

**UNITED ENTERPRISE
CREDIT UNION LTD.**

**CONSOLIDATED
FINANCIAL STATEMENTS
JUNE 30, 2026**

UNITED ENTERPRISE CREDIT UNION LTD.

Consolidated Financial Statements June 30, 2026

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Independent Auditor's Report

To The Members of
United Enterprise Credit Union Ltd.

Opinion

We have audited the financial statements of **United Enterprise Credit Union Ltd.** (the Credit Union), which comprise the Consolidated Balance Sheet as of June 30, 2026, Consolidated Statement of Changes in Equity, Consolidated Statement of Comprehensive Income and Statement of Cash Flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Credit Union as at June 30th, 2026 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards (IFRS).

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report, to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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

Independent Auditor's Report (*continued*)

Other information

Management is responsible for any other information that is presented or distributed with the audited financial statements. Other information may comprise, for example, the content of a Credit Union's Annual Report except for the financial statements and our Auditor's Report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read any other information as identified above and, in doing so, consider whether such other information appears to be materially misstated or inconsistent with the financial statements. If, based on the work we have performed, we conclude that there is a material misstatement in the other information, then we are required to report that fact. At the time of reporting we have not seen any other information and so we cannot offer any comment thereon.

Other Matter

This report is made solely to the Members of **United Enterprise Credit Union Limited**, as a body, in accordance with Section 123 of the Co-operative Societies Act of Barbados, in respect of the financial statements for the year ended June 30, 2026. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Credit Union and its Members as a body, for our audit work, for this report, or for the opinion we have formed.

M E Murrell & Co.



M E Murrell & Co.
Chartered Accountants
September 10, 2026

UNITED ENTERPRISE CREDIT UNION LTD.

Consolidated Balance Sheet As at June 30, 2026 Expressed in Barbados dollars

	2026	2025
Assets		
Current assets		
Cash and cash equivalents - Note 7	1,927,087	1,219,425
Accounts receivable and prepayments - Note 8	214,204	295,894
Current investments - Note 9	1,690,012	1,668,208
	3,831,303	3,183,527
Non-current investments - Note 9	4,001,001	4,256,949
Investment property- Note 10	1,252,778	1,278,886
Loans to members - Note 11	14,665,240	14,168,291
Plant, equipment and right-of-use asset - Note 12	236,517	259,441
Total assets	23,986,839	23,147,094
Liabilities and equity		
Current liabilities		
Accounts payable and accruals - Note 13	255,477	417,634
Current lease liability – Note 14	56,020	54,177
Deposits and non-qualifying shares payable - Note 15	18,349,788	17,822,632
	18,661,285	18,294,443
Non-current lease liability – Note 14	202,045	258,065
Total liabilities	18,863,330	18,552,508
Equity		
Qualifying shares - Note 16	117,500	115,150
Statutory reserve – Note 3 (i)	1,837,312	1,836,332
Revaluation reserve – Note 10 (c)	41,027	41,027
Unrealized gain reserve - Note 9 (d)	1,173,186	1,049,021
Undivided earnings	1,954,484	1,553,056
Total equity	5,123,509	4,594,586
Total liabilities and equity	23,986,839	23,147,094

See notes to financial statements.

Approved by the Board of Directors, September 10, 2026, and signed on their behalf by:


President


Treasurer

UNITED ENTERPRISE CREDIT UNION LTD.

Consolidated Statement of Changes in Equity

June 30, 2026

Expressed in Barbados dollars

	Qualifying Shares	Statutory reserve	Revaluation Reserve	Unrealized gain reserve	Undivided earnings	Total
Balance – June 30, 2024	110,900	1,719,517	41,027	1,188,331	1,480,176	4,539,951
Net payments	4,250	0	0	0	0	4,250
Entrance fees	0	1,080	0	0	0	1,080
Net income for year	0	0	0	0	188,615	188,615
Fair value loss on unquoted equity investments	0	0	0	(139,310)	0	(139,310)
Transfer of 0.5% of total assets to reserve	0	115,735	0	0 (115,735)		0
Balance – June 30, 2025	115,150	1,836,332	41,027	1,049,021	1,553,056	4,594,586
Net payments	2,350	0	0	0	0	2,350
Entrance fees	0	980	0	0	0	980
Net income for year		0	0	0	401,428	401,428
Fair value gain on unquoted equity investments		0	0	124,165	0	124,165
Balance – June 30, 2026	117,500	1,837,312	41,027	1,173,186	1,954,484	5,123,509

See notes to financial statements.

