendly Societies  
**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

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

#### *Opinion*

We have audited the financial statements of TIP Friendly Society (“the Society”), which comprise the statement of financial position at 31 December 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of material accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Society as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Friendly Societies Act.

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We are independent of the Society in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants’ (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

#### *Responsibilities of Management and those charged with Governance for the Financial Statements*

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

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

To the Registrar of Co-operatives and Friendly Societies

TIP FRIENDLY SOCIETY

(A Society Registered Under the Friendly Societies Act)

Page 2

### **Report on the audit of the Financial Statements (continued)**

#### *Responsibilities of Management and those charged with Governance for the Financial Statements (continued)*

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

.../3

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

To the Registrar of Co-operatives and Friendly Societies

**TIP FRIENDLY SOCIETY**

(A Society Registered Under the Friendly Societies Act)

Page 3

### **Report on the audit of the Financial Statements (continued)**

#### *Auditors' Responsibilities for the Audit of the Financial Statements (continued)*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that presents a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Society to express an opinion on the financial statements. We are responsible for the director, supervision and performance of the Society audit. We remain solely responsible for our audit opinion.
- We communicate with the Committee of Management 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.

### **Report on other legal and regulatory requirements**

As required by the Friendly Societies Act, we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

  
**Chartered Accountants**  
Kingston, Jamaica  
02 June 2026

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Statement of Financial Position**  
**As at 31 December 2025**

|   | Note | <u>2025</u><br>\$'000 | <u>2024</u><br>\$'000 |
|---|------|-----------------------|-----------------------|
| <b>ASSETS</b>                                 |      |                       |                       |
| <b>Earning Assets</b>                         |      |                       |                       |
| Cash and cash equivalents                     | 6    | 499,338               | 204,719               |
| Loan receivables                              | 7    | 6,315,009             | 5,481,029             |
| Investment securities                         | 8    | 420,784               | 410,302               |
| Investment properties                         | 9    | 1,058,065             | 1,052,613             |
| <b>Total Earning Assets</b>                   |      | <u>8,293,196</u>      | <u>7,148,663</u>      |
| <b>Non-Earning Assets</b>                     |      |                       |                       |
| Cash and cash equivalents                     | 6    | 7,988                 | 5,939                 |
| Other assets                                  | 10   | 109,053               | 121,361               |
| Property, plant and equipment                 | 11   | 320,087               | 301,745               |
| Right-of-use-asset                            | 12   | 932                   | 1,731                 |
| Intangible assets                             | 13   | 2,665                 | 2,665                 |
| <b>Total Non-Earning Assets</b>               |      | <u>440,725</u>        | <u>433,441</u>        |
| <b>TOTAL ASSETS</b>                           |      | <u>8,733,921</u>      | <u>7,582,104</u>      |
| <b>EQUITY AND LIABILITIES</b>                 |      |                       |                       |
| <b>Capital and Reserves</b>                   |      |                       |                       |
| Permanent shares                              | 14   | 75,020                | 70,666                |
| Institutional capital                         | 15   | 1,644,926             | 1,324,424             |
| Non-institutional capital                     | 16   | 837,585               | 760,791               |
| <b>Total Capital and Reserves</b>             |      | <u>2,557,531</u>      | <u>2,155,881</u>      |
| <b>LIABILITIES</b>                            |      |                       |                       |
| <b>Interest Bearing Liabilities</b>           |      |                       |                       |
| Members' savings                              | 17   | 5,067,182             | 4,228,258             |
| External credits                              | 18   | 898,373               | 1,010,097             |
| Lease liability                               | 12   | 1,889                 | 3,004                 |
| <b>Total Interest Bearing Liabilities</b>     |      | <u>5,967,444</u>      | <u>5,241,359</u>      |
| <b>Non-Interest Bearing Liabilities</b>       |      |                       |                       |
| Payables                                      | 19   | 208,946               | 184,864               |
| <b>Total Non-Interest Bearing Liabilities</b> |      | <u>208,946</u>        | <u>184,864</u>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>           |      | <u>8,733,921</u>      | <u>7,582,104</u>      |

Approved for issue by the Committee of Management on 02 June 2026 and signed on its behalf by:

  
Dr. Garth Anderson President

  
Clayton Hall Treasurer

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Statement of Comprehensive Income**  
**Year ended 31 December 2025**

|  | Note      | 2025<br>\$'000   | 2024<br>\$'000   |
|--|-----------|------------------|------------------|
| <b>Interest and similar income</b>                         |           |                  |                  |
| Loans  | 20        | 964,200          | 868,480          |
| Investment securities                                      | 20        | 33,511           | 44,285           |
|  |           | <u>997,711</u>   | <u>912,765</u>   |
| <b>Interest expense</b>                                    |           |                  |                  |
| Interest on members' savings                               |           | (101,472)        | (67,170)         |
| Finance costs  | 21        | (81,039)         | (91,055)         |
|  |           | <u>(182,511)</u> | <u>(158,225)</u> |
| <b>Net interest income</b>                                 |           |                  |                  |
|  |           | 815,200          | 754,540          |
| Increase in impairment losses on loans                     | 4(b)(iii) | (40,506)         | (108,102)        |
| <b>Net interest income after provision for loan losses</b> |           |                  |                  |
|  |           | <u>774,694</u>   | <u>646,438</u>   |
| <b>Non-interest income/(expenses)</b>                      |           |                  |                  |
| Insurance premiums contributed by members                  | 22        | 352,077          | 350,434          |
| Reinsurance premiums                                       | 22        | (24,987)         | (25,796)         |
| Return on premium expense                                  | 22        | (1,304)          | (1,320)          |
|  |           | <u>325,786</u>   | <u>323,318</u>   |
| Other income   | 23        | 99,224           | 51,836           |
| <b>Net non-interest income</b>                             |           |                  |                  |
|  |           | <u>425,010</u>   | <u>375,154</u>   |
| <b>Gross income</b>  |           |                  |                  |
|  |           | 1,199,704        | 1,021,592        |
| Operating expenses   | 24        | (722,824)        | (549,815)        |
| <b>Surplus before honoraria and other payment</b>          |           |                  |                  |
|  |           | 476,880          | 471,777          |
| Honoraria  |           | -                | (7,000)          |
| Write back of honoraria underutilized in prior year        |           | -                | 4,209            |
| Errol Henry Fund   | 25        | (14,649)         | (14,394)         |
| <b>Surplus for the year</b>                                |           |                  |                  |
|  |           | <u>462,231</u>   | <u>454,592</u>   |
| <b>Other comprehensive income:</b>                         |           |                  |                  |
| Items that will never be reclassified to profit or loss:   |           |                  |                  |
| Claims payments  |           | (33,423)         | (33,787)         |
| <b>Total comprehensive income</b>                          |           |                  |                  |
|  |           | <u>428,808</u>   | <u>420,805</u>   |

## TIP FRIENDLY SOCIETY

(A Society Registered Under the Friendly Societies Act)

### Statement of Changes in Equity Year ended 31 December 2025

|                                    | Permanent<br>Shares | Institutional Capital |                    |           | Non-institutional Capital |                          |           | Grand<br>Total |
|------------------------------------|---------------------|-----------------------|--------------------|-----------|---------------------------|--------------------------|-----------|----------------|
|                                    |                     | Statutory<br>Reserve  | Special<br>Reserve | Total     | Other<br>Reserve          | Undistributed<br>Surplus | Total     |                |
|                                    | \$'000              | \$'000                | \$'000             | \$'000    | \$'000                    | \$'000                   | \$'000    |                |
| <b>Balance at 1 January 2024</b>   | 67,295              | 153,682               | 852,023            | 1,005,705 | 581,806                   | 115,122                  | 1,769,928 |                |
| Transactions with members:         |                     |                       |                    |           |                           |                          |           |                |
| Increase in permanent shares       | 3,371               | -                     | -                  | -         | -                         | -                        | 3,371     |                |
| Dividends (Note 26)                | -                   | -                     | -                  | -         | -                         | (38,223)                 | (38,223)  |                |
|                                    | 3,371               | -                     | -                  | -         | -                         | (38,223)                 | (34,852)  |                |
| Reserve transfers:                 |                     |                       |                    |           |                           |                          |           |                |
| 5% transfer to statutory reserve   | -                   | 14,394                | -                  | 14,394    | -                         | (14,394)                 | -         |                |
| Unsecured loan reserve             | -                   | -                     | 183,908            | 183,908   | -                         | (183,908)                | -         |                |
| 20% transfer to special reserve    | -                   | -                     | 64,928             | 64,928    | -                         | (64,928)                 | -         |                |
| 27.5% transfer to special reserve  | -                   | -                     | 89,276             | 89,276    | -                         | (89,276)                 | -         |                |
|                                    | -                   | 14,394                | 338,112            | 352,506   | -                         | (352,506)                | -         |                |
| Total comprehensive income:        |                     |                       |                    |           |                           |                          |           |                |
| Surplus for the year               | -                   | -                     | -                  | -         | -                         | 454,592                  | 454,592   |                |
| Other comprehensive loss           | -                   | -                     | (33,787)           | (33,787)  | -                         | -                        | (33,787)  |                |
|                                    | -                   | -                     | (33,787)           | (33,787)  | -                         | 454,592                  | 420,805   |                |
| <b>Balance at 31 December 2024</b> | 70,666              | 168,076               | 1,156,348          | 1,324,424 | 581,806                   | 178,985                  | 2,155,881 |                |

**TIP FRIENDLY SOCIETY**

(A Society Registered Under the Friendly Societies Act)

**Statement of Changes in Equity (continued)**  
**Year ended 31 December 2025**

|                                    | Permanent Shares | Institutional Capital |                     |                     | Non-institutional Capital |                       |                   | Grand Total         |
|------------------------------------|------------------|-----------------------|---------------------|---------------------|---------------------------|-----------------------|-------------------|---------------------|
|                                    |                  | Statutory Reserve     | Special Reserve     | Total               | Other Reserve             | Undistributed Surplus | Total             |                     |
| <b>Balance at 31 December 2024</b> | \$'000<br>70,666 | \$'000<br>168,076     | \$'000<br>1,156,348 | \$'000<br>1,324,424 | \$'000<br>581,806         | \$'000<br>178,985     | \$'000<br>760,791 | \$'000<br>2,155,881 |
| Transactions with members:         |                  |                       |                     |                     |                           |                       |                   |                     |
| Increase in permanent shares       | 4,354            | -                     | -                   | -                   | -                         | -                     | -                 | 4,354               |
| Dividends (Note 26)                | -                | -                     | -                   | -                   | -                         | (31,512)              | (31,512)          | (31,512)            |
|                                    | 4,354            | -                     | -                   | -                   | -                         | (31,512)              | (31,512)          | (27,158)            |
| Reserve transfers:                 |                  |                       |                     |                     |                           |                       |                   |                     |
| 5% transfer to statutory reserve   | -                | 14,649                | -                   | 14,649              | -                         | (14,649)              | (14,649)          | -                   |
| Unsecured loan reserve             | -                | -                     | 65,418              | 65,418              | -                         | (65,418)              | (65,418)          | -                   |
| 20% transfer to special reserve    | -                | -                     | 183,908             | 183,908             | -                         | (183,908)             | (183,908)         | -                   |
| 27.5% transfer to special reserve  | -                | -                     | 89,950              | 89,950              | -                         | (89,950)              | (89,950)          | -                   |
|                                    | -                | 14,649                | 339,276             | 353,925             | -                         | (353,925)             | (353,925)         | -                   |
| Total comprehensive income:        |                  |                       |                     |                     |                           |                       |                   |                     |
| Surplus for the year               | -                | -                     | -                   | -                   | -                         | 462,231               | 462,231           | 462,231             |
| Other comprehensive loss           | -                | -                     | (33,423)            | (33,423)            | -                         | -                     | -                 | (33,423)            |
| <b>Balance at 31 December 2025</b> | 75,020           | 182,725               | 1,462,201           | 1,644,926           | 581,806                   | 255,779               | 837,585           | 2,557,531           |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Statement of Cash Flows**  
**Year ended 31 December 2025**

|   | <b>2025</b>      | <b>2024</b>      |
|---|------------------|------------------|
|   | <b>\$'000</b>    | <b>\$'000</b>    |
| <b>CASH RESOURCES WERE PROVIDED BY/(USED IN)</b>            |                  |                  |
| <b>Cash Flows from Operating Activities</b>                 |                  |                  |
| Surplus for the year  | 462,231          | 454,592          |
| Adjustments for:  |                  |                  |
| Amortization of right-of-use asset                          | 799              | 799              |
| Bad debt written off  | 68,475           | 10,933           |
| Depreciation  | 30,286           | 35,545           |
| Impairment losses on loans                                  | 40,506           | 108,102          |
| Fair value gains on investment securities                   | (10,482)         | (20,594)         |
| Interest income   | (997,711)        | (912,765)        |
| Deferred income recognized                                  | (36,805)         | (36,201)         |
| Interest expense  | 182,324          | 157,964          |
| Lease interest expense                                      | 187              | 261              |
| Foreign exchange gains                                      | (4)              | (23)             |
|   | <u>(260,194)</u> | <u>(201,387)</u> |
| Changes in operating assets and liabilities:                |                  |                  |
| Increase in loan receivables                                | (945,935)        | (911,889)        |
| Decrease in other assets                                    | 12,308           | 20,441           |
| Increase in members' savings                                | 838,924          | 660,441          |
| Increase/(decrease) in payables                             | 24,082           | (28,540)         |
|   | <u>(330,815)</u> | <u>(460,934)</u> |
| Cash used in operating activities                           | (330,815)        | (460,934)        |
| Interest received   | 1,037,490        | 890,315          |
| Interest paid   | (182,324)        | (157,497)        |
| Lease interest paid   | (187)            | (261)            |
|   | <u>524,164</u>   | <u>271,623</u>   |
| Net cash provided by operating activities                   | 524,164          | 271,623          |
| <b>Cash Flows from Investing Activities</b>                 |                  |                  |
| Purchase of property, plant and equipment                   | (25,613)         | (7,169)          |
| Purchase of investment property                             | (28,467)         | (48,770)         |
| Purchase of intangible assets                               | -                | (2,665)          |
|   | <u>(54,080)</u>  | <u>(58,604)</u>  |
| Net cash used in investing activities                       | (54,080)         | (58,604)         |
| <b>Cash flows from Financing Activities</b>                 |                  |                  |
| External credits repaid                                     | (111,724)        | (97,227)         |
| Permanent shares  | 4,354            | 3,371            |
| Claims payments   | (33,423)         | (33,787)         |
| Lease principal payments                                    | (1,115)          | (745)            |
| Dividends paid  | (31,512)         | (38,223)         |
|   | <u>(173,420)</u> | <u>(166,611)</u> |
| Net cash used in financing activities                       | (173,420)        | (166,611)        |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | 296,664          | (46,408)         |
| Effects of foreign exchange on cash and cash equivalents    | 4                | 23               |
| <b>Cash and cash equivalents at beginning of year</b>       | 210,658          | 164,227          |
| <b>CASH AND CASH EQUIVALENT AT END OF YEAR</b>              | <u>507,326</u>   | <u>210,658</u>   |
| <b>Represented by:</b>                                      |                  |                  |
| Cash and cash equivalents                                   | <u>507,326</u>   | <u>210,658</u>   |

# **TIP FRIENDLY SOCIETY**

(A Society Registered Under the Friendly Societies Act)

## **Notes to the Financial Statements**

**31 December 2025**

---

### **1. Identification and Principal Activities**

TIP Friendly Society (“the Society”) is incorporated under the laws of Jamaica and is registered under the Friendly Societies Act. The Society’s operations cover all parishes with offices in Kingston and St. Andrew, Manchester, St. James and St. Ann.

The Society’s registered office is located at 80 Half Way Tree Road, Kingston 10, Jamaica.

The Capital of the Society is unlimited. The liability of each member, in case of liquidation, shall be limited to the nominal value of permanent shares held by the member.

Its principal activities are to provide specific benefits for members by voluntary subscription of members with or without aid or donation and to solicit savings from its members for the provision of sickness, accident and death benefits to members and their dependents.

Membership of the Society is opened to all employed persons in the field of education in Jamaica with certain provisions.

Being a co-operative society, the Society is regulated by the Department of Co-operatives and Friendly Societies.

Section 68 of the Friendly Societies Act requires, among other provisions, that at least 5% of net surplus and 20% of net contribution be transferred annually from undistributed surplus to a reserve fund and a special reserve fund, respectively.

The Society is exempt from income tax and stamp duty under sections 27(1) and 27(2) of the Friendly Societies Act.

These financial statements are presented in Jamaican dollars, which is the functional currency and are expressed in thousands of dollars unless otherwise stated.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

---

**2. Basis of preparation**

**Basis of measurement and statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and their interpretations adopted by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for certain properties and financial assets that are measured at fair value or revalued amounts. They are also prepared in accordance with the provisions of the Friendly Societies Act.

The financial statements comprise the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the notes.

The preparation of financial statements in compliance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, contingent assets and contingent liabilities at the end of the reporting period and the total comprehensive income during the reporting period. The Society makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis and any adjustments that may be necessary would be reflected in the year in which actual results are known. The areas involving a higher degree of judgment in complexity or areas where assumptions or estimates are significant to the financial statements are discussed in Note 5.

**2. Basis of preparation (continued)**

**Basis of measurement and statement of compliance (continued)**

**Standards, interpretations, and amendments to published standards effective in the current year**

The following amendments to standards have been adopted by the Society for the first time which have been issued and are effective for mandatory adoption for the financial year beginning on or after 1 January 2025:

**Lack of Exchangeability Amendments to IAS 21** (effective for annual periods beginning on or after 1 January 2025). An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The amendments did not result in any material effect on the Society's financial statements.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

---

**2. Basis of preparation (continued)**

**Basis of measurement and statement of compliance (continued)**

**Standards, amendments, and interpretations to existing standards that are not yet effective and have not been early adopted by the Society**

At the date of authorisation of these financial statements, certain new accounting standards, amendments and interpretation to existing standards have been issued which are not yet effective, and which the Society has not early adopted. The Society has assessed the relevance of all such new standards, interpretations and amendments and has determined that the following may be relevant to its operations. Unless stated otherwise, the impact of the changes is still being assessed by management.

**Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9, and IFRS 7)** effective for annual periods beginning on or after 1 January 2026 clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date.

**IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1** effective for annual periods beginning on or after 1 January 2027 enhances transparency and comparability in financial reporting by introducing new requirements include: new categories and subtotals in the statement of profit or loss, disclosure of management-defined performance measures (MPMs) and enhanced requirements for grouping information.

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a material impact on the operations of the Society.

**Notes to the Financial Statements**  
**31 December 2025**

---

**3. Material accounting policies**

**(a) Property, plant and equipment**

(i) Owned assets:

Items of property, plant and equipment are stated at cost or deemed cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and related costs to put the asset into service.

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

Freehold land and buildings are subsequently carried at fair value, based on periodic valuations by a professional qualified valuer. These revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in the property revaluation reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation reserve, or reversal of such a transaction, is recognised in surplus or deficit.

(ii) Depreciation

Depreciation is calculated on a straight-line basis at rates to write off the carrying value of the assets over their period of expected useful lives. Land and work-in-progress are not depreciated. The annual depreciation rates are as follows:

|                        |       |
|------------------------|-------|
| Buildings              | 2 ½ % |
| Computer equipment     | 25%   |
| Furniture and fixtures | 10%   |
| Leasehold improvement  | 10%   |
| Office equipment       | 20%   |
| Motor bike             | 12 ½% |

Depreciation methods and useful lives residual values are reviewed at each reporting date and adjusted if applicable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

**3. Material accounting policies (continued)**

**(a) Property, plant and equipment (continued)**

Gains and losses on disposals of property, plant and equipment are determined by comparing proceeds with the carrying amount and are included in the statement of comprehensive income.

Repairs and maintenances are charged to the statement of comprehensive income during the financial period in which they are incurred.

**(b) Investment properties**

Investment properties comprise of land and buildings held to earn rental and/or for capital appreciation, rather than for the Society's own use or for sale in the ordinary course of business.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties, which are not occupied by Society and related parties, are treated as long-term investments, and carried at cost. Under the cost model, investment is measured at cost less accumulated depreciation, and any accumulated impairment losses. Cost is the amount of cash or cash equivalent paid, or the fair value of other consideration given to acquire an asset at the time of its acquisition.

**(c) Intangible assets**

This represents the costs of computer software, which includes costs incurred to acquire and bring to use the specific software, as well as certain acquired computer software licences. These intangible assets are acquired separately and reported at cost less accumulated amortization and accumulated impairment losses. The costs of these intangible assets are amortized over their estimated useful life of three years. The estimated useful life and amortization method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

|                   |          |
|-------------------|----------|
| Computer software | 33 1/3 % |
|-------------------|----------|

An intangible asset is authorization on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are authorization in profit or loss when the asset is authorization.

**3. Material accounting policies (continued)**

**(d) Financial instruments**

**Classification**

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

- those to be measured subsequently at fair value (either through other comprehensive income (OCI) or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Society's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Society has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The society reclassifies debt investments when and only when its business model for managing those assets changes.

**Recognition and derecognition**

Regular way purchases and sales of financial assets are authorization on trade-date, the date on which the Society commits to purchase or sell the asset. Financial assets are authorization when the rights to receive cash flows from the financial assets have expired or have been transferred and the Society has transferred substantially all the risks and rewards of ownership.

**Measurement**

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

**3. Material accounting policies (continued)**

**(d) Financial instruments (continued)**

*Debt instruments*

Subsequent measurement of debt instruments depends on the Society's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Society classifies its debt instruments:

- **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is authorization directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are authorization in profit or loss. When the financial asset is authorization, the cumulative gain or loss previously authorization in OCI is reclassified from equity to profit or loss and authorization in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is authorization in profit or loss and presented net within other gains/(losses) in the period in which it arises.

