

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS

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**ANNUAL
REPORT AND ACCOUNTS
2024**

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ANNUAL
REPORT AND ACCOUNTS
2024



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November 14, 2025

Hon. Dennis Cornwall
Minister for Finance
Ministry of Finance
Galleria Mall
Grand Anse

St. George

Dear Minister Cornwall

In accordance with Section 25 of the Grenada Authority for the Regulation of Financial Institutions (GARFIN) Act CAP 125A of the Continuous Revised Edition of the Laws of Grenada and Section 243 of the Public Finance Management (PFM) Regulations, we forward herewith the Annual Report and Audited Financial Statements of the Authority for the year ended December 31, 2024.

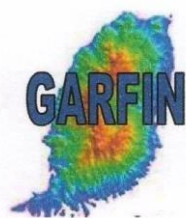
Yours truly

A handwritten signature in blue ink, appearing to read 'Willan Thompson', written over a dotted line.

Willan Thompson
Chairman

A handwritten signature in blue ink, appearing to read 'Denis Felix', written over a dotted line.

Denis Felix
Executive Director



MISSION STATEMENT

The Mission of the Authority is to promote and maintain public confidence in, and the integrity of, the financial system in Grenada through the effective regulation and supervision of designated non-bank financial institutions.

CORE VALUES

The Core Values of the Authority are:

- Integrity
- Professionalism
- Confidentiality
- Partnership
- Mutual Respect
- Service



CORPORATE INFORMATION

ADDRESS

**Grenada Authority for the Regulation of Financial Institutions
P.O. Box 3973
Netherlands Building
Grand Anse
St. George
Grenada
Tel: 440-6575/8717
Cell: 405-5668
Fax: 440-4780
Email: garfininfo@garfin.org**

Website: www.garfin.gd

AUDITORS

**PKF Accountants and Business Advisors
P.O. Box 1798
Grand Anse
St. George**

ATTORNEYS-AT-LAW

**Lisa Taylor & Co.
Chambers, St. Michaels
Lucas Street
St. George's**

PRINCIPAL BANKERS

**Grenada Co-operative Bank Limited
Church Street
St. George's**

BOARD OF DIRECTORS AND EXECUTIVE DIRECTOR



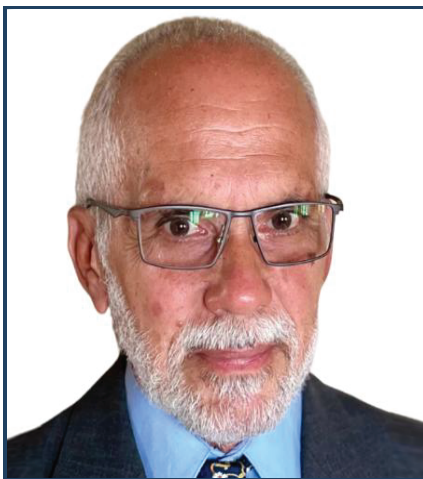
Mr. Willan Thompson
Chairman



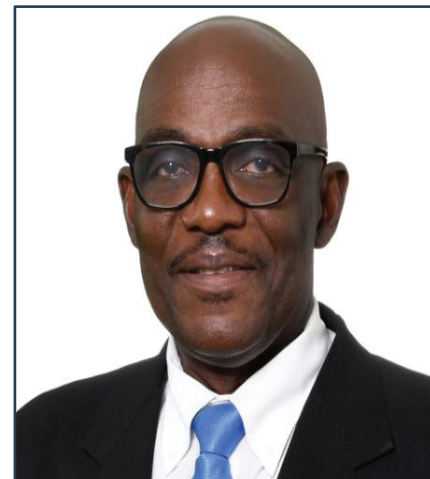
Mrs. Chevanne Britton-Telesford
Deputy Chairman



Mrs. Laurel Seraphin-Bedford
Director



Mr. Allan Bierzynski
Director



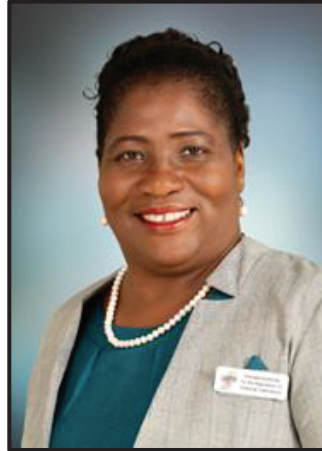
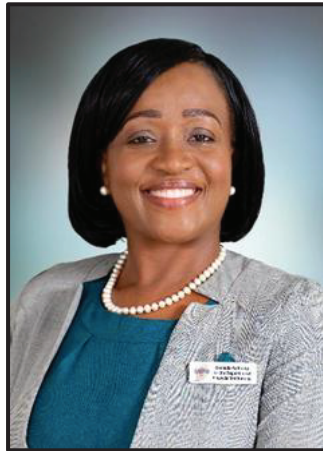
Mr. Valentine Fraser
Director



Mr. Denis Felix
Executive Director



MANAGEMENT AND STAFF



Mr. Kelon Fletcher
Deputy Executive Director

Mrs. Bethann George-Buckmire
Manager – HR/Admin. & IFSS

Mrs. Elaine Julien-Victor
*Manager – Insurance
& Pension Supervision*

Ms. Kizzy
*Manager – Non-Bank
& MSB’s Supervision*



Left – Right (Front Row)

Bethann George-Buckmire, Cherrelle Simon, Julia Hypolite, Denis Felix, Portia Thomas-Burke,
Karen Boatswain, Matonia Munroe, Elaine Julien – Victor

Left – Right (Back Row)

Carey Jeffrey, Alisha Peters, Ahsa Hypolite, Kizzy Simon, Kelon Fletcher, Nacaya Forte, John Martin,
Ordelle Abraham, Shemair Lewis, June Starker



REPORT OF THE BOARD OF DIRECTORS

ECONOMIC REVIEW

The Medium-term Economic and Fiscal Strategy Report: 2025-2027 noted that despite ongoing global and regional disruptions, Grenada's macroeconomic prospects remain broadly favourable. The economy has demonstrated remarkable resilience in the face of Hurricane Beryl, the COVID-19 pandemic, the war in Ukraine, and the Israeli-Palestinian conflict. Prudent fiscal and monetary policies have sustained recovery and stability, reinforcing the country's adaptability to external shocks.