UNITED ENTERPRISE CREDIT UNION LTD.**Consolidated Statement of Comprehensive Income****June 30, 2026****Expressed in Barbados dollars**

	2026	2025
Interest income		
Loans to members	1,288,593	1,179,214
Investments	150,834	148,954
Cash and cash equivalents	1,094	12,781
	1,440,521	1,340,949
Interest expense		
Demand deposits and non-qualifying shares - 0.25% to 0.75% (prior year 0.25% to .75%)	70,314	59,578
Term deposits - 0.75% to 3.15% (prior year 1.80% to 3.25%)	94,435	91,678
	164,749	151,256
Net interest income	1,275,772	1,189,693
Other income		
Decrease in impairment provision	18,000	0
Dividend received	30,470	29,980
Investment property net income – note 10 (a)	92,642	18,502
Write-up of bonds	16,000	9,000
Sundry income	10,147	17,163
	167,259	74,645
Other expenses		
Depreciation	89,675	71,623
Staff costs - Note 6	343,079	337,680
Unrealized loss on fair value investments	3,834	3,067
Increase in impairment provision	0	109,000
Other operating expenses	605,015	554,353
	1,041,603	1,075,723
Net income for year	401,428	188,615
Other Comprehensive Income		
Fair value gain/(loss) on unquoted equity shares - Note 9(d)	124,165	(139,310)
Net comprehensive income for year	525,593	49,305

See notes to financial statements.

UNITED ENTERPRISE CREDIT UNION LTD.

Consolidated Statement of Cash Flows

June 30, 2026

Expressed in Barbados dollars

	2026	2025
Cash provided / (used) by:		
Operating activities		
Net comprehensive income for year	525,593	49,305
<i>Adjustments for items not involving cash</i>		
Depreciation	119,774	101,719
Increase in impairment provision	(18,000)	109,000
Lease interest expense	10,023	11,806
Write-up of Government securities - Note 9(a)	(16,000)	(9,000)
Fair value gain on unquoted equity shares	(124,165)	139,310
Unrealized loss / (gain) on fair value investments	3,834	3,067
	501,059	405,207
<i>Change in non-cash operating items</i>		
Accounts receivable and prepayments	49,691	(134,601)
Accounts payable and accruals	(162,157)	122,036
Deposits and non-qualifying shares payable	527,156	932,224
Qualifying shares	2,350	4,250
Net cash provided by operating activities	918,099	1,329,116
Investing activities		
Increase in loans to members	(446,949)	(2,107,323)
Decrease / (Increase) in investments	370,474	(752,512)
Acquisition of investment property	(3,991)	(60,076)
Purchase of plant and equipment	(66,751)	(30,575)
Net cash used by investing activities	(147,217)	(2,950,486)
Financing activities		
Lease repayments	(64,200)	(64,200)
Entrance fees	980	1,080
Net cash used by financing activities	(63,220)	(63,120)
Increase / (Decrease) in cash and cash equivalents	707,662	(1,684,490)
Cash and cash equivalents - start of year	1,219,425	2,903,915
Cash and cash equivalents - end of year	1,927,087	1,219,425

See notes to financial statements.

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

1. Registration

UNITED ENTERPRISE CREDIT UNION LTD. ("the Credit Union") is the continuation of a Society which was first registered as Purity Co-operative Credit Union Limited on October 06, 1976 in accordance with the Co-operative Societies' Act, Cap 378. The Credit Union amended its By-Laws to change its name to United Enterprise Co-operative Credit Union Limited on July 26, 1990. The Credit Union further amended its By-Laws to change its name to United Enterprise Credit Union Limited on March 03, 1995. The Credit Union was continued on August 19, 1994 under the Co-operative Societies Act 1990. The principal place of business is located Upstairs Pearson's Pharmacy, Upper Collymore Rock, St. Michael, Barbados.