**Impairment**

The Society assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

**Notes to the Financial Statements**  
**31 December 2025**

---

**3. Material accounting policies (continued)**

**(e) Fair value of financial instruments**

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. Financial assets carried on the statement of financial position include investments, loans receivables and cash and cash equivalents. Financial liabilities consist of members' savings, external credits and payables.

Generally financial instruments are recognized on the statement of financial position when the Society becomes a party to the contractual provisions of the instruments. The particular recognition methods adopted are disclosed in the respective accounting policies associated with each item.

The fair values of the financial instruments are discussed in Note 5(a)(iii).

**(f) Cash and cash equivalents**

Cash comprises cash in hand and demand and call deposits with banks. Cash equivalents are short term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitment rather than for investment or other purposes.

Cash and cash equivalents are carried in the statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash at bank and in hand and short-term deposits.

**(g) Other assets**

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

**(h) Institutional capital**

Institutional capital includes the statutory and special reserve, established as set out in Section 68 (7) (ii) of the Friendly Societies Act and Regulations. These are set aside in order to strengthen the capital base of the Society and thereby protect the interest of members. These reserves are not available for distribution.

**3. Material accounting policies (continued)**

**(i) Members' shares**

**(i) Permanent shares**

Permanent shares are equity shares and form part of the capital of the Society. All new applicants for membership and existing members of the Society are required to subscribe to a minimum of 2,000 permanent shares. These shares are issued at a par value of \$1 each or at a selling price per unit which prevails at the time of subscription.

Permanent shares are not withdrawable but may be redeemable subject to the sale, transfer, or repurchase of such shares. Dividends may be paid on permanent shares subject to the profitability of the Society.

**(ii) Members savings**

Members savings represents voluntary shares. Every member shall subscribe to a minimum of 1 voluntary share at a par value of \$1 each or at a selling price per unit which prevails at the time of subscription.

Members' voluntary shares are immediately available for withdrawal, are to satisfy membership requirements and to facilitate eligibility for loans and other benefits. These shares are treated as liabilities of the Society. Dividends may be paid on voluntary shares subject to the discretion and profitability of the Society.

**(j) Impairment of non-financial assets**

At each statement of financial position date, the Society reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized as income immediately.

**3. Material accounting policies (continued)**

**(k) Borrowings**

Borrowings are authorization initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is authorization in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are authorization as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are 16a in the income statement as interest expense.

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are authorization in profit or loss in the period in which they are incurred.

**(l) Payables**

Payables, including provisions, are stated at their nominal value. A provision is recognised in the statement of financial position when the Society has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. If the effect is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability.

**3. Material accounting policies (continued)**

**(m) Foreign currency translation**

Foreign currency transactions are accounted for at the exchange rate prevailing at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into Jamaican dollars at the exchange rate prevailing at the date of the statement of financial position, that is, in the case of each currency, the Bank of Jamaica weighted average buying and selling rates at that date. Gains and losses arising from fluctuations in exchange rates are reflected in the statement of comprehensive income.

**(n) Comparative information**

Where necessary comparative figures have been reclassified to conform with changes in presentation.

**(o) Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the services provided in the ordinary course of the Society's activities.

**Interest income**

Interest income and expense are authorization in the statement of comprehensive income using the effective yield method.

Interest income is authorization when it is probable that the economic benefits will flow to the Society and the amount of revenue can be measured reliably. Interest revenue is accrued on a time basis by reference to principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipt through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

**Rental income**

Rental income is generated from the subletting of properties in Mandeville, Manchester and Montego Bay, St. James, which are rented properties. Revenue from providing services is recognised in the accounting period in which the services are rendered.

The customer pays the fixed amount based on a payment schedule. If the services rendered by the Society exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Customers are invoiced on a monthly basis and consideration is payable when invoiced.

**Notes to the Financial Statements**  
**31 December 2025**

---

**3. Material accounting policies (continued)**

**(o) Revenue recognition (continued)**

**Fees and commissions**

Fee and commission income from contracts with members is measured based on the consideration specified in a contract with a member. The Society recognises revenue when it transfers control over a service to a member.

Fee and commission income and expense that are integral to the effective interest rate on financial asset or financial liability are included in effective interest rate.

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

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

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

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

**Type of service**

Nature and timing of satisfaction of performance obligations, including significant payment terms

Revenue recognition under IFRS 15

**Service fees**

Transaction-based fees such as credit bureau fees are charged to the members' account when the transaction takes place.

Revenue from account services and servicing fees are recognised over time as the services are provided.

Servicing fees are charged on a monthly basis and are based on fixed rates determined by the Society.

Revenue related to transactions is recognised at the point in time when the takes place.

**3. Material accounting policies (continued)**

**(p) Related party transactions**

A party is related to the Society, if:

- (i) directly, or indirectly through one or more intermediaries, the party, is controlled by, or is under common control with, the Society (this includes parents, subsidiaries and fellow subsidiaries); has an interest in the Society that gives it significant influence over the Society; or has joint control over the Society;
- (ii) the party is an associate of the Society;
- (iii) the party is a joint venture in which the Society is a venturer;
- (iv) the party is a member of the key management personnel of the Society or its parent;
- (v) the party is a close member of the family of any individual referred to in (i) or (iv);
- (vi) the party is the Society that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- (vii) the party is a post-employment benefit plan for the benefit of employees of the Society, or of any Society that is a related party of the Society.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. The Society has a related party relationship with its directors and key management personnel, representing certain senior officers of the Society.

**(q) Employee benefits**

**Post employment benefit costs**

The Society participates in a defined contribution pension scheme with Sagicor Life Jamaica for employees who have satisfied certain minimum service requirements. The scheme is funded by equal contributions of employer and employees of 5% of pensionable salaries with an option for employees to contribute up to an additional 10% of pensionable salaries.

The assets are held independently of the Society's assets in a separate trustee administered fund.

**3. Material accounting policies (continued)**

**(q) Employee benefits (continued)**

**Leave accruals**

The Society's vacation leave policy allows for unused vacation to be carried forward to a maximum of one (1) year. All outstanding leave is recognised in the statement of comprehensive income. All obligations in respect of outstanding leave are recognised in the statement of financial position in the year to which it relates.

**(r) Financial liabilities**

The Society's financial liabilities net of transaction costs are initially measured at fair value and are subsequently measured at amortized cost using the effective interest method. At the reporting date, the items classified as financial liabilities are members' savings, external credits and payables.

**(s) Repurchase agreements**

The purchase and sales of securities under resale and repurchase agreements are treated as collateral lending and borrowing transactions. The related interest income and expense are recorded on the accrual basis.

**(t) Members' saving**

Saving deposits are recognized initially at the normal amount when funds are received. Deposits are subsequently stated at amortized cost.

**(u) Right-of-use asset and lease liability**

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

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

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Society's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

**3. Material accounting policies (continued)**

**(u) Right-of-use asset and lease liability (continued)**

On initial recognition, the carrying value of the lease liability also includes:

- (i) amounts expected to be payable under any residual value guarantee;
- (ii) the exercise price of any purchase option granted in favour of the Society if it is reasonable certain to assess that option;
- (iii) any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

To determine the incremental borrowing rate, the Society:

- (i) since it does not have recent third-party financing, uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases, and
- (ii) makes adjustments specific to the lease, e.g. term, currency and security.

Right of use asset are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- (i) lease payments made at or before commencement of the lease;
- (ii) initial direct costs incurred; and
- (iii) the amount of any provision recognised where the Society is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations).

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use asset are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are assets valued as US\$5,000 or less when new. The Society has no short-term leases or leases for low valued assets at this time.)

**3. Material accounting policies (continued)**

**(u) Right-of-use asset and lease liability (continued)**

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Society. These are used to maximise operational flexibility in terms of managing the assets used in the Society's operations. The majority of extension and termination options held are exercisable only by the Society and not by the respective lessor.

When the Society renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the stand-alone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- in all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortized over the remaining (revised) lease term.

For contracts that both convey a right to the Society to use an identified asset and require services to be provided to the Society by the lessor, the Society has elected to account for the entire contract as a lease, i.e. it does not allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

#### **4. Financial Risk Management**

The Society's activities expose it to a variety of financial risks: market risk (including fair value interest rate risk, currency risk and price risk), credit risk and liquidity risk. The Society manages risk through a framework of risk principles, organizational structures and risk management and monitoring processes that are closely aligned with the activities of the Society. Risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Society's overall risk management programme focuses on the unpredictability of financial markets and seeks to achieve an appropriate balance between risks and return and minimize potential adverse effects on the Society's financial performance.

The Society regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

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

Three key committees for managing and maintaining risks are as follows:

**(1) Supervisory Committee**

The Supervisory Committee oversees the internal audit function of the Society and ensures that internal procedures and controls are adhered to. The Supervisory Committee undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

**(2) Credit Committee**

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

**(3) Finance Committee**

The Finance Committee is responsible for overseeing the management of the Society's assets and liabilities and the overall financial structure.

These committees comprise persons independent of management and reports to the Board on a monthly basis.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial Risk Management (continued)**

**(a) Financial instruments**

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

**(i) Principal financial instruments**

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

- Financial investments
- Loan receivables
- Cash and cash equivalents
- Members' savings
- External credits
- Payables

**(ii) Financial instruments by category**

Financial assets

|                                | <b>Assets at<br/>amortized<br/>cost</b> | <b>Assets at fair<br/>value through<br/>profit or loss</b> | <b>Total</b>     |
|--------------------------------|---|--|------------------|
|                                | <b>\$'000</b>                           | <b>\$'000</b>  | <b>\$'000</b>    |
| <b>As at 31 December 2025:</b> |   |  |                  |
| Cash and cash equivalents      | 507,326                                 | -  | 507,326          |
| Financial investments          | 225,000                                 | 195,784  | 420,784          |
| Loan receivables               | 6,315,009                               | -  | 6,315,009        |
| Other assets                   | 109,053                                 | -  | 109,053          |
|                                | <b>7,156,388</b>                        | <b>195,784</b>   | <b>7,352,172</b> |
| <b>As at 31 December 2024:</b> |   |  |                  |
| Cash and cash equivalents      | 210,658                                 | -  | 210,658          |
| Financial investments          | 225,000                                 | 185,302  | 410,302          |
| Loan receivables               | 5,481,029                               | -  | 5,481,029        |
| Other assets                   | 121,361                                 | -  | 121,361          |
|                                | <b>6,038,048</b>                        | <b>185,302</b>   | <b>6,223,350</b> |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial Risk Management (continued)**

**(a) Financial instruments (continued)**

**(ii) Financial instruments by category (continued)**

Financial liabilities at amortized cost

|                  | <u>2025</u>      | <u>2024</u>      |
|------------------|------------------|------------------|
|                  | <u>\$'000</u>    | <u>\$'000</u>    |
| Payables         | 208,946          | 184,864          |
| Members' savings | 5,067,182        | 4,228,258        |
| External credits | 898,373          | 1,010,097        |
| Lease liability  | 1,889            | 3,004            |
|                  | <u>6,176,390</u> | <u>5,426,223</u> |

**(iii) Fair value estimates**

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction. Market price is used to determine fair value where an active market (such as authorization stock exchange) exists as it is the best evidence of the fair value of a financial instrument.

Financial instruments that are measured in the statement of financial position at fair value are classified by level in one of the following fair value measurement hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. This includes financial assets with fair values based on broker quotes.

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available.

The amount included in the financial statements for cash and cash equivalents, loans receivables and payables reflect their approximate fair values because of the short-term maturity of these instruments. The fair value for borrowings is assumed to approximate carrying value as the contractual cash flows are at current market interest rates that are available to the Society for similar financial instruments.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial Risk Management (continued)**

**(a) Financial instruments (continued)**

**(iii) Fair value estimates (continued)**

The fair value of property, plant and equipment and investment properties are stated at revalued amounts for buildings.

The fair values of investment securities in unit trusts were estimated based on prevailing market prices at period end. They are initially recognized at fair value and subsequently measured at year-end realization prices as quoted by the respective investment houses, with changes in fair value being included in profit or loss.

Financial instruments classified as fair value through other comprehensive income and fair value through profit and loss investments are disclosed in Note 7. Unquoted investments are classified as level 2 and 3 and quoted instruments are classified as level 1.

The following table presents the assets that are measured at fair value.

|                                    | <b>Level 1</b> | <b>Level 2</b> | <b>Level 3</b> | <b>Total</b>  |
|------------------------------------|----------------|----------------|----------------|---------------|
|                                    | <b>\$'000</b>  | <b>\$'000</b>  | <b>\$'000</b>  | <b>\$'000</b> |
|                                    | <b>2025</b>    |                |                |               |
| Investment securities measured at: |                |                |                |               |
| Fair value through profit and loss | -              | 195,784        | -              | 195,784       |
| Amortized cost                     | -              | 225,000        | -              | 225,000       |
|                                    | -              | 420,784        | -              | 420,784       |
|                                    | <b>2024</b>    |                |                |               |
| Investment securities measured at: |                |                |                |               |
| Fair value through profit and loss | -              | 185,302        | -              | 185,302       |
| Amortized cost                     | -              | 225,000        | -              | 225,000       |
|                                    | -              | 410,302        | -              | 410,302       |

**4. Financial risk management (continued)**

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

**(b) Credit Risk.**

Credit risk is the risk of financial loss to the Society if a member or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises from loans to members, deposits with banks and other financial institutions and investment securities.

**(i) Loans to members**

*Management of risk*

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

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

*Credit review process*

The management of credit risk in respect of loans to members is delegated to the Credit Committee. The Committee is responsible for oversight of the Society's credit risk, including formulating credit policies, establishing the authorization structure for the approval of credit facilities, reviewing and assessing credit risk, and limiting concentration of exposure to counterparties.

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

**4. Financial Risk Management (continued)**

**(b) Credit Risk (continued)**

**(i) Loans to members (continued)**

*Collateral*

The Society holds collateral against loans to members in the form of mortgage interest over property, lien over motor vehicles, hypothecation of shares held in the Society and guarantees. Estimates of fair value are based on the values of collateral assessed at the time of borrowing and are generally not updated until a loan is individually assessed as impaired.

Collateral is not generally held against deposits and investment securities, except when securities are held as part of reverse repurchase agreements. An estimate of the fair value of collateral held against financial assets is not readily available.

*Write-off policy*

The Society writes off loans and any related allowances for impairment losses when it is determined that the loans are uncollectible. This determination is usually made after considering information such as changes in borrower's financial position, or that proceeds from collateral will not be sufficient to pay back the entire exposure. Additionally, loans are written off once they are delinquent for over 365 days based on regulatory requirements and are subject to approval by the Board and the Registrar.

**(ii) Liquid assets and investment securities**

The Society limits its exposure to credit risk by investing only in liquid assets and only with counterparties that have a high credit quality and Government of Jamaica securities. Therefore, management does not expect any counterparty to fail to meet its obligations.

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

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial Risk Management (continued)**

**(b) Credit Risk (continued)**

**(iii) Maximum exposure to credit risk and credit quality analysis**

*Maximum exposure to credit risk*

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

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

*Credit quality*

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

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

| 31 December 2025 | Stage 1   | Stage 2 | Stage 3   | Total     |
|------------------|-----------|---------|-----------|-----------|
|                  | \$'000    | \$'000  | \$'000    | \$'000    |
| Performing       | 6,096,789 | 275,704 | -         | 6,372,493 |
| Non-performing   | -         | -       | 449,983   | 449,983   |
|                  | 6,096,789 | 275,704 | 449,983   | 6,822,476 |
| Loss allowance   | (13,169)  | (7,511) | (449,983) | (470,663) |
|                  | 6,083,620 | 268,193 | -         | 6,351,813 |

| 31 December 2024 | Stage 1   | Stage 2  | Stage 3   | Total     |
|------------------|-----------|----------|-----------|-----------|
|                  | \$'000    | \$'000   | \$'000    | \$'000    |
| Performing       | 5,468,905 | 199,697  | -         | 5,668,602 |
| Non-performing   | -         | -        | 278,785   | 278,785   |
|                  | 5,468,905 | 199,697  | 278,785   | 5,947,387 |
| Loss allowance   | (130,538) | (20,834) | (278,785) | (430,157) |
|                  | 5,338,368 | 178,863  | -         | 5,517,230 |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial Risk Management (continued)**

**(b) Credit Risk (continued)**

**(iii) Maximum exposure to credit risk and credit quality analysis (continued)**

*Concentration of risk*

The following table summarises the Society's credit exposure for consumer loans at their carrying amounts:

|                                       | <u>2025</u>      | <u>2024</u>      |
|---------------------------------------|------------------|------------------|
|                                       | <u>\$'000</u>    | <u>\$'000</u>    |
| Real estate                           | 138,816          | 110,382          |
| Unsecured                             | 5,981,698        | 4,137,507        |
| Cash secured                          | 89,177           | 1,112,916        |
| Motor vehicle                         | <u>612,785</u>   | <u>586,582</u>   |
|                                       | 6,822,476        | 5,947,387        |
| Less: Allowance for impairment losses | <u>(470,663)</u> | <u>(430,157)</u> |
|                                       | <u>6,351,813</u> | <u>5,517,230</u> |

The closing loss allowances for loans receivables as at 31 December 2025 and 31 December 2024 reconcile to the opening loss allowances is as follows:

|   | <u>2025</u>    | <u>2024</u>    |
|---|----------------|----------------|
|   | <u>\$'000</u>  | <u>\$'000</u>  |
| Balance at beginning of the year  | 430,157        | 322,055        |
| Increase in loss allowance recognised in profit or loss during the year | <u>40,506</u>  | <u>108,102</u> |
| Balance at year end   | <u>470,663</u> | <u>430,157</u> |

**4. Financial Risk Management (continued)**

**(b) Credit Risk (continued)**

**(iv) Impairment**

Inputs, assumptions and techniques used for estimating impairment

**(a) Significant increase in credit risk**

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

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

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

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

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

Credit risk grades:

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

**4. Financial Risk Management (continued)**

**(b) Credit Risk (continued)**

**(iv) Impairment (continued)**

*(a) Significant increase in credit risk (continued)*

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

- Information obtained during periodic review of customer files.
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower.
- Payment record, which includes overdue status as well as a range of variables about payment ratios.
- Existing and forecast changes in business, financial and economic conditions.

Determining whether credit risk has been increased significantly:

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

Credit risk is deemed to increase significantly where the credit rating of a security decreased from grade 1 to grade 3 and the risk grade of loans has moved from grade 1 (standard) to grade 3 (sub-standard).

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

**4. Financial Risk Management (continued)**

**(b) Credit Risk (continued)**

**(iv) Impairment (continued)**

*(a) Significant increase in credit risk (continued)*

Determining whether credit risk has been increased significantly (continued)

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

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

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes 30 days past due;
- the average time between the identification of a significant increase in credit risk and default appears reasonable;
- exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2).

**4. Financial Risk Management (continued)**

**(b) Credit Risk (continued)**

**(iv) Impairment (continued)**

*(a) Significant increase in credit risk (continued)*

Determining whether credit risk has been increased significantly (continued)

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

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

Definition of default:

In assessing whether a borrower is in default, the Society considers indicators that are:

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

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

*(b) Incorporation of forward-looking information*

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

**4. Financial Risk Management (continued)**

**(b) Credit Risk (continued)**

**(iv) Impairment (continued)**

*(b) Incorporation of forward-looking information (continued)*

The Society uses a forward-looking scorecard model to estimate the potential impact of future economic conditions. It formulates three economic scenarios: a base case, which is the median scenario assigned a 50% probability of occurring, and two less likely scenarios, one upside and one downside, assigned a 20% and 30% probability of occurring respectively. Each scenario considers the expected impact of inflation, interest rates, unemployment rates and gross domestic product (GDP).

The base case is aligned with information used by the Society for other purposes such as strategic planning and budgeting. External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in Jamaica, supranational organisations and selected private-sector and academic forecasters.

The economic scenarios used as at 31 December 2025 assumed no significant changes in key indicators for Jamaica within the next year.

*(c) Measurement of ECLs*

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

- Probability of Default (PD);
- Loss Given Default (LGD); and
- Exposure at Default (EAD).

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

**4. Financial Risk Management (continued)**

**(b) Credit Risk (continued)**

**(iv) Impairment (continued)**

*(c) Measurement of ECLs (continued)*

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

EAD represents the expected exposure in the event of a default. The Society derives the EAD from current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortization.

The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For financial guarantees, the EAD represents the amount of the guaranteed exposure when the financial guarantee becomes payable. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

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

Whereby the regulatory and general computations exceed the accounting standards the additional allowance is treated as an appropriation and taken to reserves.

**Notes to the Financial Statements**  
**31 December 2025**

---

**4. Financial Risk Management (continued)**

**(c) Liquidity risk:**

Liquidity risk is the risk that the Society is unable to meet its payment obligations associated with its financial liabilities when they fall due and to raise funds to meet commitments associated with financial instruments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to meet obligations when due, under normal and also under stressed conditions, without incurring unacceptable losses or risking damages to the Society's reputation.

The key measure used by the Society for managing liquidity risk is the ratio of liquid assets to members' savings. For this purpose, liquid assets include cash and bank balances and highly liquid investments which are readily converted into cash within three months. The liquid asset ratio at the end of the year was approximately 18% (2024: 15%). The minimum standard is 15%.

There has been no change to the Society's exposure to liquidity risk or the manner in which it manages and measures the risk.

**Liquidity risk management process**

The Society's liquidity management process includes:

- (i) Monitoring future cash flows and liquidity on a daily basis;
- (ii) Maintaining marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- (iii) Maintaining a committed line of credit;
- (iv) Optimizing cash returns on investment.