Grenada's Real GDP is estimated to have expanded by 4.0 percent in 2024 and projected to grow by 4.1 percent in 2025, driven by activity in key sectors such as tourism, construction, wholesale and retail, manufacturing, education, and transport. However, the impact of Hurricane Beryl on northern Grenada and the sister isles of Carriacou and Petite Martinique has significantly affected growth in agriculture, fishing, housing, public infrastructure, and essential utilities. The widespread damage to roads, electricity grids, water supply systems, and telecommunications networks has disrupted economic activity, necessitating substantial investment in reconstruction and recovery efforts.

In 2024, the real gross domestic product (GDP) in the Member States of the Eastern Caribbean Currency Union (ECCU) continued to expand in the first half of the year but the pace of expansion slowed from its post-pandemic rebound. This slowdown was broad-based but was especially evident in Tourism and other services which had previously benefitted from strong pent-up demand immediately after the post-pandemic reopening.

Private sector deposits in the banking system expanded and credit growth slowed. However, the ratio of non-performing loans (NPLs) and liquidity improved marginally.

According to the International Monetary Fund (IMF) October 2024 update of its World Economic Outlook (WEO), Global growth is forecasted to remain stable, yet underwhelming, at 3.2 per cent in 2024 and 2025. The projections remain below the historical (2000–19) average of 3.8 per cent.



Among the non-bank financial institutions, credit unions recorded yet another year of growth in the key performance areas such as total assets, deposits, loans and capital while maintaining the required benchmark for liquidity of a minimum of 15% of total unencumbered deposits. In addition, credit unions realized an overall improvement in asset quality with a loan delinquency rate which stood at 6.5% on a consolidated basis. The requirements for coping with rigid anti-money laundering measures as well as “de-risking” threats require ongoing oversight to improve compliance in these areas.

On an overall basis, however, the non-bank financial sector remained stable in 2024. GARFIN continued to work steadfastly with all regulated entities to strengthen performance in key areas such as capital adequacy, governance, the quality of financial operations, compliance and strategic direction.

The following outlines the key activities and achievements of GARFIN in 2024 and some of the issues being addressed.

OVERVIEW OF THE NON - BANK FINANCIAL SECTOR

GARFIN is charged with the responsibility of regulating and supervising the Non-Bank Financial Sector in Grenada with the primary objectives of ensuring the protection of financial consumers, the well-being of regulated entities and the maintenance of financial stability.

In accordance with Section 25 of the GARFIN Act CAP 125A of the Continuous Revised Edition of the Laws of Grenada and Section 243 of the Public Finance Management (PFM) Regulations, GARFIN must submit an Annual Report and Audited Financial Statements for the previous financial year (2024) to the Minister for Finance and the Minister shall cause a copy of this Report to be laid before Parliament.

As at December 31, 2024 GARFIN provided oversight of the following registered entities:

- Ten credit unions and an Apex Body with total consolidated assets amounting to \$1.56 billion.
- Twenty – four insurance companies with total consolidated assets amounting to \$564.2 million.
- Fifty pension fund plans with total assets amounting to \$296 million.
- Two money transmission businesses.



- Seven Micro Lending businesses.
- One Development Bank with assets amounting to \$111.9 million.
- One Building Society with assets amounting to \$17.3 million.
- Seventy – eight schools savings unions with total savings amounting to approximately \$3 million.
- Seven functional Friendly Societies.

LEGISLATIVE REVIEW

Developmental work on the draft Eastern Caribbean Currency Union (ECCU) Uniform Insurance Bill was placed on hold when the initiative to establish a Single Insurance Regulator in the currency union was discontinued. During 2024, as part of the alternative decision to develop the Eastern Caribbean Financial Standards Board (ECFSB), the Bill was restored as an integral component of the new supervisory programme.

The draft Bill is intended to address the existing deficiencies of the current legislation and will provide among other things, for –

- Capitalisation requirements
- Market conduct and dispute resolution
- Strengthening of Pension Plans supervision
- Establishment of Risk Based Supervision

All of these are deemed necessary for a modern, well-functioning insurance system as well as enhanced regulation and supervision.

The draft Uniform ECCU Cooperative Societies Bill and Regulations which were developed with technical assistance from an experienced regional consultant – Mr. Melvin Edwards – were considered by the Cabinet and subsequently submitted to the Ministry of Legal Affairs for vetting in readiness prior to submission before The Parliament. The Drafting Unit in the Ministry reviewed the Bill and subsequently sent some comments to GARFIN for clarity. The said comments were further discussed with stakeholders initially and a working group was established to complete the review process. The working group included representatives from credit unions, the Division of Cooperatives, GARFIN, the Legal Department of the ECCB and the Consultant.



The Grenada Building and Loan Association (GBLA) conducted a revision of its rules in keeping with plans to advance the modernization of the business operations.

As at December 31, 2024 GARFIN was responsible for administering the following ten enactments and subsidiary legislation.