2. Principal activities

The principal activities are as follows:

- (a) The provision of means whereby savings can be affected by members and whereby shares in the Credit Union can be purchased.
- (b) The education of members in Co-operative principles and methods and the efficient management of the Credit Union's affairs;
- (c) The creation, out of savings of members and otherwise, of a source of credit available to members on reasonable terms and conditions.

3. Significant accounting policies

(a) Basis of accounting

These financial statements are stated in Barbados dollars and have been prepared in accordance with International Financial Reporting Standards ("IFRS").

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of United Enterprise Credit Union Limited and its wholly owned subsidiary, United Enterprise Investment Inc. (together, "the Group"). The subsidiary is consolidated from the date on which control commenced. All intragroup balances, transactions, income and expenses are eliminated on consolidation.

(c) Measurement basis

The measurement basis used is historical cost except for equity investments that are classified as Fair Value investments and which are stated at their fair values.

(d) Changes in accounting policies

Management has reviewed the new standards, amendments and interpretations to published standards that are not yet effective and which the Credit Union has not adopted early. Management has assessed the relevance of all such new standards, amendments and interpretations and has concluded that no such amendments are likely to have a material effect on its financial statements.

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

3. Significant accounting policies - continued

(e) *Critical accounting judgments and key sources of estimation uncertainty*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates is recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Key sources of estimation uncertainty include provision for impairment of loans, determination of appropriate rates for depreciation of plant and equipment and estimation of the fair value of unquoted equity investments. The credit union's critical accounting policies and estimates, and their application, are reviewed periodically by management.

(f) *Taxation*

The Credit Union is not required to pay taxes on its net income under Section 9(g) of the Income Tax Act of Barbados.

(g) *Depreciation*

Depreciation is provided on plant and equipment on a straight-line basis at rates designed to reduce the cost of assets to their residual value at the end of their useful lives in the business. The annual rates being used are as follows: furniture - 10%; equipment - 12.5% and computer equipment - 25%.

(h) *Investments*

Investments are initially recorded at cost. For subsequent measurement, investments are classified and measured in accordance with IFRS 9 – Financial Instruments. Financial assets are classified based on the Credit Union's business model for managing the financial assets and the contractual cash flow characteristics of the assets. Investments that are held within a business model whose objective is to collect contractual cash flows are measured at amortized cost. These investments are subsequently measured using the effective interest method. Marketable securities are designated as financial assets at fair value through profit or loss (FVTPL) in accordance with IFRS 9 and are recorded at their market value as at the Balance Sheet date. Any gains or losses arising from changes in fair value are recognized in the Statement of Comprehensive Income in the year in which they arise. Certain equity investments that are not held for trading are designated as financial assets at fair value through other comprehensive income (FVOCI). Changes in the fair value of these investments are recognized in other comprehensive income and accumulated in equity. Where there is no quoted market price in an active market and fair value cannot be reliably measured, investments are carried at cost less any impairment. Impairment occurs where the estimated recoverable amount of an asset is less than its carrying value. Management assesses whether any investments are impaired at each Balance Sheet date.

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

3. Significant accounting policies - continued

(i) *Statutory Reserve*

The credit union is required to establish and maintain reserves consisting of the greater of one half of one per cent (0.5%) of assets or twenty-five per cent (25%) of surplus until the capital of the Society equals ten percent (10%) of the total assets of the Society, in accordance with the Co-operative Societies' legislation. Similarly, Entrance Fees are taken to a Reserve Account.

(j) *Education Fund*

A provision is made for Education as stipulated by the Barbados Co-operative & Credit Union League Ltd. The amount provided is three percent (3%) of net income or \$15,000, whichever is the lesser.

(k) *Going concern*

The financial statements have been prepared on a going concern basis, which assumes that the entity will continue in operational existence for the foreseeable future. Management has assessed the organization's ability to continue as a going concern and is satisfied that there are no material uncertainties that may cast significant doubt on its ability to do so.

(l) *Events After the Reporting Period*

Management has evaluated events occurring after the reporting date up to the date the financial statements were authorized for issue. No events requiring adjustment to or disclosure in the financial statements have been identified.