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

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

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial Risk Management (continued)**

**(c) Liquidity risk (continued)**

**Undiscounted cash flows of financial liabilities**

The maturity profile of the Society's financial liabilities at year end on contractual undiscounted payments was as follows:

|                  | <b>Within<br/>1 month<br/>\$'000</b> | <b>1 to 3<br/>months<br/>\$'000</b> | <b>3 to 12<br/>months<br/>\$'000</b> | <b>1 – 8<br/>years<br/>\$'000</b> | <b>Total<br/>\$'000</b> | <b>Carrying<br/>amount<br/>\$'000</b> |
|------------------|--------------------------------------|-------------------------------------|--------------------------------------|-----------------------------------|-------------------------|---------------------------------------|
| <b>2025</b>      |                                      |                                     |                                      |                                   |                         |                                       |
| Payables         | 145,780                              | 25,401                              | 37,765                               | -                                 | 208,946                 | 208,946                               |
| Members' savings | -                                    | 5,067,182                           | -                                    | -                                 | 5,067,182               | 5,067,182                             |
| External credits | 10,226                               | 37,272                              | 141,479                              | 1,024,942                         | 1,213,919               | 898,373                               |
| Lease Liability  | 133                                  | 266                                 | 1,198                                | 367                               | 1,964                   | 1,889                                 |
|                  | <b>156,139</b>                       | <b>5,130,121</b>                    | <b>180,442</b>                       | <b>1,025,309</b>                  | <b>6,492,011</b>        | <b>6,176,390</b>                      |
|                  | <b>\$'000</b>                        | <b>\$'000</b>                       | <b>\$'000</b>                        | <b>\$'000</b>                     | <b>\$'000</b>           | <b>\$'000</b>                         |
| <b>2024</b>      |                                      |                                     |                                      |                                   |                         |                                       |
| Payables         | 133,101                              | 27,441                              | 24,322                               | -                                 | 184,864                 | 184,864                               |
| Members' savings | -                                    | 4,228,258                           | -                                    | -                                 | 4,228,258               | 4,228,258                             |
| External credits | 10,226                               | 37,996                              | 144,466                              | 1,214,337                         | 1,407,025               | 1,010,097                             |
| Lease Liability  | 100                                  | 201                                 | 1,099                                | 1,863                             | 3,263                   | 3,004                                 |
|                  | <b>143,427</b>                       | <b>4,293,896</b>                    | <b>169,887</b>                       | <b>1,216,200</b>                  | <b>5,823,410</b>        | <b>5,426,223</b>                      |

Assets available to meet all of the liabilities and to cover financial liabilities include cash and cash equivalents, investment securities and loans to members.

**(d) Market risk**

The Society takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates (see 4 (d) (i)), interest rates (see 4 (d) (ii)) and equity price risk (see 4 (d) (iii)). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while authorization the return. Market risk exposures are measured using sensitivity analysis.

There has been no significant change in exposure to market risks or the manner in which it manages and measures the risk.

**(i) Currency risk**

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Society is exposed to foreign exchange risk arising from currency exposure primarily with respect to the US dollar. Foreign exchange risk arises from future commercial transactions and authorization assets and liabilities.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial Risk Management (continued)**

**(d) Market risk (continued)**

**(i) Currency risk (continued)**

The Society is primarily exposed to such risks arising from foreign currency translation in relation to cash and cash equivalents.

Financial assets quoted in denominated foreign currency are as such:-

|                     | <u>2025</u>   | <u>2024</u>   |
|---------------------|---------------|---------------|
|                     | US\$          | US\$          |
| Cash at bank        | 10,769        | 18,370        |
|                     | <u>10,769</u> | <u>18,370</u> |
|                     | <u>2025</u>   | <u>2024</u>   |
| <b>Currency</b>     | <b>\$'000</b> | <b>\$'000</b> |
| Rate of exchange    | 158.11        | 154.79        |
| Jamaican equivalent | <u>1,703</u>  | <u>2,843</u>  |

The following table demonstrates the sensitivity to fluctuations in the exchange rates of the currencies held by the Society before tax, with all other variables held constant.

|                  | <u>2025</u>                                 | <u>2025</u> | <u>2024</u>  | <u>2024</u> |
|------------------|---|-------------|--------------|-------------|
|                  | <b>Effect on Profit and loss and equity</b> |             |              |             |
|                  | Devaluation                                 | Revaluation | Devaluation  | Revaluation |
|                  | -1.5%                                       | 1%          | -4%          | 1%          |
| <b>Currency:</b> |   |             |              |             |
| USD              | <u>(26)</u>                                 | <u>17</u>   | <u>(114)</u> | <u>28</u>   |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial Risk Management (continued)**

**(d) Market risk (continued)**

**(ii) Interest rate risk**

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Society to cash flow interest risk, whereas fixed interest rate instruments expose the Society to fair value interest risk.

The Society's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments and managing maturities of interest-bearing financial assets and interest-bearing financial liabilities.

At the reporting date, financial liabilities subject to interest rates aggregated \$5,965,555,000 (2024: \$5,238,355,000). The Society contracts financial liability at a fixed interest rate, hence, changes in the market interest rate will not affect the cash flow nor the carrying amount of the instruments.

The following table summarizes the Society's exposure to interest rate risk. It includes the Society's financial instruments at carrying amounts, categorized by the contractual re-pricing or maturity dates.

|                                      | <b>Within 3<br/>months</b> | <b>3 to 12<br/>months</b> | <b>1 to 5<br/>years</b> | <b>Over 5<br/>Years</b> | <b>Non-interest<br/>bearing</b> | <b>Total</b>     |
|--------------------------------------|----------------------------|---------------------------|-------------------------|-------------------------|---------------------------------|------------------|
|                                      | <b>\$'000</b>              | <b>\$'000</b>             | <b>\$'000</b>           | <b>\$'000</b>           | <b>\$'000</b>                   | <b>\$'000</b>    |
|                                      | <b>2025</b>                |                           |                         |                         |                                 |                  |
| <b>Assets</b>                        |                            |                           |                         |                         |                                 |                  |
| Investment                           |                            |                           |                         |                         |                                 |                  |
| Securities                           | 55,784                     | 75,000                    | 155,000                 | 135,000                 | -                               | 420,784          |
| Loans receivables                    | 58,571                     | 103,948                   | 2,575,478               | 3,577,012               | -                               | 6,315,009        |
| Other assets                         | -                          | -                         | -                       | -                       | 109,053                         | 109,053          |
| Cash and cash equivalents            | 499,338                    | -                         | -                       | -                       | 7,988                           | 507,326          |
| <b>Total financial assets</b>        | <b>613,693</b>             | <b>178,948</b>            | <b>2,730,478</b>        | <b>3,712,012</b>        | <b>117,041</b>                  | <b>7,352,172</b> |
| <b>Liabilities</b>                   |                            |                           |                         |                         |                                 |                  |
| Members' savings                     | 5,067,182                  | -                         | -                       | -                       | -                               | 5,067,182        |
| External credits                     | 29,046                     | 89,806                    | 598,059                 | 181,462                 | -                               | 898,373          |
| Payables                             | -                          | -                         | -                       | -                       | 208,946                         | 208,946          |
| Lease liability                      | 370                        | 1,153                     | 366                     | -                       | -                               | 1,889            |
| <b>Total financial liabilities</b>   | <b>5,096,598</b>           | <b>90,959</b>             | <b>598,425</b>          | <b>181,462</b>          | <b>208,946</b>                  | <b>6,176,390</b> |
| <b>Total interest re-pricing gap</b> | <b>(4,482,905)</b>         | <b>87,989</b>             | <b>2,132,053</b>        | <b>3,530,550</b>        | <b>(91,905)</b>                 | <b>1,175,782</b> |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial risk management (continued)**

**(d) Market risk (continued)**

**(iii) Interest rate risk (continued)**

|                                   | Within 3<br>months<br>\$'000 | 3 to 12<br>months<br>\$'000 | 1 to 5<br>years<br>\$'000 | Over 5<br>Years<br>\$'000 | Non-interest<br>bearing<br>\$'000 | Total<br>\$'000 |
|-----------------------------------|------------------------------|-----------------------------|---------------------------|---------------------------|-----------------------------------|-----------------|
| <b>2024</b>                       |                              |                             |                           |                           |                                   |                 |
| <b>Assets</b>                     |                              |                             |                           |                           |                                   |                 |
| Investment                        |                              |                             |                           |                           |                                   |                 |
| Securities                        | 45,302                       | 75,000                      | 155,000                   | 135,000                   | -                                 | 410,302         |
| Loans receivables                 | 31,882                       | 83,192                      | 2,614,837                 | 2,751,101                 | 17                                | 5,481,029       |
| Other assets                      | -                            | -                           | -                         | -                         | 121,361                           | 121,361         |
| Cash and cash<br>equivalents      | 204,719                      | -                           | -                         | -                         | 5,939                             | 210,658         |
| Total financial assets            | 281,903                      | 158,192                     | 2,769,837                 | 2,886,101                 | 127,317                           | 6,223,350       |
| <b>Liabilities</b>                |                              |                             |                           |                           |                                   |                 |
| Members' savings                  | 4,228,258                    | -                           | -                         | -                         | -                                 | 4,228,258       |
| External credits                  | 27,416                       | 84,637                      | 565,461                   | 332,583                   | -                                 | 1,010,097       |
| Payables                          | -                            | -                           | -                         | -                         | 184,864                           | 184,864         |
| Lease liability                   | 246                          | 970                         | 1,788                     | -                         | -                                 | 3,004           |
| Total financial<br>liabilities    | 4,255,920                    | 85,607                      | 567,249                   | 332,583                   | 184,864                           | 5,462,233       |
| Total interest re-<br>pricing gap | (3,974,017)                  | 72,585                      | 2,202,588                 | 2,553,518                 | (57,547)                          | 797,127         |

The Society has no significant sensitivity to interest rate risk as all borrowings are at fixed rates.

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

**Notes to the Financial Statements**  
**31 December 2025**

---

**4. Financial risk management (continued)**

**(d) Market risk (continued)**

**(iv) Price risk**

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

The Society is exposed to equity price risk because of equity investments held and classified on the statement of financial position as available for sale. The Society manages its price risk by trading these instruments when appropriate to reduce the impact of any adverse price fluctuations. The price of these commodities is reviewed regularly in considering the need for active financial risk management.

The impact of a change in the quoted prices for these equities would be:

| <b>2025</b>                                 | <b>2025</b> | <b>2024</b> | <b>2024</b> |
|---|-------------|-------------|-------------|
| <b>Effect on Profit and loss and equity</b> |             |             |             |
| Increase                                    | Decrease    | Increase    | Decrease    |
| 1.5%  | 1.0%        | 6%          | 2%          |
| 2,250                                       | (1,500)     | 9,000       | (3,000)     |

**4. Financial Risk Management (continued)**

**(e) Operational risk**

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

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

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

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

Compliance with the Society's standards is supported by a programme of periodic reviews which are discussed with management and submitted to the Board.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**4. Financial Risk Management (continued)**

**(f) Capital management**

The Society is subject to capital requirements. The Society’s objectives when managing capital are:

- (1) To comply with the capital requirements set by the Department of Co-operatives and Friendly Societies;
- (2) To safeguard the Society’s ability to continue as a going concern so that it can continue to provide returns to its members and benefits for other stakeholders;
- (3) To maintain a strong capital base to support the development of its business through the allocation of at least 25% of surplus to institutional capital and;
- (4) To maintain an above 8% ratio of institutional capital to total assets.

The Society defines its capital as permanent shares and reserves. Its dividend payout is made taking into account the maintenance of an adequate capital base.

The composition of regulatory capital and the ratios of the Society as at 31 December 2025 and 31 December 2024 are as follows:

|                        | <u>2025</u>      | <u>2024</u>      |
|------------------------|------------------|------------------|
|                        | <u>\$’000</u>    | <u>\$’000</u>    |
| Permanent shares       | 75,020           | 70,666           |
| Institutional capital  | <u>1,644,926</u> | <u>1,324,424</u> |
| Total equity capital   | <u>1,719,946</u> | <u>1,395,090</u> |
| Total assets           | <u>8,733,921</u> | <u>7,582,104</u> |
| Total capital ratio    | <u>20%</u>       | <u>18%</u>       |
| Required capital ratio | <u>8%</u>        | <u>8%</u>        |

**Notes to the Financial Statements**  
**31 December 2025**

---

**5. Critical accounting estimates and judgements in applying accounting policies**

The Society makes estimates and assumptions concerning the future. The resulting accounting estimates will seldom equal the related actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(i) Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Society uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Society's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the Credit risk note.

**(ii) Depreciable assets**

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

**(iii) Fair value of financial assets**

The management uses its judgment in selecting appropriate valuation techniques to determine fair values of financial assets adopting valuation techniques commonly used by market practitioners supported by appropriate assumptions as set out in Note 4(a).

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**6. Cash and cash equivalents**

|   | <u>2025</u>    | <u>2024</u>    |
|---|----------------|----------------|
|   | \$'000         | \$'000         |
| Cash at bank and other deposit-taking institutions: |                |                |
| National Commercial Bank Jamaica Limited            | 487,243        | 193,621        |
| CIBC Caribbean Bank (Jamaica) Limited               | 7,848          | 5,814          |
| JMMB Bank (Jamaica) Limited                         | 1,304          | 876            |
| VM Building Society                                 | <u>10,792</u>  | <u>10,222</u>  |
|   | 507,187        | 210,533        |
| Cash on hand  | <u>139</u>     | <u>125</u>     |
|   | <u>507,326</u> | <u>210,658</u> |

Broken down as follows:

|                    | <u>2025</u>    | <u>2024</u>    |
|--------------------|----------------|----------------|
|                    | \$'000         | \$'000         |
| Earning assets     | 499,338        | 204,719        |
| Non-Earning assets | <u>7,988</u>   | <u>5,939</u>   |
|                    | <u>507,326</u> | <u>210,658</u> |

Cash at bank substantially comprise savings and operating accounts at licensed deposit-taking institutions in Jamaica.

The rate of interest earned on the Society's savings accounts range from 0.001% to 1.75% (2024: 0.01% to 1.75%) for those that are denominated in Jamaican Dollars.

Included in cash at bank is an amount of \$29.0 million (2024: \$22.0 million) in a debt service reserve account (DSRA) being maintained under the terms of a borrowing agreement. (See note 18)

Cash at bank includes amounts that are denominated in foreign currency, as follows:

|                       | <u>2025</u>   | <u>2024</u>   |
|-----------------------|---------------|---------------|
|                       | US\$          | US\$          |
| United States Dollars | <u>10,769</u> | <u>18,370</u> |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**7. Loan receivables**

|   | <u>2025</u>      | <u>2024</u>      |
|---|------------------|------------------|
|   | <u>\$'000</u>    | <u>\$'000</u>    |
| Gross loans to members                      | 6,796,606        | 5,881,738        |
| Less: impairment allowance [Note 4(b)(iii)] | <u>(470,663)</u> | <u>(430,157)</u> |
|   | 6,325,943        | 5,451,581        |
| Add: loan interest receivable               | <u>25,870</u>    | <u>65,649</u>    |
| Net loans to members                        | 6,351,813        | 5,517,230        |
| Less: unamortized loan fees                 | <u>(36,804)</u>  | <u>(36,201)</u>  |
|   | <u>6,315,009</u> | <u>5,481,029</u> |

Loans to members, before impairment loss allowance, comprise:

|                     | <u>2025</u>      | <u>2024</u>      |
|---------------------|------------------|------------------|
|                     | <u>\$'000</u>    | <u>\$'000</u>    |
| Motor vehicle loans | 610,616          | 586,582          |
| Mortgage loans      | 138,097          | 110,382          |
| Regular loans       | 4,686,281        | 4,060,914        |
| Other loans         | <u>1,361,612</u> | <u>1,123,860</u> |
|                     | <u>6,796,606</u> | <u>5,881,738</u> |

Movement of loan principal is as follows:

|                              | <u>2025</u>        | <u>2024</u>        |
|------------------------------|--------------------|--------------------|
|                              | <u>\$'000</u>      | <u>\$'000</u>      |
| Balance at beginning of year | 5,881,738          | 4,936,267          |
| Loans granted                | <u>2,347,711</u>   | <u>2,198,070</u>   |
|                              | 8,229,449          | 7,134,337          |
| Less: Repayments             | <u>(1,432,843)</u> | <u>(1,252,599)</u> |
| Balance at end of year       | <u>6,796,606</u>   | <u>5,881,738</u>   |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**7. Loan receivables (continued)**

Movement of deferred loan fees is as follows:

|                                | <u>2025</u>   | <u>2024</u>   |
|--------------------------------|---------------|---------------|
|                                | <u>\$'000</u> | <u>\$'000</u> |
| Balance at beginning of year   | 36,201        | 27,887        |
| Addition during the year       | 43,674        | 41,023        |
|                                | 79,875        | 68,910        |
| Fees amortized during the year | (43,071)      | (32,709)      |
| Balance at end of year         | <u>36,804</u> | <u>36,201</u> |

The ageing of the loans, including interest receivable, at the reporting date was as follows:

|                                 | <u>2025</u>      | <u>2024</u>      |
|---------------------------------|------------------|------------------|
|                                 | <u>\$'000</u>    | <u>\$'000</u>    |
| Current                         | 6,087,145        | 5,435,044        |
| 30 days                         | 25,727           | 35,226           |
| 60 days                         | 147,451          | 143,927          |
| 60 - 90 days                    | 73,348           | 56,461           |
| 91 - 180 days                   | 102,494          | 59,083           |
| 181 - 365 days                  | 167,558          | 106,980          |
| Over 365 days                   | 218,753          | 110,666          |
|                                 | 6,822,476        | 5,947,387        |
| Less: Impairment loss allowance | (470,663)        | (430,157)        |
| Balance at end of year          | <u>6,351,813</u> | <u>5,517,230</u> |

Full provision of principal is made for loans in arrears over one year. General provision of 10% - 60% are established in respect of principal in arrears for 2 - 12 months. Provision is made for all interest in arrears in excess of 2 months.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**7. Loan receivables (continued)**

The individually impaired loans mainly relate to members who are in unexpected difficult economic situations. It was assessed that a portion of the receivables is expected to be recovered. The ageing of these loans are as follows:

Delinquent loans are summarized as follows:

| Months in arrears | Number of accounts in arrears | Total loan balances | Security held against loans | Portion of principal not covered by savings | Interest outstanding on delinquent loans |
|-------------------|-------------------------------|---------------------|-----------------------------|---|--|
|                   |                               | \$'000              | \$'000                      | \$'000                                      | \$'000                                   |
|                   |                               |                     | <b>2025</b>                 |   |  |
| Less than 2       | 170                           | 190,188             | 74,493                      | 115,695                                     | 5,600                                    |
| 2 – 3             | 68                            | 68,646              | 23,591                      | 45,055                                      | 2,952                                    |
| 4 – 6             | 118                           | 102,281             | 42,490                      | 59,791                                      | 5,218                                    |
| 7 – 12            | 153                           | 163,445             | 39,605                      | 123,840                                     | 18,119                                   |
| Over 12           | 155                           | 189,041             | 40,002                      | 149,039                                     | 42,047                                   |
|                   | 664                           | 713,601             | 220,181                     | 493,420                                     | 73,936                                   |
|                   |                               | <b>\$'000</b>       | <b>\$'000</b>               | <b>\$'000</b>                               | <b>\$'000</b>                            |
|                   |                               |                     | <b>2024</b>                 |   |  |
| Less than 2       | 9                             | 9,682               | 1,844                       | 7,838                                       | 377                                      |
| 2 – 3             | 67                            | 56,461              | 4,678                       | 51,783                                      | 2,718                                    |
| 4 – 6             | 102                           | 59,083              | 435                         | 58,648                                      | 3,633                                    |
| 7 – 12            | 151                           | 106,980             | 9,627                       | 97,353                                      | 10,532                                   |
| Over 12           | 122                           | 110,666             | 555                         | 110,111                                     | 23,224                                   |
|                   | 451                           | 342,872             | 17,139                      | 325,733                                     | 40,484                                   |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**8. Investment securities**

|  | <u>2025</u>    | <u>2024</u>    |
|--|----------------|----------------|
|  | \$'000         | \$'000         |
| <b>Investment securities at amortized cost:</b>  |                |                |
| <b>Preference shares:</b>  |                |                |
| VM Financial Group Limited – Cumulative Redeemable Variable Preference Shares (Class D) due March 31, 2025 | -              | 150,000        |
| VM Financial Group Limited – Cumulative Redeemable Variable Preference Shares (Class D) due April 1, 2027  | 150,000        | -              |
|  | <u>150,000</u> | <u>150,000</u> |
| <b>Corporate Bond:</b>   |                |                |
| 7.75% Victoria Mutual Wealth Management Unit Trust – Property Fund, maturing December 3, 2025              | -              | 75,000         |
| 9% Victoria Mutual Wealth Management Unit Trust – Property Fund, maturing March 31, 2027                   | 75,000         | -              |
|  | <u>75,000</u>  | <u>75,000</u>  |
| <b>Investment securities at fair value through profit or loss:</b>   |                |                |
| Unit in unit trust funds:  |                |                |
| Victoria Mutual Wealth Management  | 190,809        | 180,192        |
| CUMAX Wealth Management  | 4,975          | 5,110          |
|  | <u>195,784</u> | <u>185,302</u> |
|  | <u>420,784</u> | <u>410,302</u> |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

---

**8. Investment securities (continued)**

The movement in investment securities is as follows:

|                                    | <b>2025</b>      | <b>2024</b>    |
|------------------------------------|------------------|----------------|
|                                    | <b>\$'000</b>    | <b>\$'000</b>  |
| Balance at beginning of year       | 410,302          | 389,707        |
| Fair value gains                   | 10,482           | 20,595         |
| Additions to investment securities | 150,000          | -              |
| Disposal of investment securities  | <u>(150,000)</u> | <u>-</u>       |
| Balance at end of year             | <u>420,784</u>   | <u>410,302</u> |

Dividend on the preference shares is paid quarterly and is calculated at rate of 300 basis point above the weighted average yield rate applicable to the Government of Jamaica Treasury Bill Tender.