Table I - Legislation Administered by GARFIN

1.	<p>Cooperative Societies Act Cap 66A</p> <ul style="list-style-type: none"> - Cooperative Societies Order SRO 25/2011 - Cooperative Societies (Amendment) Act No 25/2012 - Cooperative Societies (Credit Union Fees) SRO 8/2015 - Cooperative Societies (Amendment) Act No. 20 of 2017 - Cooperative Societies Regulations SRO 63 of 1997
2.	<p>Insurance Act Cap 150</p> <ul style="list-style-type: none"> - Insurance (Amendment) Act No 18/2011 - Insurance (Amendment) Regulations SRO 7/2011 - Insurance (Amendment) Act No 6/2013 - Admissible and Valuation of Assets Regulations SRO 3/2014 - Insurance (Amendment) Act No 25/2014
3.	<p>Building Societies Act Cap 38</p>
4.	<p>Friendly Societies Act Cap 118</p> <ul style="list-style-type: none"> - Friendly Societies Regulations Cap 118
5.	<p>International Betting Act Cap 151A</p>
6.	<p>Company Management Act Cap 58B</p>
7.	<p>Grenada Development Bank Act Cap 129</p>



8.	<p>International Trusts Act Cap 152C</p> <ul style="list-style-type: none"> - International Trusts (Amendment) Act No 7/2014 - International Trusts (Ownership Information) Regulations SRO 39/2014 - International Trusts (Amendment) Act No. 20 of 2018
9	<p>Money Services Business Act Cap 198A</p> <ul style="list-style-type: none"> - Money Services Businesses (Amendment) Act No 29/2014
10.	<p>Virtual Assets Business Act No. 7 of 2021</p> <ul style="list-style-type: none"> - Virtual Assets Business Regulations SRO No. 9 of 2024

INSURANCE AND PENSION SERVICES REVIEW

Overview

As at December 31, 2024 there were 23 companies licenced to conduct insurance business in Grenada under the Insurance Act CAP 150. One company was a composite company conducting both long term and general insurance business thus making a total of 24 licences.

The following Table summarises the composition of the insurance sector as at December 31, 2024. In addition, Table II reflects a financial summary of the sector as at December 31, 2024.

Table II - Composition of the Insurance Sector

Companies	2024	2023
General Companies	14	14
Life Companies <i>(NB: Two companies are under judicial management and not writing new business)</i>	10	10
Composite Companies <i>(included above)</i>	1	1
Association of Underwriters <i>(included above)</i>	1	1

New Registration	0	0
Companies Exiting Market	0	0
Intermediaries		
Insurance Brokers	17	18
Insurance Agents	15	14
Insurance Salespersons	89	82
Insurance Adjusters	7	1

Total assets of the insurance sector amounted to \$587.9 million reflecting an increase of \$46.6 million or 8.6% compared to 2023 when total assets for the sector stood at \$541.3 million.

Life Insurance Companies recorded a \$21 million or 6.6% increase in assets to \$336.8 million while General Insurance Companies recorded a \$25.6 million or 11.4% increase to \$251.1 million.

Table III - Financial Summary of the Insurance Sector (Unaudited)

Financials	2024	2023
Life Insurance Companies Assets	\$336.8 million	\$315.8 million
General Insurance Companies Assets	\$251.1 million	\$225.5 million
Total Assets	\$587.9 million	\$541.3 million
Life Companies Capital & Reserves	\$148.9 million	\$135.7 million
General Companies Capital & Reserves	\$120.9 million	\$114.8 million
Total Capital & Reserves	\$269.8 million	\$250.5 million

Supervision and Regulation

GARFIN's mandate is to promote and maintain public confidence in, and the integrity of, the financial system in Grenada through the effective regulation and supervision of the non-bank



financial sector. This entails maintaining safety and soundness of the institutions supervised, ensuring an appropriate degree of protection of financial consumers and stability in the sector. This is achieved through a risk-based supervisory framework which focuses on both off-site and on-site surveillance of the entities supervised.

During 2024, three (3) insurance companies were subjected to targeted on-site examinations, whereas five (5) insurance intermediaries (agents and brokers) and ten (10) pension plans were subjected to full on-site examinations by GARFIN in keeping with its risk-based supervisory framework. In addition, all insurance intermediaries, except one which discontinued business, submitted management reports for the year. Based on GARFIN's off-site reviews and analyses, there was generally a satisfactory level of compliance with the Insurance Act and accepted best practices.

Insurance companies are required to provide quarterly financial reports to GARFIN which, along with annual audited statements and prudential meetings, form the core of GARFIN's off-site supervisory procedures. On an overall basis, there was satisfactory compliance from insurance companies relative to the timely submission of their annual audited statements for 2024. The IFRS17 standard was implemented with effect from January 1, 2024. All the insurance companies have adopted this standard, however, some companies were faced with challenges and requested further forbearance from GARFIN of up to two months which was granted. There were, however, four (4) companies which had difficulty meeting this extended deadline and were therefore fined in accordance with the Insurance Act.

GARFIN continued close monitoring of the key prudential ratios including capital, solvency and insurance fund positions. The insurance fund comprises of assets, as prescribed in the Insurance Act, which are to be maintained by every insurance company equivalent to its total insurance liabilities. These liabilities comprise mainly of unearned premiums, unpaid claims and policyholders' liabilities. As at December 2024, total insurance liabilities stood at \$202 million while acceptable assets are pledged to GARFIN amounting to \$230.8 million or 114.5% as coverage. It should be noted that twenty (20) active companies held assets in excess of the fund requirement while four (4) companies had shortfalls. GARFIN usually works along with companies holding shortfalls to ensure full compliance is attained within a maximum period of three months.

Good market conduct by all insurance companies is essential to maintaining public confidence in the industry. GARFIN therefore responded to queries and complaints received from individual policyholders on an ongoing basis regarding discontent with the quality of service from insurers in settling claims. Follow-up action was taken as necessary and assistance provided in achieving amicable outcomes. During 2024, all complaints from aggrieved policyholders referred to GARFIN for assistance were resolved.

Pension Plans

In keeping with the 2010 Insurance Act, all pension fund plans operating in the State are required to register with the Supervisor of Insurance (GARFIN). During the year 2024, the Authority continued implementation of its risk-based supervisory framework to regulate and supervise pension fund plans designed to enhance their safety and soundness. No new pension fund plans were registered within the period.