(m) *Impairment provision*

The level of impairment of the loan portfolio is determined using an Expected Credit Loss (ECL) Model. All outstanding loans are taken into account, as well as loan commitments.

The Credit Union recognizes expected credit losses (ECL) on loans using an impairment model that considers historical loss experience, current economic conditions and reasonable and supportable forward-looking information. Loans are generally assessed collectively unless there is objective evidence that an individual loan requires a separate assessment.

(n) *Financial assets*

Financial assets are recognized in the financial statements when the entity becomes a party to contractual provisions of the instruments.

(o) *Financial liabilities and equity instruments*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

3. Significant accounting policies – continued

(p) *Income recognition*

Interest income is recognized on the accrual basis of accounting. Dividend income is recognized when it is declared by the investee company.

(q) *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand and at bank and call deposits.

(r) *Unrealized gain reserve*

The Unrealized Gain reserve represents gains on the Credit Union's holdings of unquoted equity investments. These reserves are not intended for distribution but may be used to support the capital of the Credit Union.

(s) *Leases*

The credit union recognizes leases at the commencement date of the lease. A right-of-use (ROU) asset and a lease liability are recognized for all leases, except for short-term leases (12 months or less) and leases of low-value assets. The ROU asset is initially measured at cost, which includes the initial lease liability, any lease payments made at or before the commencement date, and any initial direct costs incurred.

The credit union determined the lease term based on the non-cancellable period of the lease, including renewal options that are reasonably certain to be exercised. The discount rate used to measure the lease liabilities is based on the credit union's incremental borrowing rate.

The Credit Union cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ('IBR') to measure lease liabilities. The IBR is the rate of interest that the Credit Union would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Credit Union 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Credit Union estimates the IBR using observable inputs, such as market interest rates, when available and is required to make certain entity specific adjustments, such as the subsidiary's stand-alone credit rating, or to reflect the terms and conditions of the lease.

The Credit Union has two lease contracts that include extension and termination options. The Credit Union applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Credit Union reassesses the lease term if there is a significant event or change in circumstances that is within its control that affects its ability to exercise or not to exercise the option to renew or to terminate.

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

4. Fair value of financial instruments and risks

(a) *Financial instruments*

Financial instruments consist of financial assets and liabilities. Financial assets include cash and cash equivalents, accounts receivable and prepayments, loans to members and investments. Financial liabilities include accounts payable and accruals and deposits and shares payable.

(b) *Fair Value*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is best evidenced by a quoted market value. An estimate, based on assumptions, is made of the fair value of each class of financial instrument for which it is practical to make an estimate. The fair values of the financial instruments are estimated to be not materially different from their carrying values in the financial statements.

(c) *Credit Risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. As part of the risk management process, bank deposits are placed only with reputable financial institutions. Loans limits are established and approved by Management and security is generally required for loans. Credit risk on accounts receivable is limited by the provision for impairment.

(d) *Liquidity Risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. It arises because of the possibility that the entity could be required to pay its liabilities earlier than expected. Management reviews the liquidity position of the credit union periodically to assess the availability of cash resources as compared to the projected cash outflows.

(e) *Market Risk*

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk which is the risk of fluctuations in interest rates. The Credit Union's exposure to interest rate risk on its financial instruments is disclosed in the Notes 7,9, 11 and 14.

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

5. Related parties

- (a) Related parties exist where one party has the ability to control or exercise significant influence over the financial or operating decisions of another party. Transactions with related parties may be entered into in the normal course of business. Any such transactions are undertaken on commercial terms and conditions and are conducted at market rates. The Credit Union has a related party relationship with its directors and key management personnel.
- (b) The Credit Union has a related party relationship with its directors and its key management personnel. As at the Balance Sheet date, balances with these related parties were as follows:

	<u>2026</u>	<u>2025</u>
Loans	<u>496,349</u>	<u>325,751</u>
Shares and deposits payable	<u>104,570</u>	<u>85,834</u>

- (c) Honoraria paid to related parties is included in Other Operating Expenses, as follows:

Honoraria	<u>30,350</u>	<u>18,600</u>
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- (d) Key management personnel remuneration was \$159,799 (prior year \$151,378) and is included in Staff Costs in the Statement of Comprehensive Income.
- (e) There were no outstanding balances between the Credit Union and its subsidiary as at June 30, 2026.