The Society invested in shares and bond as shown above. These investments may result in a credit exposure in the event that the counter party to the transactions is unable to fulfill its obligations. The Society did not recognize impairment losses on these agreements because the amount was immaterial.

The Society's investments in preference shares and corporate bonds have been pledged as collateral for certain borrowings (Note 18).

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**9. Investment properties**

|                            | Land –<br>Drax Hall<br>\$'000 | Palmoral<br>Avenue –<br>Mona<br>\$'000 | Bogue Estate<br>-Montego<br>Bay<br>\$'000 | Caledonia -<br>Mandeville<br>\$'000 | Kent Avenue-<br>Portmore<br>\$'000 | Cookson Pen -<br>Portmore<br>\$'000 | Work-in-<br>progress<br>\$'000 | Total<br>\$'000 |
|----------------------------|-------------------------------|--|---|-------------------------------------|------------------------------------|-------------------------------------|--------------------------------|-----------------|
| <b>At cost/valuation -</b> |                               |  |   |                                     |                                    |                                     |                                |                 |
| 1 January 2024             | 191,156                       | 110,477                                | 121,550                                   | 49,902                              | 22,000                             | 563,541                             | -                              | 1,058,626       |
| Additions                  | -                             | 9,016                                  | -   | -                                   | -                                  | 39,754                              | -                              | 48,770          |
| 31 December 2024           | 191,156                       | 119,493                                | 121,550                                   | 49,902                              | 22,000                             | 603,295                             | -                              | 1,107,396       |
| Additions                  | -                             | 477                                    | 3,100                                     | -                                   | -                                  | 21,890                              | 3,000                          | 28,467          |
| 31 December 2025           | 191,156                       | 119,970                                | 124,650                                   | 49,902                              | 22,000                             | 625,185                             | 3,000                          | 1,135,863       |
| <b>Depreciation -</b>      |                               |  |   |                                     |                                    |                                     |                                |                 |
| 1 January 2024             | -                             | 3,274                                  | 6,076                                     | 2,496                               | 1,100                              | 18,952                              | -                              | 31,898          |
| Charge for year            | -                             | 2,987                                  | 3,038                                     | 1,248                               | 550                                | 15,062                              | -                              | 22,885          |
| 31 December 2024           | -                             | 6,261                                  | 9,114                                     | 3,744                               | 1,650                              | 34,014                              | -                              | 54,783          |
| Charge for the year        | -                             | 2,987                                  | 3,065                                     | 1,248                               | 550                                | 15,165                              | -                              | 23,015          |
| 31 December 2025           | -                             | 9,248                                  | 12,179                                    | 4,992                               | 2,200                              | 49,179                              | -                              | 77,798          |
| <b>Net book value -</b>    |                               |  |   |                                     |                                    |                                     |                                |                 |
| 31 December 2025           | 191,156                       | 110,722                                | 112,471                                   | 44,910                              | 19,800                             | 576,006                             | 3,000                          | 1,058,065       |
| 31 December 2024           | 191,156                       | 113,232                                | 112,436                                   | 46,158                              | 20,350                             | 569,281                             | -                              | 1,052,613       |

All additions during the current and prior year resulted from subsequent expenditure recognised as an asset.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

---

**9. Investment properties (continued)**

- (i) The Drax Hall property, which is a vacant commercial lot located at Lot 17B, Part of Drax Hall Estate, St. Ann’s Bay, St. Ann, and is a subdivision of a parent title registered at Volume 1490 Folio 932. It was purchased during 2022, is stated at cost and is pledged as security for a loan from Victoria Mutual Building Society. (See Note 18).
- (ii) The Palmoral Avenue property, which is a residential property located at No. 18 Palmoral Avenue, Mona Heights, Kingston 6, and is registered at Volume 937 Folio 315, was valued at between 19 million to \$22 million on 2 April 2017, by independent valuers, Thomas, Forbes & Associates Limited. The valuation was done on the basis of open market value. Subsequent additions are at cost.
- (iii) The Montego Bay property, which is a commercial office space located at Block A, “The Annex”. Fairview, Bogue Estate, Montego Bay, St. James, is registered at Strata Lot No. 27, Volume 1522 Folio 915, and has been physically divided into three shops labelled as Shops 27A, 27B and 27C. Shop C, though occupied by the Society. IFRS 40-Investment Properties, requires that where a portion of a property cannot be sold separately (i.e., a Strata), the entire property should be recognised as an investment property only if an insignificant portion is owner-occupied. However, to meet the regulatory reporting requirement of the Society to separate “earning assets” from “non-earning assets”, the Society has departed from IFRS 40 by allocating the Montego Bay property as follows:

| <u>Category</u>                         | <u>Allocation</u> | <u>Amount</u>      |
|---|-------------------|--------------------|
|   |                   | \$                 |
| Investment properties                   | Shops A and B     | 124,650,300        |
| Property, plant and equipment (Note 11) | Shop C            | <u>60,000,000</u>  |
|   |                   | <u>184,650,300</u> |

The Montego Bay property was valued at US\$1.2 million 9 August 2021, by independent valuers, Thomas, Forbes & Associates Limited. The valuation was done on the basis of open market value.

The Montego Bay property is pledged as security for a loan from JMMB Bank (Jamaica) Limited. (See Note 18).

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**9. Investment properties (continued)**

- (iv) The Mandeville property, which is a commercial building, is located at Lot 3, Caledonia, Mandeville, Manchester, and is registered at Volume 1417 Folio 252. The building, which comprised three (3) floors, was acquired during 2020 to 2021 at a total cost of \$73,375,949. The first floor is occupied by the Society, while the second and third floor are rented to third parties. Similar to the Montego Bay property discussed above, the Mandeville property has been allocated as follows:

| <u>Category</u>                         | <u>Allocation</u>                          | <u>Amount</u>     |
|---|--|-------------------|
|   |  | \$                |
| Investment properties                   | 2 <sup>nd</sup> and 3 <sup>rd</sup> floors | 49,901,819        |
| Property, plant and equipment (Note 11) | 1 <sup>st</sup> Floor                      | <u>23,474,130</u> |
|   |  | <u>73,375,949</u> |

- (v) The Kent Avenue property, which is a residential property located at No. 24 (Lot No. 682) Kent Avenue, Bridgeport, Portmore, St. Catherine, and is registered at Volume 1099 Folio 1, was valued at \$22,000,000 on 19 January 2022, by independent valuers, Thomas, Forbes & Associates Limited. The valuation was done on the basis of open market value.
- (vi) The Cookson Pen-Portmore property, which is a commercial office space located at Lot 6E Cookson Pen and Bushy Park pen, Braeton, Portmore, St. Catherine, is registered at Volume 1333 Folio 914. The property is carried at historical cost.
- (vii) Rental income and direct operating expenditure in relation to investment properties are as follows:

|                                     | <u>2025</u>    | <u>2024</u>    |
|-------------------------------------|----------------|----------------|
|                                     | <u>\$'000</u>  | <u>\$'000</u>  |
| Rental income (Note 23)             | 92,890         | 36,983         |
| Direct operating expenses (Note 24) | <u>(9,227)</u> | <u>(8,945)</u> |
|                                     | <u>83,663</u>  | <u>28,038</u>  |

- (viii) Leasing arrangements:  
Commercial and residential properties are leased to tenants under operating leases with rental payable monthly. Lease payments do not include variable lease payments that depend on an index rate.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

---

**10. Other assets**

|  | <u>2025</u>    | <u>2024</u>    |
|--|----------------|----------------|
|  | <u>\$'000</u>  | <u>\$'000</u>  |
| General consumption tax                      | 22,730         | 13,793         |
| Interest receivable on investment securities | 9,132          | 2,773          |
| Prepayments                                  | 8,998          | 4,308          |
| Rent receivable                              | 6,863          | 7,311          |
| Staff loans                                  | 56,561         | 88,748         |
| Other receivables                            | 4,769          | 4,428          |
|  | <u>109,053</u> | <u>121,361</u> |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**11. Property, plant and equipment**

|                                | Land & Building | Furniture & Fixtures | Computer & Equipment | Leasehold Improvement | Work-in-Progress | Total    |
|--------------------------------|-----------------|----------------------|----------------------|-----------------------|------------------|----------|
|                                | \$'000          | \$'000               | \$'000               | \$'000                | \$'000           | \$'000   |
| <b>Cost/Valuation -</b>        |                 |                      |                      |                       |                  |          |
| 1 January 2024                 | 316,974         | 26,851               | 113,066              | 7,770                 | -                | 464,661  |
| Additions                      | -               | 486                  | 5,058                | -                     | 1,625            | 7,169    |
| 31 December 2024               | 316,974         | 27,337               | 118,124              | 7,770                 | 1,625            | 471,830  |
| Additions                      | -               | 1,874                | 14,963               | -                     | 8,776            | 25,613   |
| Transfer from work in progress |                 | 1,625                | -                    | -                     | (1,625)          | -        |
| 31 December 2025               | 316,974         | 30,836               | 133,087              | 7,770                 | 8,776            | 497,443  |
| <b>Depreciation -</b>          |                 |                      |                      |                       |                  |          |
| 1 January 2024                 | 19,624          | 23,582               | 106,449              | 7,770                 | -                | 157,425  |
| Charge for the year            | 7,924           | 87                   | 4,649                | -                     | -                | 12,660   |
| 31 December 2024               | 27,548          | 23,669               | 111,098              | 7,770                 | -                | 170,085  |
| Adjustment (over depreciation) | -               | (641)                | (9,868)              | -                     | -                | (10,509) |
| Charge for the year            | 7,924           | 758                  | 9,098                | -                     | -                | 17,780   |
| 31 December 2025               | 35,472          | 23,786               | 110,328              | 7,770                 | -                | 177,356  |
| <b>Net book value -</b>        |                 |                      |                      |                       |                  |          |
| 31 December 2025               | 281,502         | 7,050                | 22,759               | -                     | 8,776            | 320,087  |
| 31 December 2024               | 289,426         | 3,668                | 7,026                | -                     | 1,625            | 301,745  |

# **TIP FRIENDLY SOCIETY**

(A Society Registered Under the Friendly Societies Act)

## **Notes to the Financial Statements**

**31 December 2025**

---

### **11. Property, plant and equipment (continued)**

(i) The cost of land and building comprise the following:

|   | <u>2025</u>    | <u>2024</u>    |
|---|----------------|----------------|
|   | <u>\$'000</u>  | <u>\$'000</u>  |
| 80 Half-Way-Tree Road                     | 233,500        | 233,500        |
| The Annex, Fairview, Montego Bay (Note 9) | 60,000         | 60,000         |
| Caledonia Avenue, Mandeville (Note 9)     | <u>23,474</u>  | <u>23,474</u>  |
|   | <u>316,974</u> | <u>316,974</u> |

(ii) The Society's land and buildings (except for its Caledonia Avenue property) are stated at their revalued amounts, being their fair value at date of revaluation less subsequent accumulated depreciation.

(iii) The Society's building located at 80 Half Way Tree Road, Kingston 5, being Strata Lots 1 – 3 registered at volume 1201 folios 712-714, was revalued on 4 June 2021, by independent valuers, Thomas, Forbes & Associates Limited. The valuation was done on the basis of open market value.

Thomas, Forbes and Associates Limited are members of the Real Estate Board of Jamaica and are licensed to practice appraisals.

(iv) All of the Society's properties have been pledged as security for the borrowings from Victoria Mutual Building Society and JMMB Bank (Jamaica) Limited. See Note 18.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**12. Right-of use asset and related lease liability**

**(i) Amounts recognised in the balance sheet**

The statement of financial position shows the following amounts relating to leases: -

**Right-of-use asset**

|                                 | <u>2025</u>   | <u>2024</u>   |
|---------------------------------|---------------|---------------|
|                                 | <u>\$'000</u> | <u>\$'000</u> |
| Balance as at beginning of year | 1,731         | 2,530         |
| Amortization                    | (799)         | (799)         |
| Balance as at end of year       | <u>932</u>    | <u>1,731</u>  |

**Lease liability**

|                                 | <u>2025</u>   | <u>2024</u>   |
|---------------------------------|---------------|---------------|
|                                 | <u>\$'000</u> | <u>\$'000</u> |
| Balance as at beginning of year | 3,004         | 3,749         |
| Lease payments                  | (1,302)       | (1,006)       |
| Interest expense                | 187           | 261           |
| Balance as at end of year       | <u>1,889</u>  | <u>3,004</u>  |

|                           | <u>2025</u>   | <u>2024</u>   |
|---------------------------|---------------|---------------|
|                           | <u>\$'000</u> | <u>\$'000</u> |
| Current                   | 1,523         | 1,216         |
| Non-current               | 366           | 1,788         |
| Balance as at end of year | <u>1,889</u>  | <u>3,004</u>  |

**(ii) The statement of profit or loss shows the following amounts relating to leases:**

|   | <u>2025</u>   | <u>2024</u>   |
|---|---------------|---------------|
|   | <u>\$'000</u> | <u>\$'000</u> |
| Amortization of right-of-use asset (included in administrative expenses, note 24) | 799           | 799           |
| Interest expense (included in finance costs, note 21)                             | <u>187</u>    | <u>261</u>    |

**(iii) Amounts recognised in the statement of cash flows**

|                                | <u>2025</u>   | <u>2024</u>   |
|--------------------------------|---------------|---------------|
|                                | <u>\$'000</u> | <u>\$'000</u> |
| Total cash outflows for leases | <u>1,302</u>  | <u>1,006</u>  |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**13. Intangible assets**

**Software**

|                                      | <b>2025</b>   | <b>2024</b>   |
|--------------------------------------|---------------|---------------|
| <b>Cost</b>                          | <b>\$'000</b> | <b>\$'000</b> |
| Balance at beginning of year         | 48,458        | 45,793        |
| Additions                            | -             | 2,665         |
| Balance at end of year               | <u>48,458</u> | <u>48,458</u> |
| <b>Amortization</b>                  |               |               |
| Balance at beginning and end of year | <u>45,793</u> | <u>45,793</u> |
| <b>Net book value</b>                | <u>2,665</u>  | <u>2,665</u>  |

Intangible assets comprise computer software acquired by the Society. Amortization of the computer software is calculated based on an estimated useful life of three years.

The amortization of intangible assets is charged to the administration expenses in the statement of comprehensive income.

The balance on the intangible assets represent work-in-progress.

**14. Permanent shares**

|                              | <b>2025</b>   | <b>2024</b>   |
|------------------------------|---------------|---------------|
|                              | <b>\$'000</b> | <b>\$'000</b> |
| Balance at beginning of year | 70,666        | 67,295        |
| Increase in shares           | <u>4,354</u>  | <u>3,371</u>  |
| Balance at end of year       | <u>75,020</u> | <u>70,666</u> |

Each member is required to subscribe to a minimum of two thousand (2,000) shares, but up to a maximum of one hundred thousand (100,000) shares, at par value of one dollar (\$1) each, or at a selling price per share which prevails at the time of subscription. These shares cannot be withdrawn but may be subject to sale, transfer or repurchase by the Society.

Dividends may be distributed and paid on permanent shares subject to the profitability of the Society.

# TIP FRIENDLY SOCIETY

(A Society Registered Under the Friendly Societies Act)

## Notes to the Financial Statements

31 December 2025

### 15. Institutional capital

|                        | <u>2025</u>      | <u>2024</u>      |
|------------------------|------------------|------------------|
|                        | <u>\$'000</u>    | <u>\$'000</u>    |
| Statutory reserve      | (a) 182,725      | 168,076          |
| Special reserve        | (b) 1,094,385    | 972,440          |
| Unsecured loan reserve | (c) 367,816      | 183,908          |
|                        | <u>1,644,926</u> | <u>1,324,424</u> |

#### (a) Statutory reserve

|                               | <u>2025</u>    | <u>2024</u>    |
|-------------------------------|----------------|----------------|
|                               | <u>\$'000</u>  | <u>\$'000</u>  |
| Balance at beginning of year  | 168,076        | 153,682        |
| Transfer to statutory reserve | 14,649         | 14,394         |
| Balance at end of year        | <u>182,725</u> | <u>168,076</u> |

This reserve is established out of the excess of revenue over expenditure each year and represents 5% of such excess. During the year, transfers from surplus amounted to \$14,649,000 (2024: \$14,394,000). This is used to assist with the strengthening of the capital base of the Society.

#### (b) Special reserve

|   | <u>2025</u>      | <u>2024</u>     |
|---|------------------|-----------------|
|   | <u>\$'000</u>    | <u>\$'000</u>   |
| Balance at beginning of year                                      | 972,440          | 852,023         |
| Mandatory transfer to special reserve at 20%<br>(2024: 20%)       | 65,418           | 64,928          |
| Additional transfer to special reserve at 27.5%;<br>(2024: 27.5%) | 89,950           | 89,276          |
| Claim payments  | <u>(33,423)</u>  | <u>(33,787)</u> |
| Balance at end of year  | <u>1,094,385</u> | <u>972,440</u>  |

This reserve is set aside in order to meet insurance claim payments and to strengthen the capital base of the Society as required by Section 68(7)(ii) of the Friendly Societies Act and Regulations. The annual amount that is transferred to the special reserve represents 20% of the net non-interest income.

In addition to the mandatory 20% transfer to special reserve, the Society has decided to make an additional transfer to reserve. On May 18, 2023, the Committee of Management passed an ordinary resolution to increase the additional transfer to special reserve from 20% to 27.5%.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**15. Institutional capital (continued)**

**(c) Unsecured loan reserve**

|                              | <u>2025</u>    | <u>2024</u>    |
|------------------------------|----------------|----------------|
|                              | <u>\$'000</u>  | <u>\$'000</u>  |
| Balance at beginning of year | 183,908        | -              |
| Transfer to special reserve  | <u>183,908</u> | <u>183,908</u> |
| Balance at end of year       | <u>367,816</u> | <u>183,908</u> |

The unsecured loan reserve was established in compliance with a request from the Department of Cooperatives and Friendly Society. In a meeting of the Committee of Management held on December 16, 2024, a motion was approved to allocate up to a maximum of \$200 million from undistributed surplus and establish same as unsecured loan protection fund. The Society's objectives when managing the unsecured loan protection fund are:

- (a) To comply with the unsecured loan requirements set by the Department of Co-operatives and Friendly Societies.
- (b) To use it as institutional protection against bad debts written off arising from delinquent loans.

**16. Non-institutional capital**

|                              |     | <u>2025</u>    | <u>2024</u>    |
|------------------------------|-----|----------------|----------------|
|                              |     | <u>\$'000</u>  | <u>\$'000</u>  |
| Other reserves:              |     |                |                |
| General reserve              | (a) | 314,857        | 314,857        |
| Property revaluation reserve | (b) | <u>266,949</u> | <u>266,949</u> |
|                              |     | 581,806        | 581,806        |
| Undistributed surplus        |     | <u>255,779</u> | <u>178,985</u> |
|                              |     | <u>837,585</u> | <u>760,791</u> |

**(a) General reserve**

General reserve represents appropriations from undistributed surplus for the purpose of strengthening the capital base of the Society. The amount transferred is determined at the Annual General Meeting based on the availability of appropriate surplus.

**(b) Property revaluation reserve**

This represents unrealized surplus on revaluation of property, plant and equipment.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

---

**17. Members' savings**

|                              | <u>2025</u>      | <u>2024</u>      |
|------------------------------|------------------|------------------|
|                              | <u>\$'000</u>    | <u>\$'000</u>    |
| Balance at beginning of year | 4,228,258        | 3,567,817        |
| Additions                    | 2,232,931        | 1,863,621        |
|                              | 6,461,189        | 5,431,438        |
| Withdrawals and transfers    | (1,394,007)      | (1,203,180)      |
| Balance at end of year       | <u>5,067,182</u> | <u>4,228,258</u> |

Members' savings represents voluntary shares which are issued at a par value of \$1 per share, or at a selling price per share which prevails at the time of subscription.

Interest is paid at a rate ranging between 3.5% and 5% per annum, and, subject to the profitability of the Society, the Committee of Management may recommend the declaration and payment of dividend on voluntary shares in amounts and at times as it may determine.