As at December 31, 2024 the status of registered plans were as follows:

Table IV – Status of Registered Plans by Benefit Type

Benefit Type	Number of Plans			
	Registered	Cancelled	Inactive	Active
Defined Contribution	42	1	4	37
Defined Benefit	6	-	-	6
Hybrid	2	-	-	2
Total Plans	50	1	4	45

As at December 31, 2024 the composition of active plans by benefit type were as follows:

Table V – Composition of Active Plans By Benefit Type

Benefit Type	Number of Plans	Membership	Asset Value (\$ Millions)	% of Total Active Plans
Defined Contribution	37	4,264	223	82.2%
Defined Benefit	6	229	18	13.3%
Hybrid	2	244	55	4.4%
Total	45	4,737	296	100%

As at December 31, 2024, the assets of twenty-nine (29) of the active pension fund plans were held by Investment Managers while sixteen (16) were self-managed. During the year, enhanced off-site monitoring procedures continued in effect as an integral feature of supervision. In addition, ten (10) on-site examinations were conducted in 2024 bringing the total on-site examinations of pension fund plans to forty-five (45) since this activity started in 2017, completing the first cycle of examinations. On an overall basis, there were improvements in the fiduciary responsibilities carried out by Trustees including that of the timely submission of financial reports to the Supervisor.

British American Insurance Company / CLICO International Life Insurance Limited

British American Insurance Company (BAICO) and CLICO International Life Insurance Limited (CLICO) remained under judicial management for another year in 2024. No new payments were made to BAICO policyholders during the year leaving the total amount of funds paid out since 2020 to annuity policyholders at 14% of outstanding investments. The Judicial Manager failed to provide updated reports as required and did not fulfill promises made to distribute a third tranche of funds from the assets held to policyholders.

GARFIN has resorted to legal action to demand greater accountability from the Judicial Manager.

As regards CLICO, the Judicial Manager has commenced plans to distribute an initial amount of approximately \$9.7 million to outstanding policyholders in keeping with a distribution plan approved by the Grenada Court.

Supervisory Responses to the Impact of Hurricane Beryl

Hurricane Beryl significantly impacted the northern part of Grenada as well as Carriacou and Petite Martinique on July 1, 2024.

As a consequence, GARFIN convened a meeting with all general insurance companies on July 11, 2024 in order to gather first-hand information of the extent of claims being submitted from affected policyholders as well as assessing the companies' early responses to address these claims. In addition, the companies were advised of GARFIN's initiative to monitor the whole situation including measures to expedite the registration of foreign loss adjusters coming to

work in the country and the need for submission of progress reports periodically regarding claims settlement.

Overall, while the companies faced a number of challenges in responding effectively to the situation, related claims were generally settled efficiently demonstrating strong capacity from the industry. However, the problem of “underinsurance” emerged as a matter for urgent attention both on the part of insurers and the Supervisor.

Virtual Asset Business

In keeping with the Virtual Asset Business Act No. 7 of 2021, GARFIN is responsible for the regulation of Virtual Asset Businesses (VABs). New Virtual Asset Business Regulations No. 9 of 2024, were enacted in May 2024. In order to administer the Act, GARFIN has developed a supervisory framework for processing applications for Fintech operations other than business relating to crypto-currency and bitcoins. Currently, work is ongoing to develop suitable risk mitigating measures to enable adequate supervisory responses to the challenges associated with the operations relating to crypto-currency and bitcoins.

NON-BANK CREDIT INSTITUTIONS AND MONEY SERVICES REVIEW

Credit Unions

Overview

As at December 31, 2024 there were 10 active credit unions in Grenada in addition to the apex body, the Grenada Cooperative League, with total assets amounting to \$1.56 billion. The credit union sector continued to show resilience while operating in an increasingly competitive market environment. On an overall basis, the level of compliance, corporate governance and the quality of financial performance continued to show improvement. However, to some extent, issues of derisking, certain aspects of AML compliance measures, non-performing loans and the adequacy of provisioning for doubtful loans remain areas which required on-going monitoring. No new credit union was registered in 2024.

Supervision and Regulation

During 2024, emphasis was placed on strengthening offsite monitoring and supervision of all regulated entities through enhanced reporting, financial analyses and proactive responses to deficiencies identified. In addition, GARFIN continued to monitor very closely the key prudential ratios relating to capital, loan delinquency, liquidity and provisioning for non-performing loans as well as governance. Regular feedback was provided on issues of concern to respective credit unions as well as Prudential meetings were held with Boards of Directors and management as necessary.

Close oversight continued throughout 2024 over the River Sallee Credit Union (RSCU) for a seventh consecutive year due to on-going administrative, operational and financial challenges. As at December 31, 2024 the credit union's financial statements reflected restoration of solvency thus improving the level of protection of its members deposits. Efforts are now focused on building institutional capital, improving credit underwriting and loan collections. Close monitoring by GARFIN remains in effect.

Overall, GARFIN's offsite monitoring in keeping with its risk based supervisory programme underpinned the level of oversight of the credit union sector during 2024.

Financial Statements & Prudential Financial Ratios - 2024

Audited financial statements are received annually in accordance with the Cooperative Societies Act. Therefore, a summary of the audited financial statements submitted for 2024, with data comparison covering the last 5 years, is presented in Table VI while key areas of performance such as total assets, loans and deposits are reflected in Figures 1, 2 & 3 below.

Statement of Financial Position – December 2024

As at December 31, 2024 there were ten credit unions and the Grenada Cooperative League registered to conduct business in Grenada under the Cooperative Societies Act Cap 66A. Total assets of the credit union sector amounted to approximately \$1.56 billion reflecting an increase of \$130 million or 9% compared to 2023 when total assets held by the sector stood at approximately \$1.43 billion.

For the same period, total deposits amounted to \$1.25 billion, an increase of \$92.2 million or 8% compared to 2023. Total loans amounted to \$1.1 billion, up by \$106.8 million or 10.6%



compared to 2023. The loan delinquency ratio for the sector – comprising loans in arrears for a period greater than 90 days - as at December 31, 2024 stood at 6.5% reflecting some level of improvement from 2023 when it stood at 6.7%. Total membership* or savings accounts held by members in the sector amounted to 90,617.

The following Table summarises the financial position of the sector from 2020 – 2024.