6. Staff costs

<u>2026</u>	<u>2025</u>
<u>343,079</u>	<u>337,680</u>

The average number of employees during the year was six (prior year - six).

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements June 30, 2026

Expressed in Barbados dollars

7. Cash and cash equivalents	2026	2025
Current account and cash on hand	1,889,269	1,071,607
Demand deposits - 0.1% p.a. (prior year 0.1%)	13,768	13,768
Barbados Co-operative & Credit Union League Ltd.:		
- Ordinary shares	6,390	76,390
Central Fund Facility Trust		
- Ordinary deposit -0.75% p.a. (prior year 0.75%)	7,660	7,660
- Statutory reserve deposit - 1.25% p.a. (prior year 1.25%)	10,000	50,000
	1,927,087	1,219,425
8. Accounts receivable and prepayments	2026	2025
Interest receivable	186,606	156,218
Other receivables	80,741	68,328
Treasury Bill receivable	0	69,500
Less: Impairment provision	(101,685)	(69,686)
Prepayments	48,542	71,534
	214,204	295,894
(a) Impairment provision	2026	2025
Balance - start of year	69,686	70,185
Bad debt recovered	0	(499)
Increase in provision	31,999	0
Balance - end of year	101,685	69,686

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

9. Investments	2026	2025
<i>Current investments</i>		
<i>Financial assets measured at amortised cost</i>		
Affinity Co-operative Credit Union Ltd. -4.0% p.a.	400,000	0
Capita Financial Services Inc. -2.15%p.a. (prior year - 2.15% to 2.4%)	75,460	347,269
City of Bridgetown Co-operative Credit Union Ltd. - 1.5% p.a. (prior year 1.5%)	275,025	259,178
First Citizens Investment Services Ltd. - 1.75% p.a (prior year 1.75%)	16,262	16,262
Bonds Note – Note 9 (a)	273,265	395,499
RF Merchant Bank and Trust (Barbados) Ltd., Williams Renewable Energy 2, Series B Bond - 4% p.a.	650,000	650,000
	1,690,012	1,668,208
<i>Non-current investments</i>		
<i>Financial assets measured at amortised cost</i>		
Affinity Co-operative Credit Union Ltd. - 4% p.a.	0	400,000
Bonds – Note 9 (a)	1,586,852	1,850,650
Capita Financial Services Inc. -2.15%p.a. (prior year - 2.15% to 2.4%)	283,020	-
<i>Financial assets measured at fair value through other comprehensive income</i>		
Barbados Co-operative & Credit Union League Ltd.: - 20 membership shares (prior year 20)	200	200
Co-operators General Insurance Co. Ltd.: - 4,441 (prior year 4,441) ordinary shares	1,731,990	1,624,784
Co-operators General Management Company Inc.: - 1,693 (prior year 1,668) ordinary shares	359,830	338,371
<i>Financial assets measured at fair value through profit and loss</i>		
Listed securities – Note 9(a)	39,109	42,944
	4,001,001	4,256,949
	5,691,013	5,925,157

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

9. Investments - continued

(a) Bonds

In keeping with generally accepted accounting policies and standards, Management has applied a Net Present Value (NPV) calculation to its holdings of these securities which has resulted in a write-down of value as shown in the maturity profile of the bonds below.

2026						
INVESTMENT	CURRENT	1-5 YEARS	5-10 YEARS	GROSS	NPV	NET
Government				1,443,852		
Bonds	273,265	1,108,106	335,746		(57,000)	1,386,852
Other Bonds	-	-	200,000	200,000	-	200,000
Total	273,265	1,108,106	535,746	1,643,852	(57,000)	1,586,852
2025						
INVESTMENT	CURRENT	1-5 YEARS	5-10 YEARS	GROSS	NPV	NET
Government				1,723,650		
Bonds	395,499	1,198,277	525,373		(73,000)	1,650,650
Other Bonds	-	-	200,000	200,000	-	200,000
Total	395,499	1,198,277	725,373	1,923,650	(73,000)	1,850,650

(b) Government Bonds include Government restructured securities are Series B securities, consisting of eleven (11) amortizing strips with maturities ranging from five (5) to fifteen (15) years. Interest is payable at the end of each calendar quarter. Interest rates are 3.75% per annum starting October 01, 2022 until maturity on September 30, 2033. The principal of each strip will be repaid in four equal quarterly installments commencing one year prior to the maturity date of that strip. Other government bonds consist of BOSS bonds, BOSS plus bonds, Barbados Port Inc. Bonds and QEH Bonds with interest rates from 4.5% to 6.25% with maturity periods of 5 to 7 years.