# TIP FRIENDLY SOCIETY

(A Society Registered Under the Friendly Societies Act)

## Notes to the Financial Statements

31 December 2025

### 18. External credits

|  |     | <u>2025</u>    | <u>2024</u>      |
|--|-----|----------------|------------------|
|  |     | <u>\$'000</u>  | <u>\$'000</u>    |
| VM Building Society                      | (a) | 120,835        | 139,644          |
| VM Building Society                      | (b) | 108,971        | 114,996          |
| VM Building Society                      | (c) | 122,047        | 128,377          |
| JMMB Bank (Jamaica) Limited              | (d) | 130,169        | 138,454          |
| JMMB Bank (Jamaica) Limited              | (e) | 44,573         | 49,971           |
| JMMB Bank (Jamaica) Limited              | (f) | 42,778         | 62,655           |
| National Commercial Bank Jamaica Limited | (g) | 329,000        | 376,000          |
|  |     | <u>898,373</u> | <u>1,010,097</u> |

- (a) This loan of \$200 million, which was received in April 2021, attracts interest at 5.75% per annum and is repayable over 120 equal monthly instalments. The loan is secured by Hypothecation of securities held at Victoria Mutual Wealth Management Limited in the name of TIP Friendly Society in the amount of \$210 million (Note 8).
- (b) This loan of \$132 million, which was received in September 2021, attracts interest at 8.15% per annum and is repayable over 180 equal monthly instalments. The loan is secured by first legal mortgage to be stamped to cover \$132 million over commercial property located at Strata 1-3, 80 Half Way Tree Road, Kingston 10, registered at Volume 1201 Folio 712-714 (Note 11).
- (c) This loan of \$144 million, which was received in February 2022, attracts interest at 8.25% per annum and is repayable over 180 equal monthly instalments. The loan is secured by first legal mortgage Lot 17B, Drax Hall Estate, Drax Hall, St. Ann. Registered at Volume 1490 Folio 932 (Note 9).
- (d) This loan of \$144 million, which was received in March 2024, attracts interest rate of 13.00% (2024: 13.00%) and is repayable over 120 equal monthly instalments.
- (e) This loan of \$53 million, which was received in April 2024, attracts interest rate of 13.25% (2024: 13.25%) and is repayable over 84 equal monthly instalments.
- (f) This loan of \$69 million, was received in August 2024, attracts interest at a rate of 15% (2024: 15.00%) and is repayable over 36 equal monthly instalments.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**18. External credits (continued)**

(g) This loan of \$470 million, was received in March 2022, attracts interest at a rate of 6.25% during the moratorium period of 12 months and 5.75% thereafter. The loan is repayable over 32 equal quarterly instalments of \$11,750,000 commencing after the moratorium period and one final payment of \$94,000,000 at maturity.

Loans (d) to (f) are secured by the following:

- (i) First legal mortgage to be stamped to cover \$144 million over commercial property located at Lot No. 27, Bogue Estate, St. James registered at Volume 1522 Folio 915.
- (ii) Assignment of Fire and Allied Perils insurance over the property at Lot. 27 Bouge Estate, St. James for the full replacement value with he Bank’s interest duly noted as First Mortgagee.

Loan (g) is secured by the following:

- (i) First legal mortgage over property located at Lot 1, 6E Cookson Pen, Greater Portmore, registered at volume 1333 Folio 914, stamped to cover \$470 million.
- (ii) Debt service reserve account (DSRA) established with an amount of J\$2.45 million initially and thereafter built up at a rate of J\$592,000 monthly over twenty-four (24) months until the sum of J\$16.66 million is achieved (Note 6).

Balance as at 31 December 2025 was \$29,109,542 (2024: \$22,005,542), (Note 6).

**19. Payables**

|                                   | <u>2025</u>    | <u>2024</u>    |
|-----------------------------------|----------------|----------------|
|                                   | \$'000         | \$'000         |
| Accruals                          | 3,769          | 35,252         |
| Audit fee                         | 4,800          | 4,345          |
| Due to Errol Henry Fund (Note 25) | 20,484         | 16,210         |
| Members interest account          | 28,124         | 45,328         |
| Rental deposits                   | 20,024         | 19,589         |
| Statutory contributions           | 12,033         | 12,460         |
| Unallocated lodgments             | 39,978         | 39,316         |
| Withholding tax                   | 40,805         | 11,135         |
| Other payables                    | 38,929         | 1,229          |
|                                   | <u>208,946</u> | <u>184,864</u> |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**20. Interest and similar income**

|                            | <u>2025</u>    | <u>2024</u>    |
|----------------------------|----------------|----------------|
|                            | <u>\$'000</u>  | <u>\$'000</u>  |
| Loans:                     |                |                |
| Motor vehicle loans        | 51,348         | 49,231         |
| Regular loans              | 860,115        | 775,779        |
| Loan application fees      | 43,071         | 32,963         |
| Other loans                | 9,666          | 10,507         |
|                            | <u>964,200</u> | <u>868,480</u> |
| Investment securities:     |                |                |
| Preference shares          | 14,741         | 16,431         |
| Bonds and unit trust funds | 18,770         | 27,854         |
|                            | <u>33,511</u>  | <u>44,285</u>  |

**21. Finance costs**

|                                      | <u>2025</u>   | <u>Restated</u> |
|--------------------------------------|---------------|-----------------|
|                                      | <u>\$'000</u> | <u>2024</u>     |
|                                      | <u>\$'000</u> | <u>\$'000</u>   |
| Interest on external credits         | 80,852        | 90,794          |
| Lease interest expense [Note 12(ii)] | 187           | 261             |
|                                      | <u>81,039</u> | <u>91,055</u>   |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

---

**22. Insurance premium**

Insurance premiums contributed by members represent sixty percent (60%) of the monthly insurance premium payment made by each member. This amount is used to provide for the following:

- (i) Re-insurance cost
- (ii) Administrative expenses
- (iii) Savings

The premium covers mortality, interest and administrative expenses.

The other forty percent (40%) of the members' monthly insurance premium is deposited in the members' savings accounts. Each member has access to this amount which he/she may withdraw, allow to accumulate, or used as security for loans.

**23. Other income**

|                        | <u>2025</u>   | <u>2024</u>   |
|------------------------|---------------|---------------|
|                        | <u>\$'000</u> | <u>\$'000</u> |
| Agency commission      | 3,532         | 3,464         |
| Rental income          | 92,890        | 36,983        |
| Foreign exchange gains | 4             | 23            |
| Other income           | 2,798         | 11,366        |
|                        | <u>99,224</u> | <u>51,836</u> |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**24. Operating expenses**

|  | <b>2025</b>    | <b>2024</b>    |
|--|----------------|----------------|
|  | <b>\$'000</b>  | <b>\$'000</b>  |
| Advertising and promotion                        | 66,803         | 31,741         |
| Administrative expenses                          | 221,262        | 140,536        |
| Establishment                                    | 9,227          | 8,945          |
| Representation and affiliation                   | 69,431         | 53,118         |
| Personnel expenses                               | 366,101        | 315,475        |
|  | <b>732,824</b> | <b>549,815</b> |
|  | <b>2025</b>    | <b>2024</b>    |
|  | <b>\$'000</b>  | <b>\$'000</b>  |
| <b>Advertising and promotion</b>                 |                |                |
| Promotional                                      | 59,159         | 25,788         |
| Scholarships                                     | 7,644          | 5,953          |
|  | <b>66,803</b>  | <b>31,741</b>  |
| <b>Administrative expenses</b>                   |                |                |
| Accounting fee                                   | 800            | -              |
| Amortization of right-of-use asset [Note 12(ii)] | 799            | 799            |
| Audit fee  | 4,800          | 4,350          |
| Bad debts  | 68,475         | 12,463         |
| Bank charges                                     | 4,460          | 3,699          |
| Depreciation                                     | 30,285         | 35,545         |
| Donation   | 6,770          | -              |
| Insurance  | 9,943          | 10,301         |
| Irrecoverable General Consumption Tax            | -              | 2,362          |
| Legal and professional fees                      | 4,192          | 7,660          |
| Office and general expenses                      | 5,255          | 4,674          |
| Other administrative expenses                    | 4,852          | 677            |
| Postage and courier                              | 1,412          | 1,173          |
| Printing and stationery expenses                 | 3,931          | 4,494          |
| Repairs and maintenance                          | 7,283          | 5,567          |
| Security   | 15,082         | 12,871         |
| Software maintenance                             | 19,262         | 13,301         |
| Student plan insurance expenses                  | 2,495          | 1,313          |
| Telecommunications                               | 12,336         | 10,096         |
| Utilities  | 8,830          | 9,191          |
|  | <b>211,262</b> | <b>140,536</b> |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**24. Operating expenses (continued)**

|                                       | <b>2025</b>    | <b>2024</b>    |
|---------------------------------------|----------------|----------------|
|                                       | <b>\$'000</b>  | <b>\$'000</b>  |
| <b>Establishment</b>                  |                |                |
| Building and ground maintenance       | 7,074          | 7,117          |
| Property tax                          | 572            | 572            |
| Rental of premises                    | 480            | 480            |
| Utilities                             | 1,101          | 776            |
|                                       | <u>9,227</u>   | <u>8,945</u>   |
| <b>Representation and affiliation</b> |                |                |
| Affiliation expenses                  | 12,064         | 13,788         |
| Annual general meeting                | 12,998         | 7,150          |
| Board and committee expenses          | 44,369         | 32,180         |
|                                       | <u>69,431</u>  | <u>53,118</u>  |
| <b>Personnel expenses</b>             |                |                |
| Salaries and wages                    | 263,230        | 225,124        |
| Statutory contributions               | 27,476         | 25,102         |
| Staff welfare                         | 35,868         | 32,040         |
| Pension (Note 27)                     | 4,672          | 4,475          |
| Health insurance                      | 5,544          | 4,742          |
| Casual labour                         | 7,856          | 6,297          |
| Other staff related costs             | 21,455         | 17,695         |
|                                       | <u>366,101</u> | <u>315,475</u> |
| <b>Total operating expenses</b>       | <u>722,824</u> | <u>549,815</u> |
|                                       | <b>2025</b>    | <b>2024</b>    |
| <b>Number of staff:</b>               |                |                |
| Permanent                             | 83             | 67             |
| Temporary                             | 26             | 15             |
|                                       | <u>109</u>     | <u>82</u>      |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

**25. Errol Henry Fund**

This fund was established by virtue of an agreement dated 1 February 2004 between the Society and Errol Henry, founding member of TIP Friendly Society, whereby a payment equivalent to 5% of the annual net surplus be paid to him over a period of Twenty (25) years ending 1 February 2029. The amount of \$14,649,000 (2024: \$14,394,000) was charged to the Statement of Comprehensive Income. At the end of the year amounts owed to the fund amounted to \$20,484,000 (2024: \$16,210,000) (Note 19).

**26. Dividends**

At a meeting of the Committee of Management held on February 20, 2026 (April 29, 2025) a dividend of \$37,765,000 (2024: \$38,223,000) representing approximately 4% (2024: 5%) of voluntary shares and 10% (2024: 10%) of permanent shares was declared, as follows:

|                                     | <u>2025</u>   | <u>2024</u>   |
|-------------------------------------|---------------|---------------|
|                                     | <u>\$'000</u> | <u>\$'000</u> |
| Permanent shares                    | 7,037         | 6,634         |
| Voluntary shares                    | 30,728        | 31,589        |
|                                     | <u>37,765</u> | <u>38,223</u> |
| Reversal of prior year over accrual | (6,254)       | -             |
|                                     | <u>31,512</u> | <u>38,223</u> |

**27. Pension scheme**

The Society is a participant in a contributory pension scheme operated and managed by Sagicor Life Jamaica Limited. The Society's liability to the contributory pension scheme is limited to the contributions. During the year, the Society's contributions amounted to \$4,672,296 (2024: \$4,474,540), (Note 24).

**28. Comparison of ledger balances**

The detailed records of balances relating to loans to members, savings and shares differed from their respective control accounts as follows:

|                          | <u>Loans to</u> | <u>Members'</u> | <u>Members'</u> |
|--------------------------|-----------------|-----------------|-----------------|
|                          | <u>members</u>  | <u>savings</u>  | <u>Shares</u>   |
|                          | <u>\$'000</u>   | <u>\$'000</u>   | <u>\$'000</u>   |
| <b>December 31, 2025</b> |                 |                 |                 |
| General ledger           | 6,796,606       | 3,932,405       | 75,020          |
| Personal ledger          | 6,795,416       | 3,932,455       | 75,027          |
| Difference               | <u>1,190</u>    | <u>(50)</u>     | <u>(7)</u>      |
| <b>December 31, 2024</b> |                 |                 |                 |
| General ledger           | 5,881,738       | 3,244,592       | 70,666          |
| Personal ledger          | 5,882,975       | 3,246,244       | 70,668          |
| Difference               | <u>(1,237)</u>  | <u>(1,652)</u>  | <u>(2)</u>      |

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

---

**29. 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 and operating decisions.

Related party transactions and balances are recognised and disclosed below for the following:

- (a) Enterprises over which a substantial interest in the voting power is owned by key management personnel, including directors and officers and close members of families; or
- (b) Enterprises over which such a person, in (a) above, is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a member of key management in common with the Society.

As at the statement of financial position date the following balances were outstanding: -

|  | <u>2025</u>                 | <u>2024</u>                 |
|--|-----------------------------|-----------------------------|
|  | <u>\$'000</u>               | <u>\$'000</u>               |
| <b>(i) Loan balances (including interest receivable)</b> |                             |                             |
| Board and committee members                              | 98,884                      | 108,851                     |
| Staff members  | 111,643                     | 124,910                     |
|  | <u>                    </u> | <u>                    </u> |
| <b>(ii) Deposits (including interest payable)</b>        |                             |                             |
| Board and committee members                              | 25,250                      | 28,703                      |
| Staff members  | 8,462                       | 5,583                       |
|  | <u>                    </u> | <u>                    </u> |
| <b>(h) Permanent share balances</b>                      |                             |                             |
| Board and committee members                              | 494                         | 639                         |
| Staff members  | 465                         | 425                         |
|  | <u>                    </u> | <u>                    </u> |

No waivers were granted in respect of these loans. At 31 December 2025, all loans owing by directors, committee members and staff were being repaid in accordance with their loan agreements.

**TIP FRIENDLY SOCIETY**  
(A Society Registered Under the Friendly Societies Act)

**Notes to the Financial Statements**  
**31 December 2025**

---

**29. Related party transactions (continued)**

Amounts charged to the statement of comprehensive income: -

|  | <u>2025</u>   | <u>2024</u>   |
|--|---------------|---------------|
|  | <u>\$'000</u> | <u>\$'000</u> |
| <b>Key management compensation:</b>                              |               |               |
| Salaries and other short-term benefits (included in staff costs) | 48,844        | 49,544        |
| Post employment benefits   | 14,462        | 9,046         |
|  | <u>63,306</u> | <u>58,590</u> |



**TIP** Friendly Society

# TIP Education Loan

**Tuition. Books. Opportunity.**

- Access up to 1 million
- Covers tuition and books
- For all education levels

The TIP Education Loan  
Flexible, affordable, and  
built with families in mind.



[www.tipfriendly.com](http://www.tipfriendly.com)

Visit Us

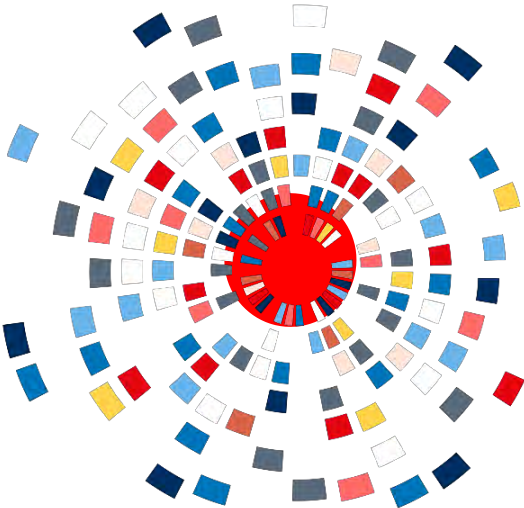




Dr. Philmore McCarthy, JP

# CREDIT COMMITTEE REPORT

For the period: June 2025 to May 2026



The Credit Committee of The TIP Friendly Society consists of five dedicated, fit and proper volunteers who were all duly nominated and elected at the 2025 Annual General Meeting (AGM). These dedicated volunteers are:

| NAMES                      | POSITION  |
|----------------------------|-----------|
| Dr. Philmore McCarthy      | Chairman  |
| Camille Davis-Williams, JP | Secretary |
| Lou Ann Bramwell-Shakes    | Member    |
| Colin Spence               | Member    |
| Eaton McNamee              | Member    |

The committee started the year under the guidance and supervision of Ms. Judith Wilson, Manager—Branch Operations of TIP Friendly Society. She, along with Ms. Sharmaine Campbell—Kingston Branch Supervisor, continued to provide valuable support and guidance to the Committee throughout the year. The Committee expresses gratitude to both Ms. Wilson and Ms. Campbell for their valuable contribution and dedicated service, as we worked together to ensure that quality service was provided to every member of TIP Friendly Society.

### ACKNOWLEDGEMENT

The committee is pleased to acknowledge our members, who continue to regard TIP as their institution of choice for conducting business. We appreciate their continued confidence in The Society, demonstrated through their ongoing use of loans services, their commitment to servicing their loans, and their willingness to respond to our calls whenever necessary.

We also wish to recognise the valuable work of the Credit Department, including the Client Services Representatives and the dedicated team in the Branding and Communications Department. Their contributions continue to support the effective functioning of The Society.

Additionally, the Committee extends special thanks to Mr. John “Moses” Emery, who was always willing and ready to go beyond the call of duty to ensure that members of the Committee were well taken care of on the days we met to carry out our duties.

### Committee Functions as per the Regulations

The Credit Committee of The Friendly Society executes the following core functions by members who have volunteered to serve and represent The Society:

- 01** Review to ensure that all supporting documents are properly aligned to the stipulated guidelines of The Society.
- 02** Examine and approve loans with 10:1 ratio or other loan applications that seek the approval of the committee based on the nature of the loan.
- 03** Assist with the reduction of delinquency by contacting members and/or their references where loans are in arrears for **sixty days or more**.
- 04** Prepare and submit monthly reports to the Board of Management of TIP Friendly Society.

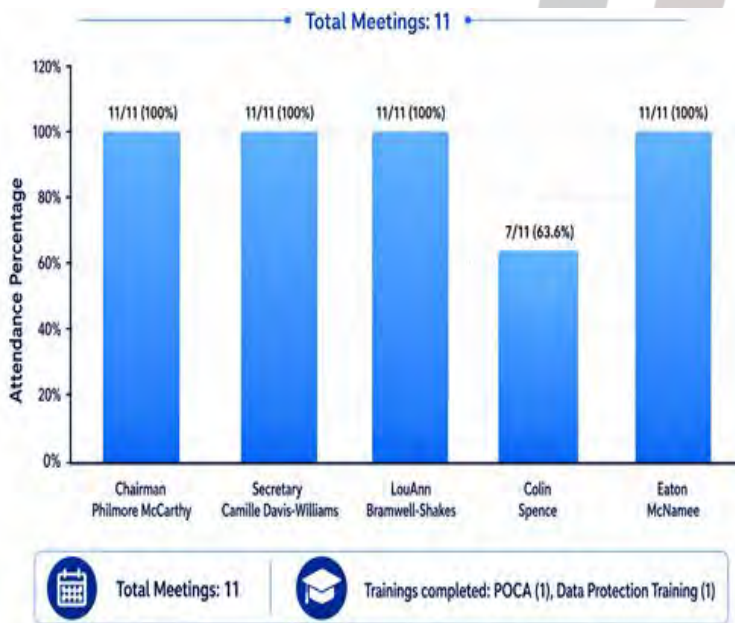
The quorum is three (3) and as such at least three members are required to sign on documents representing the decision of the committee

### Meeting Attendance of the Committee

Meetings of the committee are held once per month for the entire period under review, that is from July 2025- May 2026.

The committee was exposed to training sessions which has contributed significantly to the members being able to execute the mandate assigned to the committee. The chart below gives an outline of all the meetings attended by the committee members and the level of participation by each member.

### Committee Attendance by Members



### Loans

The core function of the committee is to treat with loans. This takes the form of:

- 01** Evaluating and approving loans outside of the specified ratio.
- 02** Assessing with the view to approve loans that require special intervention.
- 03** Assessing loan requests where members last accessed a loan under 90 days.
- 04** Review and sign off on all loans granted during the periods between meetings.
- 05** Contact delinquent members with the view to help them out of delinquency, by providing much needed advice and support.

Following our Annual General Meeting (AGM), the Credit Committee met monthly to fulfill its mandate. In so doing, the committee examined specified loan files to ensure that the requisite documentations were in place for the approval of same. Furthermore, the committee assessed the loan process and made recommendations where necessary to the Committee of Management. In addition, where documentations were missing and or not visible, such information was relayed to Management by way of the Managerial Staff that provided support to the committee. In so doing, the committee ensured that all processes were followed thus safeguarding the funds of all members of TIP Friendly Society.