Table VI

CONSOLIDATED BALANCE SHEET STATEMENTS 2020-2024					
	2024	2023	2022	2021	2020
LIABILITIES & CAPITAL					
Total Deposits	1,252,005,365	1,159,799,999	1,090,729,206	986,723,782	915,976,022
Loans Received externally	6,373,670	7,705,017	8,749,484	7,312,563	7,836,570
Other Liabilities	90,257,290	78,985,266	44,950,477	29,001,695	34,806,139
Capital & Reserves	209,957,575	184,408,324	156,086,947	150,946,770	140,340,153
TOTAL LIABILITIES & CAPITAL	1,558,593,900	1,430,898,606	1,300,516,114	1,173,984,810	1,098,958,884
ASSETS					
Cash in hand and Bank	155,360,319	132,621,693	166,652,793	93,484,907	84,691,011
Investments	148,696,577	144,792,023	111,249,844	108,538,072	103,354,349
Total Loans	1,117,251,452	1,010,440,695	908,505,046	858,674,566	798,388,974
Fixed Assets	102,623,566	90,105,124	80,944,847	81,544,575	79,354,605
Other Assets	34,661,986	52,939,071	33,163,584	31,742,690	33,169,945
TOTAL ASSETS	1,558,593,900	1,430,898,606	1,300,516,114	1,173,984,810	1,098,958,884

**it must be noted that this figure represents some level of double counting as an undetermined number of persons hold membership in more than one credit union.*



Figure 1: Total Assets Held by Credit Unions - 2020-2024

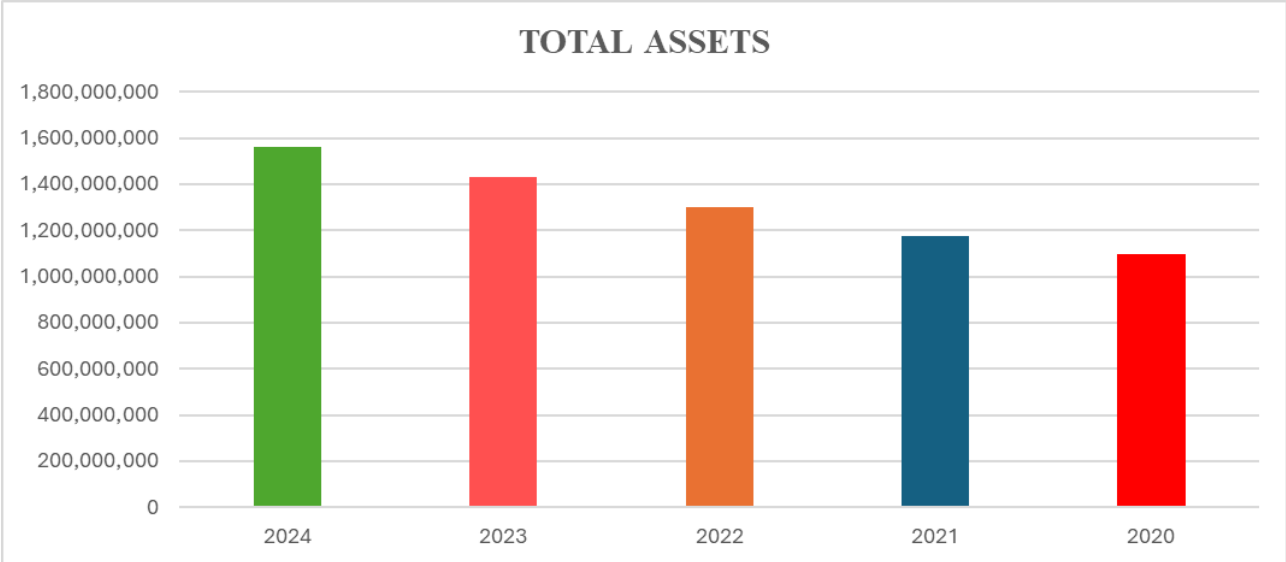
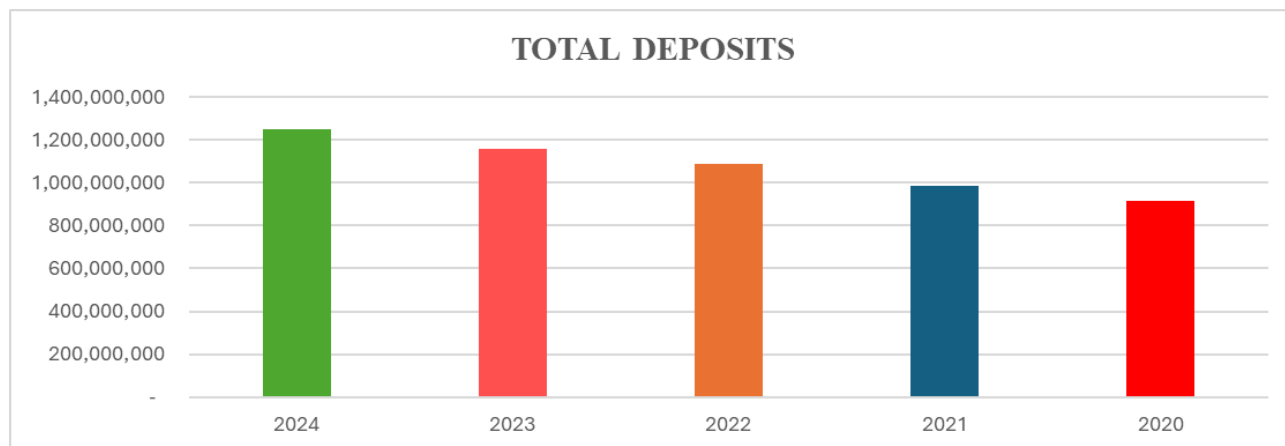


Figure 2: Total Loans Held by Credit Unions - 2020-2024



Figure 3: Total Deposits Held by Credit Unions - 2020-2024**Statement of Comprehensive Income - 2024**

The sector realized total revenue of \$99.0 million for the year 2024 resulting in a net surplus of \$22.6 million, as compared to 2023 when total revenue amounted to \$87.2 million and the net surplus realized amounted to \$19.3 million. This represents an increase in surplus of \$3.3 million largely due to an overall increase in loan interest and other income.