(c) Other bonds

Bonds were issued by the Co-operators General Management Company Inc. for the financing of a multi-storey building at Six Roads. St. Philip. The bonds carry a maturity period of seven (7) years. They are interest-bearing instruments that are expected to carry multi-level interest rates at 2.5% until the date that the construction is complete, not exceeding 24 months; 4.5% for 2 years; 5.5% for a further 2 years and 6.5% for the remaining period of the investment term.

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

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Expressed in Barbados dollars

9. Investments - continued

- (d) The table below analyses financial instruments carried at Fair Value (FV) using the valuation techniques in accordance with IFRS13. The fair value hierarchy has three levels of inputs which are displayed below, with level 1 being the highest priority and level 3 being the lowest priority.
- **Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
 - **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
 - **Level 3** - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value Hierarchy

Assets	FV at Jun 30, 2026	Valuation Technique	Classification	Level (1-3)
Goddards Enterprises Ltd.	39,109	Quoted NAV from stock exchange	Fair value through Profit and Loss	1
Co-operators General Insurance Co. Ltd.	1,731,990	Independent valuation using DCF and multiples	Fair value through Other Comprehensive Income	3
Co-operators General Management Co. Inc.	359,830	Independent valuation using DCF and multiples	Fair value through Other Comprehensive Income	3

Reconciliation of Fair Value measurements at Level 3

	Fair value - start of year	Share Dividend	Change in Fair value	Fair value - end of year
Co-operators General Insurance Co. Ltd.	1,624,784	-	107,206	1,731,990
Co-operators General Insurance Management Co. Ltd.	338,371	4,500	16,959	359,830
	<u>1,963,155</u>	<u>4,500</u>	<u>124,165</u>	<u>2,091,820</u>

UNITED ENTERPRISE CREDIT UNION LTD.

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9. Investments - continued

- (e) The fair value of unquoted equity investments is based on a valuation done by the Consulting Division of the Cave Hill School of Business (CHSOB). CHSOB performed a valuation as at May 31, 2025 for each of these unquoted investments, using a range of generally accepted valuation models. The "best estimate" of the fair market value was estimated as the median value of the fair market values generated from the various models used. The valuation models used were Book Value, Market to Book, Trailing Price Earnings, Price to Sales, Price to Earnings Before Tax and Dividend Growth, Price to Earnings Before Tax, Depreciation and Amortization, Dividend Growth Model and Free Cash Flows to Equity. The Directors consider that the valuation of the unquoted equity investments arrived at by the process described above reflects their fair value as at the balance sheet date.

10. Investment property

Investment property consists of the following:

- (a) Land and Building
Land and building comprise property located at "Hill-Selby", Corner 4th Ave Belleville & Pine Road, St. Michael, Barbados. In 2021, the property was obtained following the transfer of assets and liabilities from the Shamrock Co-operative Credit Union Ltd. to United Enterprise Credit Union Limited. Management has adopted the fair value model to value the Land and Building.
- (c) Revaluation reserve
The initial cost of the land and building was \$719,273. This property was revalued on July 11, 2023 using the income approach by an independent valuer, and a loss of \$198,075 was recorded to reduce the revaluation reserve account to \$41,027.
- (d) Renewable Energy Project
Management has adopted the cost approach to value the Renewable Energy Project. The Credit Union leased the roof space of the Church of the Nazarene, Collymore Rock, St. Michael, Barbados and invested in a renewable energy project by installing a solar photovoltaic system there-on. The Credit Union made further investment in the project by installing a photovoltaic system on its investment property, land and building, located at "Hill-Selby", Corner 4th Ave Belleville & Pine Road, St. Michael, Barbados.