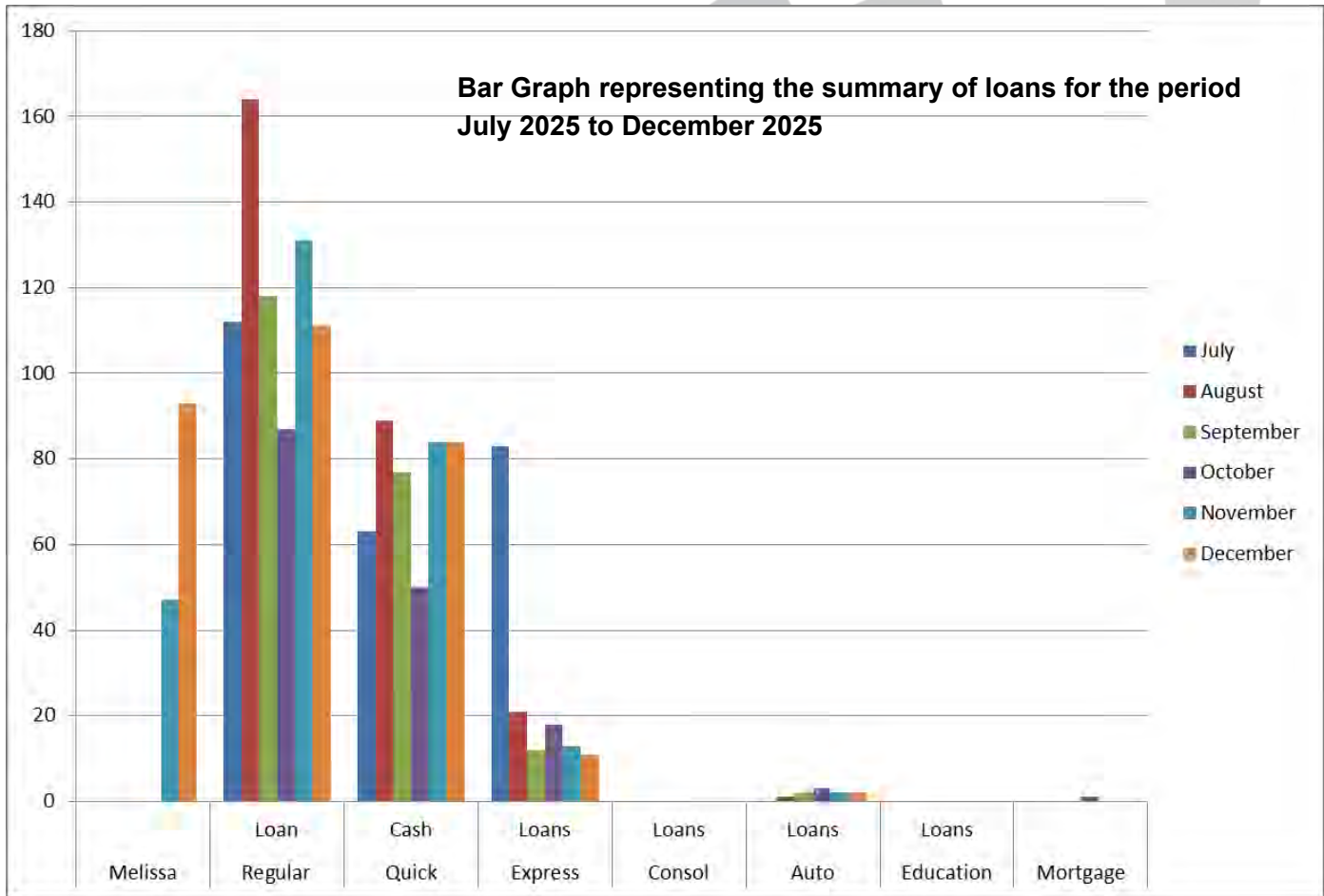
**LOAN SUMMARY**

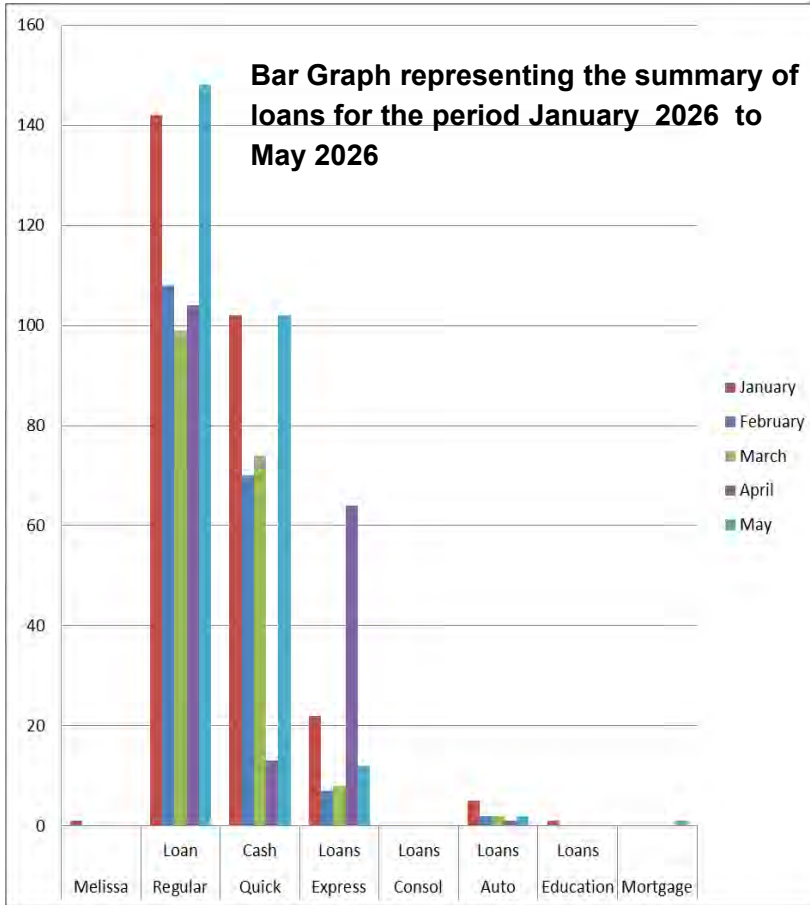
July 2025 - May 2026

The graphs below indicate the number of files viewed, the types of loans as well as delinquent loans reviewed during the reporting period.

**Amalgamated Loans - 2569**   **Delinquent Loans - 68**   **Regular Loans - 249**

| Month        | Melissa | Regular Loan | Quick Cash | Express Loans | Consol Loans | Auto Loans | Education Loans | Mortgage | Amalgamated Loans | Monthly % of each loan |
|--------------|---------|--------------|------------|---------------|--------------|------------|-----------------|----------|-------------------|------------------------|
| July         | -       | 112          | 63         | 83            | -            | -          | -               | -        | 258               | 10.04                  |
| August       | -       | 164          | 89         | 21            | -            | 1          | -               | -        | 275               | 10.70                  |
| September    | -       | 118          | 77         | 12            | -            | 2          | -               | -        | 209               | 8.13                   |
| October      | 0       | 87           | 50         | 18            | 0            | 3          | 0               | 1        | 159               | 6.18                   |
| November     | 47      | 131          | 84         | 13            | 0            | 2          | 0               | 0        | 277               | 10.78                  |
| December     | 93      | 111          | 84         | 11            | 0            | 2          | 0               | 0        | 301               | 11.71                  |
| January      | 1       | 142          | 102        | 22            | -            | 5          | 1               | 0        | 273               | 10.62                  |
| February     | -       | 108          | 70         | 7             | 0            | 2          | 0               | 0        | 187               | 6.50                   |
| March        | -       | 99           | 74         | 8             | 0            | 2          | 0               | 0        | 183               | 7.12                   |
| April        | -       | 104          | 13         | 64            | 0            | 1          | 0               | -        | 182               | 7.08                   |
| May          | -       | 148          | 102        | 12            | 0            | 2          | 0               | 1        | 265               | 10.47                  |
| <b>Total</b> |         |              |            |               |              |            |                 |          | <b>2569</b>       | <b>100.00</b>          |





### Data Protection Sensitisation

This session focused on the importance of safeguarding members' personal and financial information, maintaining confidentiality and following proper procedures when handling sensitive data. Volunteers were reminded of their responsibility to protect information from unauthorised access, misuse or disclosure. The training helped to strengthen awareness and promote best practices in data security and compliance within The Society.

### Threats to The Society's Sustainability

Threats to the sustainability of TIP Friendly this fiscal year included a rising delinquency rate, reduced loan repayments, weak economic conditions and increased operational costs. However, one of The Society's major concerns is the high level of teacher migration, as many members who leave the country fall behind on their loan payments and or become very difficult to contact. We, therefore, urge all members, references, and other stakeholders to remind the borrowers to stay current with their loan payments.

We say to all members of TIP Friendly Society, a heartfelt thank you for choosing TIP Friendly Society as your institution of choice. As we embark on another year, we implore you to make TIP your continued institution of choice as we continue to live by our motto "*Serving You is Our Pleasure*".

Sincerely,

**TIP Friendly Society Credit Committee**

### Proceeds of Crime Act (POCA) Training

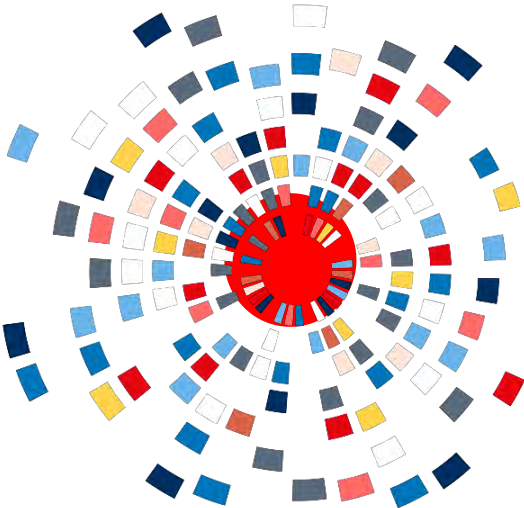
All members of the committee participated in the POCA training virtually. This training is of fundamental importance to the committee members as it brings to our consciousness the varied ways that individuals can take advantage of The Society, thereby arming us with the knowledge to detect and eliminate any such threat with ease. Some areas covered were money laundering, terrorism prevention as well as fraud. There were also sessions on good customer service and the importance of executing due diligence.



Dr. Sandra Hunter

# SUPERVISORY COMMITTEE REPORT

For the period: June 2025 to May 2026



The following persons were elected at The TIP Friendly Society's Annual General Meeting to the Supervisory Committee to serve for one (1) year

| NAMES                   | POSITION  |
|-------------------------|-----------|
| Dr. Sandra Hunter       | Chairman  |
| Mrs. Erica Ewbanks      | Secretary |
| Dr. Kasia Archer Howell | Member    |
| Ms. Kara Polson         | Member    |
| Mr Rohan Johnson        | Member    |

The TIP Friendly Society's Rule Book details the roles and functions of the Supervisory Committee.

**Roles and Function of the Supervisory Committee**

- Ensure that the financial statements accurately and fairly represent the financial condition of The Society.
- Ensure that management practices and procedures safeguard members' assets.
- Determine if management has established and is maintaining effective internal controls.
- Receive and investigate any complaints made by any member regarding the proper running of The Society.
- Determine if management has implemented and is adhering to the policies and control procedures established by the Committee of Management.

**ACTIVITIES**

The activities for the period have been summarized below.

The committee reviewed the Organisational Chart, Human Resource Policies, Cashier Operation Audit Report, Internal Audit Charter, and the Amended TIPFS Rule (Teachers Insurance Plan Friendly Society Rules). After reviewing these documents, the committee expressed general satisfaction, noting that each document provided a comprehensive outline of critical areas.

The documents were recognized for their thoroughness, as they ensured that all relevant areas were identified and appropriately addressed. However, concerns were raised regarding the lack of formal documentation on policy development, approval, and implementation processes. This gap has resulted in reliance on institutional memory rather than documented records, in some instances. The recommendation was for all policy documents to include document numbers, titles, issue dates, and revision dates to ensure clarity and traceability.

- The committee examined The Society's Strategic Plan objectives, to assess its continued alignment with the internal audit function and to ensure that any significant objectives were adequately incorporated into the audit framework for 2025 - 2026. Overall, the Committee commends the professionalism and positive engagement observed and remains committed to supporting continuous improvement, effective governance, and alignment with the institution's strategic direction. We also commend TIP Friendly Society's response to the passing of Hurricane Melissa as an effort was made to assist members promptly.
- The Committee conducted site visits to different branches to assess operations, verify information accuracy, and gained a comprehensive understanding of each location's context. These visits facilitated the identification of potential challenges and informed strategic decision-making to enhance organisational effectiveness.

- During the visits, it was noted that the branches had transitioned to a Queue Management System (QMS). The new system allowed customers to log in upon arrival and automatically enter a queue. Representatives can view the queue from their stations and call customers directly when they were ready to provide service. Customers are then directed to the appropriate service station in the order in which they registered.

The system was introduced in January 2026. The staff indicated that the process involved aligning the system more closely with operational procedures and making necessary modifications as issues arose.

- The Committee made several recommendations and are satisfied that The Society has given much thought to them, as response documents shared with us suggested.

Overall, the branches appeared to be functioning in a generally orderly and professional manner, with staff demonstrating a positive attitude toward their responsibilities. The committee reported on the findings/observations to the Committee of Management after each visit was conducted.

### Proceeds of Crime Act (POCA) and Data Protection Act Training

- The TIP Friendly Society operates under the regulatory oversight of the Department of Cooperatives and Friendly Societies. To enhance the effectiveness of our oversight functions, The Society mandated and facilitated a special training session focusing on the Proceeds of Crime Act (POCA). This was conducted on October 10, 2025, via the Microsoft Teams platform, all committee members were in attendance. This session was designed to ensure that participants were well-acquainted with cooperative governance principles and other essential regulatory controls as well as money laundering.

- Another training provided essential knowledge and skills in Data Protection Management. It strengthened staff and members' understanding of regulatory requirements under Jamaica's Data Protection Act, promoted compliance with lawful data handling practices, as it sought to reduce potential financial and legal risks associated with data breaches. Additionally, the training enhanced The Society's ability to maintain member trust by ensuring the secure management of sensitive information.

### Meetings and Branch Visits

- Committee meetings were primarily conducted in person, with one meeting being held in a virtual format. This blended approach facilitated continuity of engagement and ensured participation across varying circumstances. In order to effectively implement the planned activities, a total of thirteen (13) meetings were convened, complemented by four (4) branch visits undertaken to support oversight and monitoring functions.
- The table below shows the attendance record of the members of the Committee at meetings and visits to different branches.

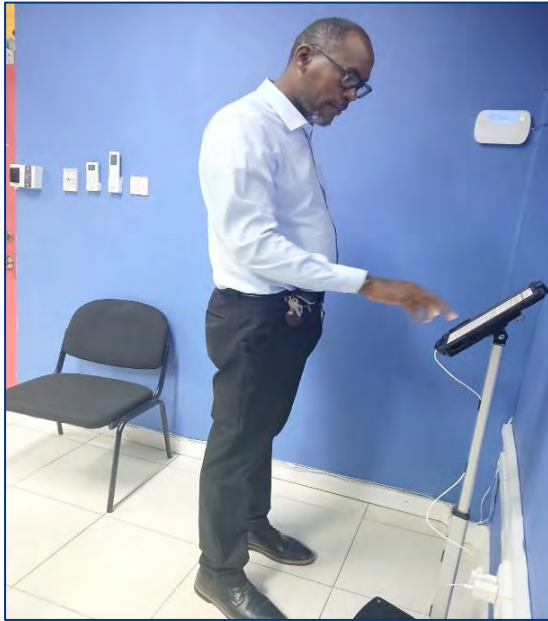
| NAMES                     | 12 Regular Meetings | 1 Special Meeting | 4 Visits | 2 Training Sessions          |
|---------------------------|---------------------|-------------------|----------|------------------------------|
| Dr. Sandra Hunter         | 12                  | 01                | 4        | POCA and Data Protection Act |
| Mrs Erica Ewbanks         | 12                  | 01                | 4        | POCA and Data Protection Act |
| Dr. Kasia Archer – Howell | 09*                 | 01                | 4        | POCA and Data Protection Act |
| Miss Kara Polson          | 11                  | 01                | 4        | POCA and Data Protection Act |
| Mr. Rohan Johnson         | 12                  | 01                | 3        | POCA and Data Protection Act |

*The chairman attended board meetings.*

*\* The absence was reportedly due to a breakdown in communication regarding the meeting arrangements.*

**Branch visits**
**Ocho Rios Branch**

(July 21, 2025)



The visit to the Ocho Rios Branch provided data that highlighted a strong commitment to customer service, operational efficiency, and alignment with the organization’s vision and strategic objectives. Staff demonstrated professionalism and dedication to member satisfaction, often going beyond traditional service roles to assist members and maintain positive relationships. Privacy during transactions was also identified as a key strength appreciated by members.

Despite these positive observations, the visit revealed several operational challenges, particularly long wait times, staffing during peak periods, and delays caused by transaction approval thresholds. Concerns were also raised regarding the absence of an effective anonymous complaints system, which may discourage members from providing honest feedback. Additionally, while staff training initiatives are in place, there remains a need for continuous training, especially in relation to product knowledge and customer service delivery.

It was further noted that The Society’s IT systems and security protocols at the branch were generally reliable, with standardized password management and responsive technical support. Product offerings, including Permanent Shares, were viewed positively for their contribution to member benefits and institutional growth.

Recommendations included the implementation of a comprehensive staff training programme, the establishment of a confidential feedback mechanism, improved communication regarding product offerings, a review of transaction approval thresholds to reduce delays, and the provision of additional staffing support during high-traffic periods. Overall, the visit reflected an institution that is committed to service excellence while recognizing opportunities for continued improvement and modernization.

## Branch visits

### Kingston Branch

(September 26, 2025)



A site visit to the Kingston Branch revealed that the branch operates differently from other locations due to its dual function as both a service branch and a hub for several corporate responsibilities. Many operational matters arising from other branches are referred to Kingston for resolution, and a substantial portion of transaction approvals remain centralized at this location.

The visit also highlighted concerns regarding communication and information flow within the organization. Staff indicated that communication relating to the introduction, modification, or discontinuation of products and services is not always disseminated in a timely or consistent manner. Limited physical space at the front desk was also identified as a challenge affecting the effective display of promotional and informational materials.

Several customer service improvements were nevertheless observed. Previous complaints regarding lengthy waiting times for withdrawals and statements have reportedly been reduced through the reassignment of front-desk responsibilities and the separation of withdrawal and loan-related functions.

Staff demonstrated attentiveness to customer needs and have implemented practical strategies aimed at improving efficiency and reducing member frustration. These efforts included training front-desk personnel to process withdrawals, assigning more clearly defined operational roles, and liaising with the call centre to address customer inquiries more effectively.

The committee identified a number of key concerns, including communication gaps regarding changes to products and services, ongoing member dissatisfaction with interest rates and fees, operational inefficiencies resulting from the absence of a fully operational electronic numbering system (at that time), and limited digital readiness among some members for online loan application services.

Recommendations included strengthening communication between corporate departments and branch staff to ensure consistent dissemination of information to members, reviewing interest rates and associated fees to maintain competitiveness, and ensuring that changes to products and services are communicated across all available platforms. The committee also recommended the prompt implementation of the electronic numbering system, within the branch to support operational effectiveness.



**Branch visits**
**Mandeville Branch**

(February 19, 2026)



The site visit revealed that the office environment was clean, orderly, and well maintained, contributing to a professional and welcoming atmosphere for both staff and members. Staff members were observed to be courteous, cooperative, and professional in their interactions, thereby fostering a positive and productive working environment within the branch. It was also evident that the Supervisor remained actively engaged in the execution of his responsibilities. Throughout the visit, he demonstrated attentiveness to operational matters, responded promptly to challenges, and addressed issues as they arose, thereby contributing significantly to the efficient functioning of the office.

Customer service interactions observed during the visit were generally professional, respectful, and member focused. Staff members demonstrated a willingness to assist customers and appeared attentive to their needs and concerns.

The implementation of a Queue Management System (QMS) has contributed to a more organized and structured approach to customer flow and service delivery. Despite these improvements, it was acknowledged that continued efforts are necessary to further enhance the customer experience, particularly in relation to waiting times, privacy, and overall service efficiency. It was therefore suggested that management continue to monitor customer feedback and operational practices to ensure that high standards of customer service are consistently maintained.

The newly implemented system now allows customers to register upon arrival and automatically enter a queue. Representatives are able to view the queue directly from their workstations and call customers when ready to provide service. Customers are then directed to the appropriate service station in the order in which they registered. Staff members generally regarded the system as a significant improvement that will enhance operational efficiency and streamline customer service delivery. Nevertheless, it was acknowledged that the QMS represents only one component of broader service improvement initiatives and is not a complete solution to all operational challenges.

Attention was also drawn to staff training and capacity building, particularly in relation to cashier operations. Concerns were raised regarding gaps in training that had been identified in previous reports. It was noted that training sessions are currently being organized by the relevant department. Management indicated that training remains an ongoing process and that additional sessions are expected to address existing skill gaps and strengthen operational capacity across the branch.

## Branch visits

### Montego Bay Branch

(April 21, 2026)



It was noted that the members, and by extension the branch, experienced the full impact of Hurricane Melissa, which significantly affected general productivity and operations. Despite these challenges, commendation was expressed for the efforts made to provide dedicated support and maintain service delivery during this particularly difficult period.

Like the others, the site visit was purposed to assess branch operations, member engagement, communication effectiveness, and overall service delivery. Discussions held with staff revealed several operational strengths, while also identifying areas requiring improvement and further strategic attention.

Concerns were raised regarding the effectiveness of the communication strategies utilized to inform members about key initiatives and deadlines following the hurricane. Although efforts were made to disseminate information, it was acknowledged that some members, particularly those residing in remote areas, did not receive timely or adequate notices.

The need for a more inclusive, accessible, and comprehensive communication strategy was therefore emphasized, including the development of contingency measures to ensure that all members, regardless of geographic location or technological access, are adequately informed. Even so we acknowledge the devastation experienced by our members.

With respect to initiative uptake and accessibility, staff indicated that participation levels in certain areas were lower than initially anticipated. This was attributed in part to communication gaps and limited access to information. In some instances, extensions were granted to accommodate affected members, a measure that was viewed positively by both staff and members.

Discussions further highlighted ongoing efforts to manage delinquency, including direct engagement with members. However, it was observed that some members have resorted to withdrawing savings in response to economic pressures, indicating the need for continued monitoring of member financial stability and well-being. Additionally, repossessed assets were reportedly being liquidated as part of ongoing recovery efforts.

In relation to customer service and feedback systems, the branch implemented a digital feedback mechanism using tablets, enabling members to evaluate their experience upon completion of transactions. Reports suggest that negative feedback was relatively minimal; however, inconsistencies were noted in some responses, including instances where positive written comments were accompanied by negative ratings. It was indicated that complaints are generally addressed in real time, with efforts made to intervene and resolve concerns before members leave the branch. This proactive approach was commended, but there remains a need for more formalized systems for documenting, tracking, and monitoring complaints and resolutions to strengthen accountability and support continuous service improvement. Training and staff competency were identified as key areas requiring improvement.