Table VII summarizes the statements of comprehensive income for the sector for 2024 and reflected in Figures 4 & 5.

Table VII

CONSOLIDATED INCOME STATEMENTS 2020-2024					
INCOME	2024	2023	2022	2021	2020
Interest Income	81,503,793	75,025,574	67,950,676	67,596,546	65,220,171
Non-Interest Income	17,524,228	12,133,365	9,573,145	9,291,989	6,589,797
Total Income	99,028,021	87,158,939	77,523,821	76,888,535	71,809,968
EXPENDITURE					
Interest/Dividend Expense:	25,787,189	23,804,513	23,102,778	22,750,658	21,572,489
Operating Expenses	43,380,365	36,932,921	34,116,177	31,044,774	30,085,395
Other Expenses	7,301,758	7,084,753	5,534,526	5,682,192	2,105,745
Total Expenditure	76,469,312	67,822,187	62,753,481	59,477,624	53,763,629
NET SURPLUS	22,558,709	19,336,752	14,770,340	17,410,911	18,046,339



Figure 4: Total Income for the Sector

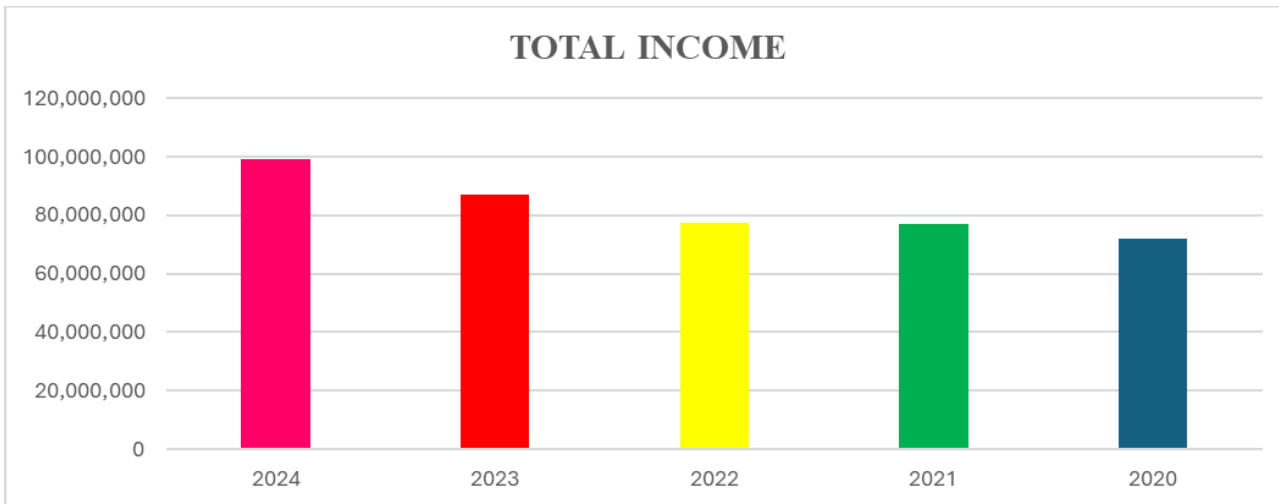
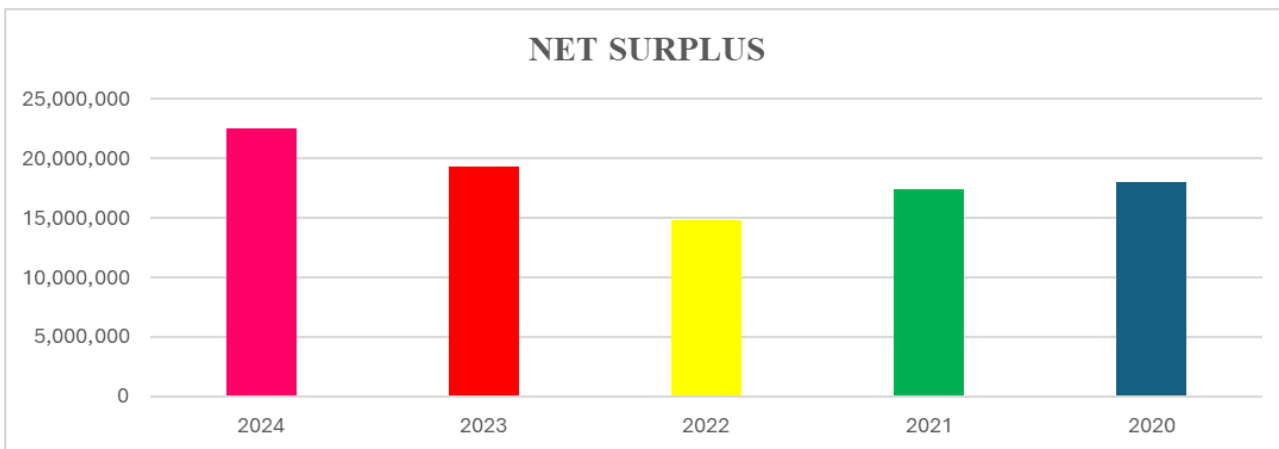


Figure 5: Net Surplus for the Sector



Prudential Financial Ratios

Among the key Prudential ratios assessed on a monthly basis are those related to capital, provision for non-performing loans and investments, loan and deposit ratios, loan delinquency, liquidity, return on assets, operating expenses and rate of growth.

On an overall basis, credit unions performed creditably in 2024 when measured against the accepted financial indicators. However, in cases where deficiencies are identified, corrective steps are taken as deemed necessary. GARFIN consistently received full cooperation from credit unions in such instances.



The following Tables summarize the financial and other data on key memo items of the sector from 2020 – 2024 and reflected in Figure 6.

Table VIII - Consolidated Financial and other memo data for the Credit Union Sector from 2020 - 2024 while Table IX shows some secondary data for the sector.