This project is expected to generate electricity for sale to the Barbados Light and Power Company Limited (BL&P) energy grid. Under the terms of the Agreement, the Credit Union will lease the rooftop space for a duration of twenty (20) years. The right-of-use asset and related lease liability expenses have been recorded in accordance with IFRS 16, Leases.

Investment property income	2026	2025
Renewable Energy Project	45,953	46,019
Land and Buildings	46,689	(27,517)
Total investment property income	92,642	18,502

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

10. Investment property - continued

	Total Investment Property	Land and Building (Revalued)	Total Renewable Energy Project	Renewable Energy Project (Depreciated)	Renewable Energy Project Right-of-use Asset (Depreciated)
As at June 30, 2024					
Cost / Valuation	1,308,657	821,668	486,989	344,925	142,064
Accumulated depreciation	(59,750)	0	(59,750)	(37,848)	(21,902)
Net book value	1,248,907	821,668	427,239	307,077	120,162
As at June 30, 2025					
Net book value - start of period	1,248,907	821,668	427,239	307,077	120,162
Purchases	60,076	60,076	0	0	0
Depreciation charge	(30,097)	0	(30,097)	(22,994)	(7,103)
Net book value - end of period	1,278,886	881,744	397,142	284,083	113,059
As at June 30, 2025					
Cost / Valuation	1,368,733	881,744	486,989	344,925	142,064
Accumulated depreciation	(89,847)	0	(89,847)	(60,842)	(29,005)
Net book value	1,278,886	881,744	397,142	284,083	113,059
As at June 30, 2026					
Net book value - start of year	1,278,886	881,744	397,142	284,083	113,059
Purchases	3,991	3,991	0	0	0
Depreciation charge	(30,099)	0	(30,099)	(22,995)	(7,104)
Net book value - end of year	1,252,778	885,735	367,043	261,088	105,955
As at June 30, 2026					
Cost / Valuation	1,372,724	885,735	486,989	344,925	142,064
Accumulated depreciation	(119,946)	0	(119,946)	(83,837)	(36,109)
Net book value	1,252,778	885,735	367,043	261,088	105,955

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

11. Loans to members	2026	2025
Total loans outstanding	15,098,240	14,651,291
Less: Impairment provision	(433,000)	(483,000)
Net value of loans	14,665,240	14,168,291
 (a) <i>Impairment provision</i>	 2026	 2025
Balance - start of year	483,000	374,000
Increase / (Decrease) in impairment provision	(50,000)	109,000
Balance - end of year	433,000	483,000
 (b) <i>Maturity profile of loans</i>	 2026	 2025
<i>Amounts due in:</i>		
Less than one year	533,199	684,750
Greater than one, up to 5 years	5,507,648	5,140,584
Over 5 years	9,057,393	8,825,957
Total	15,098,240	14,651,291
 (c) Interest on loans is charged at varying rates, mainly between 7% p.a. and 18% p.a. on the reducing balance basis.		
 (d) Commitments	 2026	 2025
Loans approved but not yet disbursed	0	475,670

UNITED ENTERPRISE CREDIT UNION LTD.

**Notes to Consolidated Financial Statements
June 30, 2026**

Expressed in Barbados dollars

12. Plant, equipment and Right of-use asset	Total	Right of Use Asset	Plant and Equipment
Restated as September 30, 2024			
Cost	739,154	249,351	489,803
Accumulated depreciation	(438,666)	(12,469)	(426,197)
Net book value	<u>300,488</u>	<u>236,882</u>	<u>63,606</u>
2025			
Restated net book value - start of year	300,488	236,882	63,606
Additions	30,575	0	30,575
Depreciation charge	(71,622)	(49,869)	(21,753)
Net book value - end of year	<u>259,441</u>	<u>187,013</u>	<u>72,428</u>
As at June 30, 2025			
Cost	769,729	249,351	520,378
Accumulated depreciation	(510,288)	(62,338)	(447,950)
Net book value	<u>259,441</u>	<u>187,013</u>	<u>72,428</u>
2026			
Net book value - start of year	259,441	187,013	72,428
Additions	66,751	0	66,751
Depreciation charge	(89,675)	(49,872)	(39,803)
Net book value - end of year	<u>236,517</u>	<u>137,141</u>	<u>99,376</u>
As at June 30, 2026			
Cost	836,480	249,351	587,129
Accumulated depreciation	(599,963)	(112,210)	(487,753)
Net book value	<u>236,517</u>	<u>137,141</u>	<u>99,376</u>
13. Accounts payable and accruals			
	2026	2025	
Interest payable	123,222	82,176	
Unearned revenue	11,710	11,500	
Other accounts	120,545	323,958	
	<u>255,477</u>	<u>417,634</u>	