Discussions additionally highlighted challenges associated with explaining compliance requirements to members, particularly in relation to large transactions and supporting documentation. Although staff demonstrated an understanding of the applicable regulatory requirements, it was recognized that there was a need to improve how these requirements were communicated to members to minimize confusion, frustration, and misunderstandings.

### General Recommendations

- **Frontline Collaboration for Efficient Customer Onboarding.** Streamline the collaboration between the IT department and front-line staff to expedite the resolution of technical issues, particularly during the customer onboarding process.
- **Enhance Policy Communication and Review**  
**Policies** should be communicated more effectively to members and staff, with periodic reviews conducted to ensure relevance, compliance, and alignment with organizational objectives.
- **Improve Branch Operations and Member Services.** Greater attention should be given to branch infrastructure, privacy, and customer service delivery to ensure that members are served in a professional and comfortable environment.
- **Review Utilization of Physical Spaces.** The Society should assess the allocation and utilization of office spaces to ensure that all available resources are being used in the best interest of branch operations and member needs.
- **Strengthen Disaster Recovery and Member Support Measures.** Given the impact of Hurricane Melissa, consideration should be given to reviewing loan thresholds, repayment accommodations, and other support mechanisms for affected members.

- **Expand Feedback Mechanisms.** Both physical and digital feedback systems should be utilized across branches to encourage wider member participation and engagement.
- **Increase Monitoring and Compliance Oversight.** Greater oversight should be exercised to ensure that tenants, contractors, and other stakeholders fulfil their obligations to The Society in a timely and satisfactory manner.
- **Promote Greater Branch Communication and Reporting.** Regular communication between branches, management, and committees should be encouraged to ensure consistency, transparency, and informed decision-making.
- **Provide Continued Training and Capacity Building.** Ongoing training should be facilitated for Committee of Management members, committee members, and staff in areas such as governance, data protection, ethics, and policy interpretation.

### Expressions of Sympathy

The Committee extends its sympathies to all schools affected by Hurricane Melissa. Concerns were also raised regarding institutions that may not yet be receiving adequate attention and support in the aftermath of the event. The Committee further expresses its solidarity with schools experiencing incidents of violence. School violence remains a significant concern within the education sector and necessitates sustained attention, collective responsibility, and coordinated intervention by all stakeholders to ensure safe, secure, and supportive learning environments for both students and staff.

### **Expressions of Gratitude**

We express sincere appreciation for the opportunity to serve and contribute to the work of The Society. It has been a privilege to collaborate with such committed and dedicated individuals, and we value the trust and confidence extended to us. This experience has been both professionally rewarding and enriching, and we remain steadfast in our commitment to supporting the continued development and success of The Society. We are grateful to have been included in this collective journey.

### **Conclusion**

While management has indicated willingness to address concerns, especially regarding training enhancements, system upgrades, and written feedback from Audit Report, the committee emphasized the importance of timely implementation, accountability, and measurable corrective actions.

The provision of exemplary service remains a critical imperative within the contemporary financial sector. Strategic initiatives aimed at enhancing service quality not only contribute to increased customer satisfaction, but also cultivate customer loyalty and positive stakeholder perceptions, both of which are essential to the sustained reputation, competitiveness, and institutional growth of The Society.

Through a deliberate commitment to exceeding stakeholder expectations, TIP Friendly Society is better positioned to foster enduring relationships, strengthen organisational trust, and secure long-term sustainability and profitability.

Consequently, it is both prudent and strategically necessary for The Society to benchmark and model established best practices and service standards as it advances the realisation of its mission, vision, and core values. The Committee remains committed to working collaboratively with management to ensure the best interest of the institution and its members.

### **Prepared by**



**Dr. Sandra Hunter**  
Chairman



**TIP** Friendly Society



# TIP LOANS

## Our Loan Solutions

- Regular Loans
- Express Loans
- Quick Cash Loans
- Auto Loans
- Education Loans
- Debt Consolidation Loans

Access up-to **10 times** your savings with up to **8 years to repay** at competitive rates.

Visit us for a loan solution for you

[www.tipfriendly.com](http://www.tipfriendly.com)

Visit Us

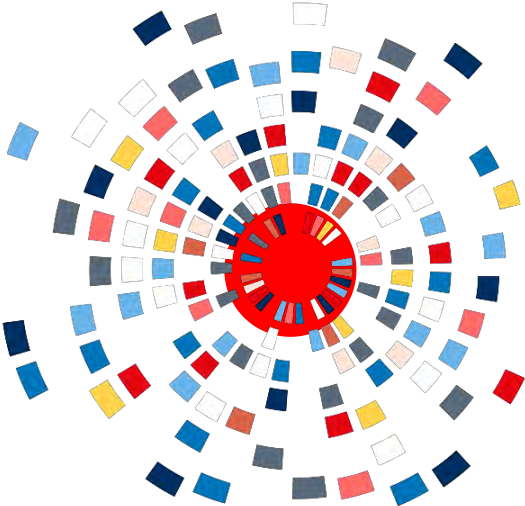




Hibbert Anderson, CFA

# MANAGEMENT PROGRESS REPORT

For the year ended December 31, 2025



**Dear Members,**

*Over the course of the 2025 fiscal year, TIP Friendly Society recorded meaningful progress across key operational areas. This performance was driven by the continued commitment of our staff, the confidence and loyalty of you, our valued members, and the strong governance oversight provided by the Committee of Management.*

The dedication and professionalism of our staff and management team played a critical role in maintaining service continuity and advancing operational improvements throughout the year. Our employees adapted effectively to evolving demands, including an increased reliance on digital platforms and heightened expectations for service delivery. At the same time, our members continued to demonstrate trust and engagement with our products and services, even in the face of ongoing economic challenges.

The Committee of Management remained steadfast in its governance role, ensuring that decisions were aligned with regulatory requirements and guided by The Society’s strategic objectives.

We are pleased to report that The Society experienced strong growth during the year. At the end of the 2025 fiscal year, our asset base increased by 15.2% when compared to the prior period. Similarly, our loan portfolio grew by 15.2%, reflecting your continued confidence in our loan offerings. While our surplus recorded a modest increase of 1%, it remains a positive indicator of our steady financial position.

We continue to actively promote our competitive products and exceptional service offerings, ensuring that our members remain well-informed and supported. Guided by a clear strategic direction, we are committed to sustaining this growth and delivering lasting value to all our stakeholders—our members, staff, directors, and volunteers.

**Hurricane Melissa Relief Efforts**

In response to the impact of Hurricane Melissa, TIP Friendly Society demonstrated a strong commitment to member and community welfare through an expanded and well-coordinated relief effort. The Society distributed **over 300 care packages**, representing a total investment of approximately **JMD \$1.5 million** in direct support to affected communities.

This impact was further strengthened through the introduction of a **clothing drive** and the **mobilization of member contributions**, resulting in significant donations of food items and essential supplies. These initiatives enhanced the reach and depth of assistance, reflecting the collective spirit of the TIP membership base.

Recognizing the immediate financial strain experienced by members, The Society deployed the **Melissa Relief Loan. One hundred and twenty-two loans were issued, amounting to a value of J\$64,414,000.** This provided urgent liquidity to facilitate early recovery efforts for our members..

In addition to member-focused support, **direct assistance was extended to staff members who were adversely affected**, reinforcing The Society’s commitment to the wellbeing of its internal stakeholders. Complementing these efforts, **loan moratoriums valued at \$1,415,150** were granted to date, offering critical financial relief by easing repayment obligations during the recovery period.

Collectively, these interventions underscored TIP Friendly Society’s corporate social responsibility, positioning The Society as a trusted pillar of support in times of crisis.

### Branch Opening hours

TIP Friendly Society in 2025, introduced extended opening hours to members. Take up and attendance by members started out slowly and gradually we are seeing an increase in the number of members visiting our offices during these extended hours. The following are the new hours that members can access our services.

#### **Head Office Branch at 80 Half Way Tree Road**

- ❖ Mondays to Wednesdays and Fridays - 7:30am to 3:30 pm (Formerly 8:30am to 3:30pm)
- ❖ Thursdays - 9:00 am to 3:30 pm
- ❖ Every 1<sup>st</sup> Saturday of the month – 10:00am to 3:00pm

#### **Montego Bay Branch at The Annex, Unit 27A in Fairview Park, Montego Bay, St. James**

- ❖ Mondays to Fridays - 8:30am to 4:30 pm (Formerly 9:00am to 3:30pm)
- ❖ Every 2<sup>nd</sup> Saturday of the month – 10:00am to 3:00pm

#### **Mandeville Branch at Lot #3, 24C Caledonia Road, Mandeville, Manchester**

- ❖ Mondays to Fridays - 8:30 am to 4:30 pm (Formerly 9:00 am to 4:30 pm)
- ❖ Every 3<sup>rd</sup> Saturday of the month – 9:00 am to 2:00pm

#### **Ocho Rios Branch at Ocean Village Shopping Centre, Shop 8, Ocho Rios, St. Ann**

- ❖ Mondays to Wednesdays and Fridays - 8:30 am to 4:30 pm (Formerly 9:00 am to 4:30 pm)
- ❖ Thursdays – 9:00 am to 4:00 pm (no change)
- ❖ Every 4<sup>th</sup> Saturday of the month – 10:00 am to 3:00 pm

Head Office, 80  
Half Way Tree  
Road, Kingston  
10

Montego Bay:  
The Annex,  
Unit 27A in  
Fairview Park,  
Montego Bay,  
St. James

Mandeville: Lot  
#3, 24C  
Caledonia  
Road,  
Mandeville,  
Manchester

Ocho Rios:  
Ocean Village  
Shopping  
Centre, Shop 8,  
Ocho Rios, St.  
Ann

This branch serves members of Kingston & St. Andrew, St. Catherine, Portland and St. Thomas.

**Opens every 1<sup>st</sup> Saturday of the month at 10AM to 3PM**

This branch serves members of St. James, Hanover, Westmoreland and Trelawny.

**Opens every 2<sup>nd</sup> Saturday of the month at 10AM to 4PM**

This branch serves members in the parishes of St. Elizabeth, Manchester, Clarendon and Southern Trelawny.

**Opens every 3<sup>rd</sup> Saturday of the month at 9AM to 2PM**

This branch serves the members in the parishes of St. Ann, St. Mary and Northern Trelawny.

**Opens every 4<sup>th</sup> Saturday of the month at 10AM to 3PM**

**Introduction of a Mobile Office**

In December 2025, TIP Friendly Society acquired a 2026 Toyota Hiace bus, which is currently being retrofitted to serve as a mobile office. This initiative, which is expected to start service to members by the start of the third quarter of 2026, is designed to enhance outreach by enabling staff to travel directly into communities, thereby improving members’ access to The Society’s products and services in a more convenient and efficient manner.

Members are also able to access our product offerings through our team of Business Development Officers, who rove the fourteen parishes across Jamaica and do pop-up stops.

In addition, members can access our services online.

**STRATEGIC PLAN 2025-2030**

TIP Friendly Society successfully developed its Strategic Plan 2025 to 2030 and completed its first year of activities. See below the targets and achievements for key areas of The Society’s operations for the first year.

|                            |                         |
|----------------------------|-------------------------|
| Personnel & Administration | Achieved 100% of target |
| Claims & Underwriting      | Achieved 100% of target |
| Finance & Delinquency      | Achieved 90% of target  |

**Constraints:** TIP Friendly Society continued to experience high delinquency rates by the end of December 2025, which was at 10.74%, when compared to the standard of 5%.

**Response:** Several additional strategies, including increasing the number of collection agencies and establishing a Risk-based approach to lending, were implemented since the end of 2025, with the expectation of decreasing the delinquency rate.

|                        |                        |
|------------------------|------------------------|
| Information Technology | Achieved 90% of target |
|------------------------|------------------------|

**Constraints:** In a bid to be more efficient operationally, we commenced a review of our current software programmes and established new ones to replace manual processes.

While we had projected to have completed some aspects of the software upgrades, external factors such as timing issues with the vendors delayed us from reaching our goals.

**Response:** One major automation is expected to be introduced by the 2<sup>nd</sup> quarter of 2027. An agreement has been reached with MSD, our software suppliers in Trinidad to introduce on a phased basis, priority areas of our intended software upgrade commencing by the 3<sup>rd</sup> quarter of 2026.

|                   |                        |
|-------------------|------------------------|
| Branch Operations | Achieved 90% of target |
|-------------------|------------------------|

**Constraints:** Branch Operations missed 2025 targets for loans (79.1%) and insurance (48.3%), despite achieving 100% of savings targets. Shortfalls were largely due to reduced member disposable income compared to 2024, which also led to loan denials. All other targets were met.

**Response:** In 2026, expanded outreach through a Mobile Office, pop-ups, and conferences is expected to increase member engagement and business volumes. Additional initiatives—new insurance products, promotional loan rates, and incentives for net savers—will further drive demand.

|                           |                        |
|---------------------------|------------------------|
| Branding & Communications | Achieved 95% of target |
|---------------------------|------------------------|

**Constraints:** While the signing up of schools on TIP Schools and College Plan was picking up steam in September 2025, it was halted by the end of October 2025, due to the passage of Hurricane Melissa. Of note, there were limitations to accessing many schools, particularly those in the western parishes. This resulted in our target being missed for sign up to our popular school plan, one of our main income generators. In fact, 300 schools signed up on the plan at a total value of \$30.8 million, when compared with the previous period, during which 323 schools signed up at a total value of \$43.7 million.

**Response:** Our engagement campaign with schools to sign up on our TIP Schools and College Plan is expected to commence in June 2026. For the entire 2026/2027 academic year, we are projecting to sign up 800 schools at an estimated value of \$60 million.

## DELINQUENCY TABLE

We ended the year 2025 with a delinquency rate of 10.74% (see delinquency table). We have put strategies in place to monitor the ratio to keep it below the international standard of 5%.

Delinquency Table with 5-year Delinquency Trend Analysis

|           | 2025   | 2024  | 2023  | 2022  | 2021  |
|-----------|--------|-------|-------|-------|-------|
| January   | 8.59%  | 7.24% | 6.00% | 3.99% | 3.78% |
| February  | 8.41%  | 7.16% | 6.40% | 3.95% | 3.51% |
| March     | 8.28%  | 5.4%  | 6.49% | 4.55% | 3.76% |
| April     | 8.79%  | 6.78% | 5.37% | 3.62% | 3.77% |
| May       | 7.62%  | 6.78% | 6.74% | 3.82% | 3.51% |
| June      | 9.65%  | 5.82% | 6.28% | 4.08% | 4.18% |
| July      | 9.28%  | 7.58% | 6.13% | 3.40% | 3.04% |
| August    | 7.77%  | 5.69% | 5.62% | 4.17% | 3.27% |
| September | 9.13%  | 6.80% | 5.10% | 4.41% | 3.08% |
| October   | 9.96%  | 6.63% | 7.64% | 4.41% | 2.65% |
| November  | 8.41%  | 5.96% | 6.58% | 5.06% | 3.89% |
| December  | 10.74% | 8.51% | 5.84% | 4.12% | 4.23% |

## INVESTMENT PROPERTIES

Since 2017, TIP Friendly Society through strategic investment plans acquired the following properties:

- i. Lot 17B, Drax Hall Estate, St. Ann's Bay.
- ii. 18 Palmoral Avenue, Mona Heights, Kingston 6, was valued between \$19 million and \$22 million in April 2017.
- iii. Shops 27A, 27B and 27C at the Annex, Fairview, Montego Bay, St. James was valued at US\$1.2 million in 2021.
- iv. Lot 3, Caledonia, Mandeville, Manchester was acquired for \$73.375M in 2021.
- v. 24 (Lot No. 682) Kent Avenue, Bridgeport, Portmore, St. Catherine was valued at \$22 million in January 2022.
- vi. Lot 6E, Cookson Pen, Braeton, Portmore, St. Catherine.

Rental income directly related to the investment properties totaled \$28 million in 2025 (2024: \$28.038 million).

In 2026, guaranteed lease arrangements will be put in place for the Drax Hall, St. Ann and Cookson Pen, St. Catherine properties to be managed by our subsidiary TIP Investment and Real Estate Company Limited. The subsidiary was formed to manage all commercial investment properties owned by TIP Friendly Society.

**STAFFING**

The staff compliment is as detailed below:

| Locations    | Staff Complement |           |           |
|--------------|------------------|-----------|-----------|
|              | Permanent        | Contract  | Total     |
| Head Office  | 46               | 21        | 67        |
| Mandeville   | 6                | 2         | 8         |
| Montego Bay  | 6                | 2         | 8         |
| Ocho Rios    | 7                | 0         | 7         |
| <b>Total</b> | <b>65</b>        | <b>25</b> | <b>90</b> |

**RESIGNATIONS/ TERMINATION (SINCE OUR LAST AGM)**

| Name               | Position Held                          | Years of Service | Reason for Departure |
|--------------------|--|------------------|----------------------|
| Hadeel Brown       | Claims/Underwriting                    | 1 year           | Resigned             |
| Dwight Sommers     | Internal Auditor                       | 9 months         | Resigned             |
| Corey Dennis       | Members Accounts Officer               | 2 years          | Resigned             |
| Jasiann Reid       | Not Listed                             | 2 years          | Resigned             |
| Sharon Carey       | HR/Operations Manager                  | 15 years         | Redundant            |
| Judy Miller-Smith  | Marketing Manager                      | 6 years          | Redundant            |
| Edward Welsh       | Training, Procurement, Welfare Officer | 29 years         | Retired              |
| Sanique Richards   | Members Experience Officer             | 6 months         | Resigned             |
| Necola Wilson      | Marketing Supervisor                   | 10 years         | Resigned             |
| Annette Adair      | Accounting Supervisor                  | 21 years         | Resigned             |
| Shauna McLeod      | Claims/Underwriting Officer            | 1 year           | Resigned             |
| Shannon McKenzie   | Delinquency Officer                    | 3 years          | Resigned             |
| Shania Smith       | Members Accounts Officer               | 7 months         | Resigned             |
| Katherine Thompson | Members' Accounts Officer              | 5 months         | Resigned             |
| Javion Nevins      | Internal Auditor                       | 3 months         | Resigned             |
| Michael Greyson    | Cashier                                | 1 year           | Resigned             |
| Brianna Adamson    | Member Services Representative         | 2 years          | Resigned             |
| Shanna Tyrell      | Delinquency Officer                    | 13 years         | Resigned             |
| Chamalie Bahadur   | Personnel and Administration Officer   | 2 years          | Terminated           |

We continue to wish these former employees well in their future endeavors.

**BUSINESS DEVELOPMENT OFFICERS**

In the field are our Business Development Officers (listed below):



Cadiann Calvert-Jackson,  
Kingston Branch  
(Kingston and St. Andrew)



Sheldon Samuels,  
Kingston Branch  
(St. Thomas, and St. Catherine)



Kajha Cunningham,  
Montego Bay Branch  
(Westmoreland Hanover, and St. James)



Leon Barnaby,  
Mandeville Branch  
(Clarendon, Manchester and Trelawny)



Marquez Cole,  
Mandeville Branch  
(St. Elizabeth, Manchester and Trelawny)



Richard Mollison,  
Ocho Rios Branch  
(St. Ann, Portland and St. Mary)

**OUR CORPORATE SOCIAL RESPONSIBILITY (CSR)**

To fulfil our corporate and social responsibility, we have consistently budgeted the annual allocation of J\$7 million with the approval of our members to support and assist the wider community through donations. TIP has continued its engagement with stakeholders via sponsoring many fundraising efforts from the education sector. We have also contributed towards churches and other non-profit organizations. Sponsorship efforts have also been made in support of school girls participating in the Issa Schoolgirls Football Competition.

**CSR Highlights**

**Labour Day  
Jacob's Ladder**



**TIP's  
Annual Scholarship  
Awards Ceremony**



**2025**

**Sagcor SIGMA  
Corporate Run**

### CLAIMS & UNDERWRITING

The Claims and Underwriting Unit, which formerly reported to the Branding & Communications department, now reports directly to the Chief Executive Officer's Office (CEO's). This was a strategic move as we seek to enhance the department performance capabilities with greater emphasis now being placed on the quality of our insurance products and the timeliness of claims processing. This team is led by the Claims & Underwriting Senior-Supervisor, Mrs. Kerrion Jackson-Cousins.

### THE FUTURE

Year after year, TIP Friendly Society has demonstrated our capacity to manage and remain operational both through adverse and prosperous periods. Providing exceptional service to meet the needs of our members and organizational development of TIP Friendly Society are our main goals. For the new fiscal year of 2026, the skillful use of cutting-edge technology will be the driving force behind our forward thrust.

We will be increasing the use of both online and traditional media to promote constant communications with our membership and to expose you all to our available products.

We plan to go above and beyond in our customer service efforts, provide unbelievably fast turnaround times and quick response to a wide range of customer concerns.

Our subsidiary TIP Investment and Real Estate Company has been fully established, and several operational activities are ongoing, including arrangements to transfer management of investment properties owned by TIP. With this entity we will be better able to streamline the process of acquiring property and managing assets.

Through this company, we will utilize our vast insurance knowledge and experience by entering the general insurance market and offering brokerage services to members who have purchased motor vehicles with loans from us.

### CONDOLENCES

We extend our condolences to members who experienced the loss of family or friends during 2025. May you find strength in the support of those around you and comfort in the memories of your loved ones. Our thoughts and prayers go out to you during this time of grief and healing.

### CONCLUSION

We thank you for your continued patronage of TIP Friendly Society. Many thanks to our dedicated and hardworking volunteers and staff for always putting TIP Friendly Society first. Your tireless and invaluable service have helped us to increase the status of The Society.

We are forever grateful for your commitment, loyalty, and confidence in this great organization. There would be no TIP without you and always be reminded "Serving you is our pleasure!".