Table VIII

MEMO ITEMS					
	2024	2023	2022	2021	2020
TOTAL DELINQUENT LOANS	114,148,723	88,527,668	96,115,305	76,095,295	53,920,049
30-89 days in arrears	38,762,874	18,518,417	19,350,880	14,647,220	7,265,628
90-365 days in arrears	25,106,522	16,427,053	33,661,235	23,327,879	21,694,311
More than 365 days in arrears	50,279,327	53,582,198	43,103,190	38,120,196	24,960,110
Total Membership	90,617	86,841	84,780	80,135	76,539
Total Employees	346	322	291	270	251

Figure 6: Classification of Loan Delinquency for the Sector

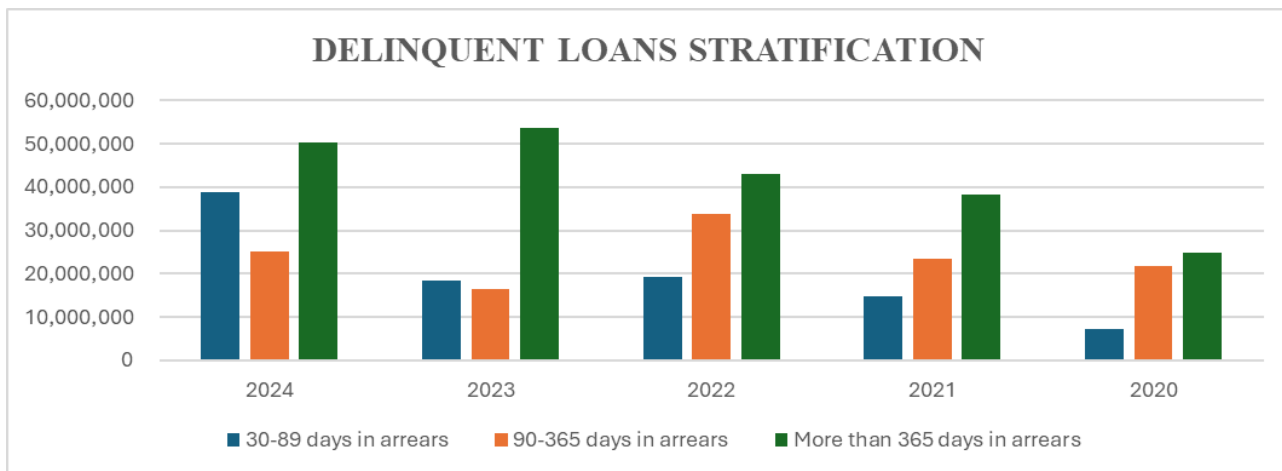




Figure 7: E1 Prudential Ratio

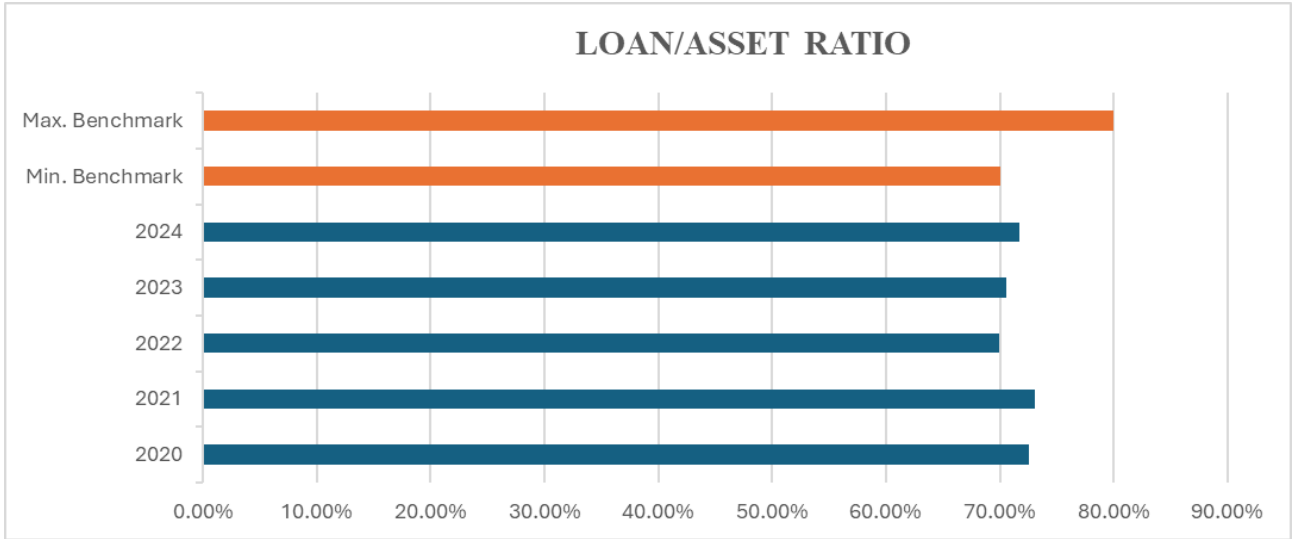


Figure 8: E5 Prudential Ratio