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

14. Lease liabilities	2026	2025
Net book value - start of year	312,242	364,636
Payments	(64,200)	(64,200)
Interest expense	10,023	11,806
Net book value - end of year	258,065	312,242

(a) Maturity analysis of lease liabilities	2026	2025
Amounts due in:		
Less than one year	56,020	54,177
Greater than one, up to 5 years	117,519	166,765
Over 5 years	84,526	91,300
Total	258,065	312,242

15. Deposits and non-qualifying shares payable	2026	2025
Members deposits	5,950,919	5,705,184
Special savings	1,296,311	1,283,167
Regular shares	6,629,270	6,630,497
Term deposits - members	1,554,904	1,549,148
Term deposits - corporate	2,918,384	2,654,636
	18,349,788	17,822,632

- There is no predetermined rate of interest payable on regular deposits and shares, since interest is determined by the Board of Directors from time to time and is paid on a quarterly basis, except for Special Savings on which interest is paid on a monthly basis.
- Term deposits are accepted for a minimum period of one year in amounts not less than \$500.

UNITED ENTERPRISE CREDIT UNION LTD.

Notes to Consolidated Financial Statements

June 30, 2026

Expressed in Barbados dollars

16. Qualifying shares	2026	2025
	117,500	115,150

- (a) There is no limit to the number of shares that the Credit Union is authorized to issue. The number of shares held by a member does not determine the member's voting rights since each member is entitled to one vote only at any general meeting.
- (b) The Credit Union is required by its By-Laws to have at least one class of shares, namely qualifying shares, which shall be issued at a par value of \$5. These shares shall be held by all members and shall not be withdrawable on demand but transferrable.
- (c) No interest was paid on qualifying shares.

17. Comparative amounts

Certain of the comparative amounts have been reclassified to conform to the current year's presentation.

18. Investment in subsidiary

The Credit Union owns 100% of the issued share capital of United Enterprise Investment Inc., a company incorporated in Barbados on April 25, 2023. The subsidiary's principal activities include investment in renewable energy initiatives and property development. The subsidiary commenced operations on July 01, 2025.

For the year ended June 30, 2026, the subsidiary reported a net surplus of \$46,689, (prior year nil). There was no activity for the year ended June 30, 2025.

UNITED ENTERPRISE CREDIT UNION LTD.

Schedule of Other Operating Expenses

June 30, 2026

Expressed in Barbados dollars

	2026	2025
Advertising and promotion	8,180	2,733
Bad debt written off	77,233	76,220
Bank charges	8,744	7,333
Cleaning	7,388	7,056
Conventions	49,213	10,523
Co-operative celebrations	5,074	6,270
Courier service	11,025	7,650
Donations	12,128	3,174
Education Fund	19,133	1,525
Financial Services Commission annual fee	13,320	13,450
Fines and penalties	15	481
Honoraria	50,750	48,350
Insurance	10,920	14,256
Mutual Benefits Plan (MBP) assessments	81,600	61,781
League membership dues	20,775	18,030
Meetings	17,879	26,432
Miscellaneous	8,790	10,011
National Development Fund	2,238	2,160
Office supplies	10,377	3,638
Professional fees	107,383	106,115
Lease expense	5,394	6,962
Repairs and maintenance	6,672	7,120
Software maintenance	20,119	14,329
Stationery and printing	9,886	12,189
Subscriptions	968	0
Training and seminars	2,255	43,600
Transfer taxes	0	0
Utilities - electricity	13,408	15,368
Utilities - telephone	17,586	17,296
Webpage and email	6,562	10,301
	605,015	554,353