**Hibbert Anderson, FCA**  
**Chief Executive Officer**



**TIP** Friendly Society

# TIP School Plan

Affordable. Care. Coverage

## Our Coverage

- ☑ 24/7, 365 Coverage
- ☑ Natural & Accidental Death
- ☑ Accidental Dismemberment
- ☑ Medical, Dental & Optical (Transportation Reimbursement)
- ☑ Pre-School to Secondary
- ☑ 8 Plans to Choose From.



[www.tipfriendly.com](http://www.tipfriendly.com)

Visit Us

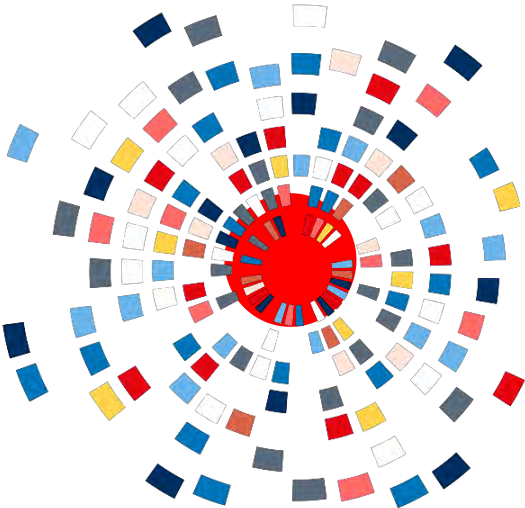




Howard Issacs

# NOMINATING COMMITTEE REPORT

For the period: June 2025 to May 2026



In accordance with the provisions of Article 20 of the Rules of The Society, the Committee of Management appointed a Nominating Committee which comprised of the following persons:

| <b>NAMES</b>      | <b>POSITION</b>         |
|-------------------|-------------------------|
| Howard Issacs     | Chairman                |
| Ms. Sitrie Brandt | Member                  |
| Hibbert Anderson  | Chief Executive Officer |

The Committee met on May 21, 2026. A transformational approach was taken in choosing the nominees. A set of criteria was examined for the selection of members to serve on the Committee of Management, Supervisory Committee, and Credit Committee. These included individuals having the relevant skills and knowledge of financial matters as well as their willingness to serve. Persons were nominated from different sectors in education, namely, tertiary, secondary, primary, and early childhood.

All the nominees are fit and proper to serve. Below is the slate of members currently serving and those nominated to serve.

| <b>Parish Represented</b>   | <b>Retiring/Resignation</b>  | <b>Recommended</b>  | <b>Term in Office</b> |
|-----------------------------|--|---|-----------------------|
| <b>TRELAWNY</b>             |  | Mrs. Mona Ennis, Principal, Falmouth Infant   | 1                     |
| <b>ST. MARY</b>             |  | Mrs. Eva Coleman-Stamp, Senior Teacher, Wycliffe Martin High School                         | 1                     |
| <b>ST. THOMAS</b>           |  | Mrs. Jacqueline Hendricks-White, Principal, Lyssons Centre of Excellence                    | 1                     |
| <b>AT LARGE</b>             |  | Dr. Garth Anderson, Principal, Church Teachers' College                                     | 1                     |
| <b>AT LARGE</b>             |  | Mr. Clayton Hall, Deputy Secretary General, Jamaica Teachers' Association                   | 1                     |
| <b>KINGSTON</b>             |  | Ms. Audrey Williams, Retired Principal, Denham Town High                                    | 1                     |
| <b>ST. ANDREW</b>           | Ms. Tamashella Smith<br>Principal, Rosseau Primary                                     | Ms. Tamashella Smith, Principal, Rosseau Primary  | 3                     |
| <b>CLARENDON</b>            | Mr. Gregory King Education<br>Officer, St. Elizabeth                                   | Mr. Gregory King, Education Officer, St. Elizabeth  | 3                     |
| <b>HANOVER</b>              | Ms. Nadienne Crossman,<br>Principal, Mt. Peto Primary                                  | Mrs. Sheron Matheson, Lecturer, Sam Sharpe Teachers' College                                | 3                     |
| <b>WESTMORELAND</b>         | Mr. Norman Allen Regional<br>Officer, Western Region,<br>Jamaica Teachers' Association | Mr. Norman Allen, Regional Officer, Western Region, Jamaica Teachers' Association           | 3                     |
| <b>MANCHESTER</b>           | Ms. Kaydian Scott Senior<br>Teacher, Belair High                                       | Ms. Kaydian Scott. Senior Teacher, Belair High  | 3                     |
| <b>ST. CATHERINE</b>        |  | Mr. Robert Anderson, Bursar, Tacius Golding High  | 2                     |
| <b>ST. ELIZABETH</b>        | Camelia Lalor-Welsh Teacher,<br>Lacovia High   | Miss Lola Bennett, Senior Lecturer in the Technology Department at Church Teachers' College | 2                     |
| <b>ST. JAMES</b>            |  | Ms. Kayon Whyne, Principal, Mount Alvernia High   | 2                     |
| <b>ST. ANN</b>              |  | Mr. Howard Isaacs, Principal, Moneague College  | 2                     |
| <b>PORTLAND</b>             |  | Mr. Mario Samms, Principal, Rural Hill Primary  | 2                     |
| <b>YOUTH REPRESENTATIVE</b> | Ms. Shanice Dennis Teacher,<br>Rousseau Primary  | Ms. Shanice Dennis, Teacher, Rousseau Primary   | 1                     |

**As per Article 28, Section 1.** The following are persons retiring and recommended for nomination to the Credit Committee

| <b>Retiring</b>             | <b>Recommended</b>  | <b>Term</b> |
|-----------------------------|---|-------------|
|                             | Dr. Philmore McCarthy, Principal, Excelsior Community College               | 1           |
|                             | Mr. Eaton McNamee, Principal, Broadleaf Primary                             | 1           |
| Mrs. Camille Davis-Williams | Mrs. Camille Davis-Williams, Principal, St. Paul's Primary                  | 2           |
|                             | Mrs. Lou-Ann Bramwell-Shakes, Teacher, Hayes Primary and Junior High        | 1           |
| Mr. Colin Spence            | Mr. Colin Spence, Northeast Regional Officer, Jamaica Teachers' Association | 2           |

**As per Article 29, Section 1.** The following are persons retiring and recommended for nomination to the Supervisory Committee

| <b>Retiring</b>  | <b>Recommended</b>  | <b>Term</b> |
|--|---|-------------|
|  | Dr. Sandra Hunter, Lecturer, GC Foster College for Physical Education and Sport | 1           |
|  | Mrs. Erica Ewbanks, Principal, Garvey Maceo High                                | 1           |
|  | Ms. Kara Polson, Teacher, Norwich Primary                                       | 1           |
| Rohan Johnson, Senior Teacher, Denham Town High                    | Mr. Leon Nash, Communications Officer, Jamaica Teachers' Association            | 1           |
| Kasia Archer-Howell, Education Officer, Early Childhood Commission | Mr. Winston Smith, Liaison Officer, Jamaica Teachers' Association               | 1           |





**TIP** Friendly Society

## Debt Consolidation

Your Financial reset starts here.  
**One Loan. One Payment. Less Stress.**  
Simply your debt and move forward  
with confidence.

[www.tipfriendly.com](http://www.tipfriendly.com)

Visit Us



# NOMINEE PROFILE

Dr. Lola A. Bennett is an experienced educator, academic leader, and community advocate with more than 39 years of service in secondary and tertiary education. She is recognised for her commitment to excellence in teaching, leadership, mentorship, and professional development, as well as her dedication to empowering students and contributing to educational and community advancement.

She holds a Bachelor of Education in Home Economics, a Master of Science in Hospitality and Tourism Management, and a Doctor of Philosophy in Career and Technical Education from the University of Technology, Jamaica, along with several professional certifications. Her expertise spans Human Ecology, teacher education, curriculum development, and hospitality education.

Dr. Bennett has served at Maggoty High School, Hampton School for Girls, and Bethlehem Moravian College, and currently serves as Senior Lecturer in the Technology Department at Church Teachers' College. She is also actively involved in community and professional organisations, having served as Secretary and Board Member of the TIP Friendly Society, Board Member of Roger Clarke High School, and Finance Chair of the Caribbean Association of Home Economists.

Her outstanding contribution to education and community service has earned her several awards, including Lecturer of the Year at Church Teachers' College, Distinguished Service Awards from the Girl Guides Association of Jamaica and The Mico University College, as well as recognition from the TIP Friendly Society and Roger Clarke High School for her dedicated service and leadership.



**Dr. Lola A. Bennett**

# NOMINEE PROFILE

Mrs. Matheson has dedicated more than three decades to empowering learners, inspiring colleagues, and transforming lives through the gift of education and volunteerism. A daughter of Hanover, her passion for teaching, commitment to excellence, and belief in the potential of every learner have earned her the admiration and respect of students, educators, and communities throughout Jamaica and beyond.

Her academic journey reflects a steadfast pursuit of knowledge and professional growth. She holds a Master of Science in Reading and Language Arts from Central Connecticut State University and a Bachelor of Arts in Sociology and Applied Social Relations from Eastern Connecticut State University. She also earned a Diploma in Teaching Secondary Education with specialization in Music from Sam Sharpe Teachers' College, laying the foundation for a distinguished career that seamlessly combines her love for education and the arts.

Mrs. Matheson currently serves as Principal Lecturer at Sam Sharpe Teachers' College, where she has been a guiding force in teacher education since 2000. Before joining the faculty of Sam Sharpe Teachers' College, she served as a Specialist Teacher of Reading at Sandy Bay Primary and Junior High School, Specialist Teacher of Music at Anchovy High School, and Specialist Teacher of Reading and Music at Muschett High School. Her commitment to higher education has also been demonstrated through her service as an Adjunct Lecturer at both Northern Caribbean University and the International University of the Caribbean.

Beyond her institutional responsibilities, Mrs. Matheson has made significant contributions to national education and the performing arts. She has served as an External Examiner and Moderator in Music for the Caribbean Examinations Council, Board Chairman for the Music Board of Studies, Board representative and Assistant Secretary TIP Friendly Society. Vice Chair Montego Bay Infant School and is presently the Creative Arts Director at Hopewell Missionary Church, where she worships.

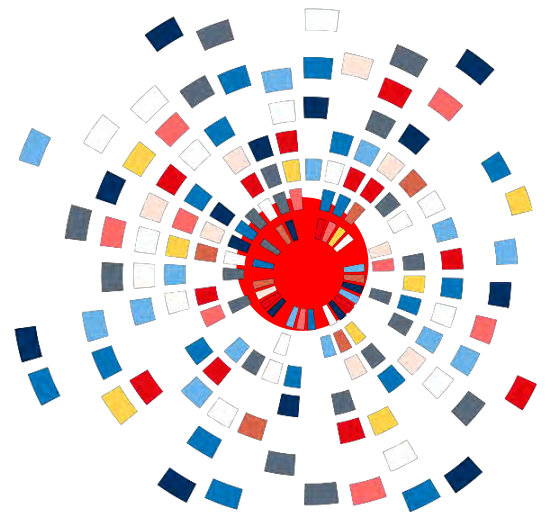


**Sheron Juliet Anderson  
Matheson**



**TIP** Friendly Society

**MEET OUR  
EXPERTS**



**THE COMMITTEE OF MANAGEMENT**



**Dr. Garth Anderson**  
President  
Member-At-Large



**Howard Issacs**  
Vice President  
St. Ann



**Tamashella Smith**  
Secretary  
St. Andrew



**Mona Ennis**  
Assistant Secretary  
Trelawny



**Clayton Hall**  
Treasurer  
St. Catherine



**Norman Allen**  
Assistant Treasurer  
Westmoreland



**Gregory King**  
Executive Member  
Clarendon



**Eva Coleman-Stamp**  
St. Mary



**Jacqueline Hendricks-Whyte**  
St. Thomas



**Mario Samms**  
Portland



**Kayon Whyne**  
St. James



**Nadinne Crossman**  
Hanover



**Kaydi-Ann Scott**  
Manchester



**Camelia Lalor-Welsh**  
St. Elizabeth



**Audrey Williams**  
Kingston



**Robert Anderson**  
St. Catherine



**Shanice Dennis**  
Youth Representative

**CREDIT COMMITTEE**



**Dr. Philmore McCarthy**  
Chairperson

**Camille Davis-Williams**  
Secretary

**Colin Spence**  
Member

**Eaton McNamee**  
Member

**Lou-Ann Bramwell-Shakes**  
Member

**SUPERVISORY COMMITTEE**



**Dr. Sandra Hunter**  
Chairperson

**Erica Ewbanks**  
Secretary

**Kara Polson**  
Member

**Kasia Archer-Howell**  
Member

**Rohan Johnson**  
Member

**OFFICE OF THE CEO**



**Hibbert Anderson,**  
FCA  
Chief Executive  
Officer

**Jody-Ann Bailey**

**INFORMATION TECHNOLOGY DEPARTMENT**



**Roger Watson**  
Chief Information  
Officer

**Rashida Nelson**

**Dwyane Cole**

*Missing: Tashana Brown*

**RECORDS MANAGEMENT**



**Jade Cespedes**  
Senior Supervisor

**Jahmar Williams**

**Loy Grant**

**Shantel Henry**

**PERSONNEL & ADMINISTRATION DEPARTMENT**



**Jade Cespedes**  
Senior Supervisor

**Davia Hunt**

**Dorothy Myrie**

**John Emery**

**Kebra Gayle**

### CLAIMS & UNDERWRITING UNIT



**Kerrion Jackson-Cousins**  
Senior Supervisor

**Jelecia Griffiths**

**Sasha-Gay Dean**

**Shamora Adman**

**Sharneil Smith**

*Missing: Shanaya Chen*

### DELINQUENCY UNIT



**Nichola Patrawala**  
Chief Financial Officer

**Renaee Morrison**

**Derisa Robinson**

*Missing: Kimberly Bryce and Shania Vickers*

### ACCOUNTS DEPARTMENT



**Nichola Patrawala**  
Chief Financial Officer

**Sandrine Martin**  
Financial Accountant & Senior Supervisor

**Brian Murray**

**Keana Samuels**

**Povell Coubrie**

**Brittany Knot**



**Antonette Mckenzie-Burnett**

**Joanna Dacres**

## MEMBERS ACCOUNTS



**Nichola Patrawala**  
Chief Financial  
Officer

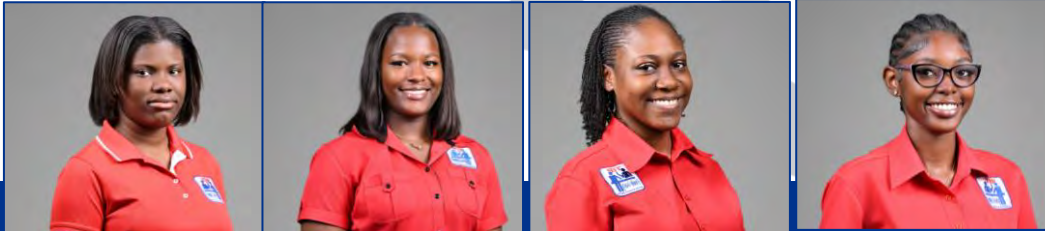
**Donnalee  
Drummonds-Mills**  
Supervisor

**Kelleace Anderson**

**Kemar Mckenzie**

**Omario Allen**

*Missing: Dahlia Reid-Johnson*



**Tashema  
Drummond**

**Shanaya Wynter**

**Abigail Symistyer**

**Akoya Sutherland**

## BRANDING & COMMUNICATIONS DEPARTMENT



**Rasida J. Pitter**  
Branding &  
Communications  
Manager

**Derron Brown**  
Supervisor

**Tabrina Creary**

**Divontte Dennis**

**Tashenna Fender**

## MEMBER EXPERIENCE



**Rasida J. Pitter**  
Branding &  
Communications  
Manager

**Novelette  
Campbell-Myton**

**Jordan Bell**

**Shantia Abbott**

**Ingrid Murdock**

*Missing: Yanique McLean*

**MEMBER SERVICES- KINGSTON**



**Judith Wilson**  
Branch Operations  
Manager



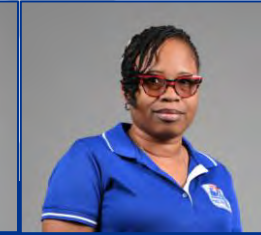
**Sharmaine Campbell**  
Branch Supervisor



**Marion Williams-Brown**



**Jermaine Evans**



**Natalee Palmer**



**Orlando Bryan**



**Selene Samuels**



**Shannon Brown**



**Trishauna Francis**



**Roxanne Brown**

**MEMBER SERVICES- MANDEVILLE**



**Curtis Grindley**  
Branch Supervisor



**Felica Dawkins**



**Britnie Tulloch**



**Domenick Morris**



**Gregrian Sutherland**



**Kerry-Ann Gayle-Bird**

**MEMBER SERVICES- OCHO RIOS**



**Judith Cooper**  
Branch Supervisor



**Jodian Bennett**



**Moya-Lee Dickenson**



**Paulette Cooper**



**Orville Bailey**

**MEMBER SERVICES- MONTEGO BAY**



**Mark Bowen**  
Branch Supervisor



**Tashay Anderson**



**Nelly Gooden**



**Ariel Simon**



**Annmarie Hastings**



**Karen Robinson-Linton**

**OBITUARIES 2025**

| <b>NAME</b>                 | <b>SCHOOL</b>                        | <b>PARISH</b> |
|-----------------------------|--------------------------------------|---------------|
| Dawkins, Sandra             | Free Town Primary                    | St. Catherine |
| Thomas, Yvonne              | Browns Hall Primary                  | St. Catherine |
| Chambers, Marlene           | Juan-de-Bolas All-Age                | St. Catherine |
| Grant, Dorian               | Naggo Head Primary                   | St. Catherine |
| Howell, Trena               | Ewarton High                         | St. Catherine |
| Douglas-Wright, Kerrian     | Spanish Town Infant                  | St. Catherine |
| Headlam, Alicia             | Harewood All-Age                     | St. Catherine |
| Hamilton, Tanesha           | Moneague Teachers' College           | St. Catherine |
| Brown, Peat                 | YWCA Spanish Town                    | St. Catherine |
| Barrett, Celeth             | Ascot High School                    | St. Catherine |
| Simpson-Gayle, Ann Marie    | St. Catherine High                   | St. Catherine |
| Boyd, Linett                | Port Maria Primary                   | St. Mary      |
| Lynch, Georgia              | Jeffery Town All-Age                 | St. Mary      |
| Douglas, Dorothy            | Zion Hill Primary                    | St. Mary      |
| Lynch, Elaine               | Oracabessa High School               | St. Mary      |
| Newton-Codner, Joycelyn     | Madras All-Age                       | St. Ann       |
| Cork, Roan                  | Browns Town Primary                  | St. Ann       |
| Johnson-Menzie, Kaysha      | Early Childhood Commission           | St. Ann       |
| Williams-McFarlane, Lisa    | Chalky Hill All-Age                  | St. Ann       |
| Kelly, Orine                | Aboukir All Age School               | St. Ann       |
| White, Cecila               | Gibraltar All-Age                    | St. Ann       |
| Christie, Alvia             | Howard Cooke Primary                 | St. James     |
| Murray-James, Valrie        | Albion Primary & Junior High         | St. James     |
| Miller, Verna               | Albion Primary & Junior High         | St. James     |
| Sandcroft, Orville          | Irwin High School                    | St. James     |
| Shaw, Marlene               | Cornwall Mountain All-Age            | St. James     |
| Drummond, Yvonne            | Edith Dalton James High              | Kingston      |
| Daley, Curdell              | Denham Town Primary                  | Kingston      |
| Johnson, Valrey             | Holy Family Primary & Infant         | Kingston      |
| Smith, Lonna-Gay            | Holy Trinity High School             | Kingston      |
| Powell-Campbell, Norma      | Alley Primary                        | Clarendon     |
| Howell, Elaine              | Frankfield Primary School            | Clarendon     |
| Lindo-Williams, Pamela      | HEART Academy                        | Clarendon     |
| Bondswell-Goulbourne, Stacy | Vere Technical                       | Clarendon     |
| Bryan, Totlyn               | Hayes Primary & Junior High          | Clarendon     |
| Falconer-Brooks, Theda      | Clarendon College                    | Clarendon     |
| Headley, Antonette          | McIntosh Memorial Primary            | Manchester    |
| Williams, Annmarie          | CTC Early Childhood D/Station School | Manchester    |
| Robinson, Chrystal          | Hamton School                        | Manchester    |
| Johnson-Bryan, Veta         | Christiana High School               | Manchester    |
| Ferguson, Patricia          | Louise Bennett-Coverley All-Age      | St. Andrew    |
| Burton-Scott, Aminta        | Excelsior Primary                    | St. Andrew    |
| Walker, Elizabeth           | Yallahs Primary                      | St. Thomas    |
| Haughton, Altman            | New Hope Primary & Junior High       | Westmoreland  |
| Palmer, Viris               | New Hope Primary & Junior High       | Westmoreland  |
| Bent-Bernard, Tarsha        | B.B. Coke High                       | St. Elizabeth |
| Bromfield, Garfield         | Sydney Pagon Agriculture School      | St. Elizabeth |
| Muirhead-Watson, Novlett    | Tranquility All Age                  | Portland      |
| Strachan, Zowie             | Charles Town Primary                 | Portland      |
| Barnett-Gentles, Melissa    | Ulster Spring Primary                | Trelawny      |

# OUR SERVICES



## INSURANCE

School & College Plan  
TIP Kids Benefit  
TIP for Life

## LOANS

TIP Education Loan  
TIP Quick Cash  
TIP Regular Loan



## SAVINGS

TIP Lock & Key  
TIP Pool Fund  
TIP for Wealth







  
 @tipfriendly.com

[www.tipfriendly.com](http://www.tipfriendly.com)