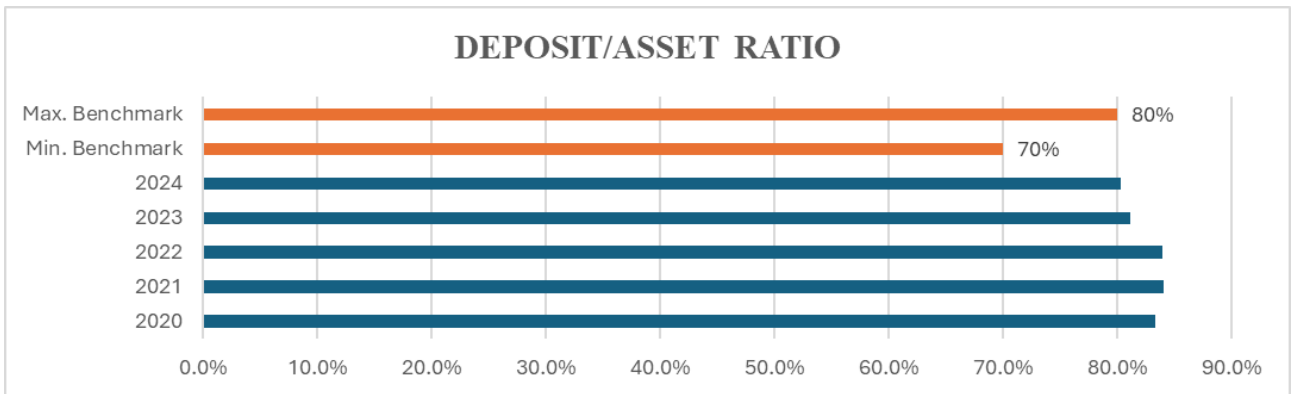


Figure 9: E8 Prudential Ratio

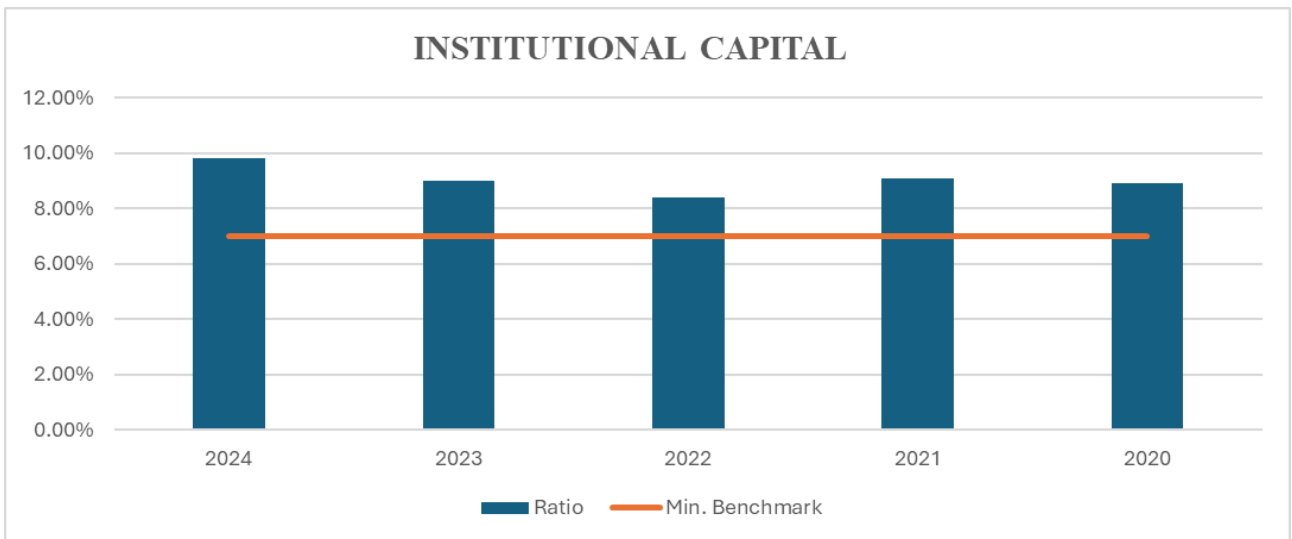




Figure 10: L1 Prudential Ratio

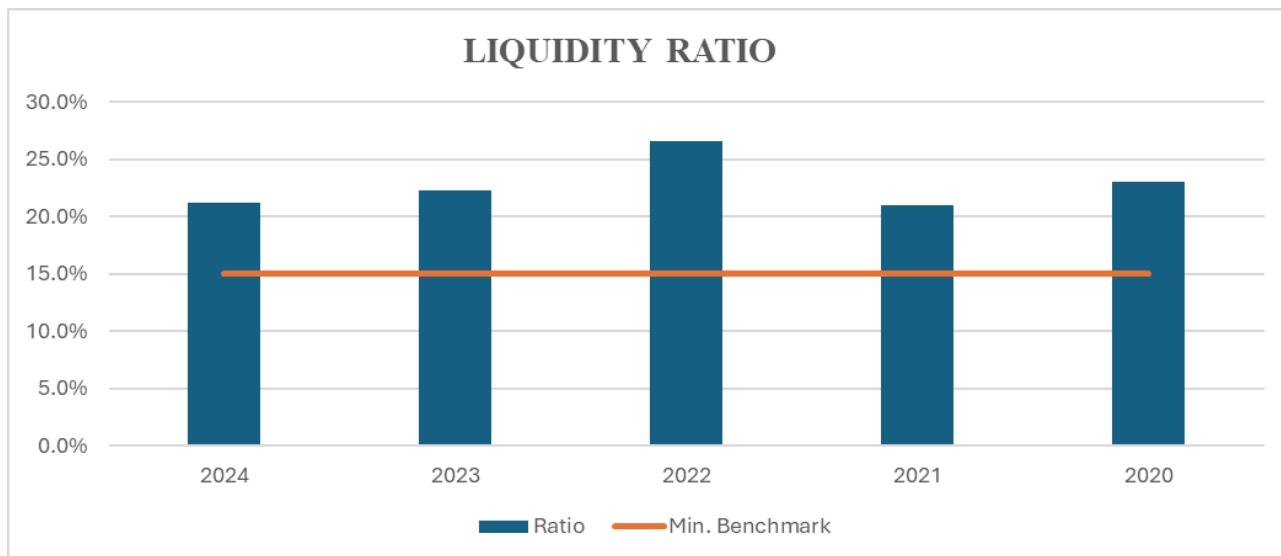


Table IX - Secondary Data for the Credit Union Sector

	December 2024	December 2023
No. of Credit Unions	10	10
League – Apex Body	1	1
No. of Branches	22	22
Loan Delinquency Ratio (> 90 days in arrears)	6.5%	6.7%

Schools Savings Unions

There were 78 active schools Junior Cooperatives involved in savings activities as at December 2024 with total savings amounting to approximately \$3 million. An enhanced supervisory programme for Junior Cooperatives in schools which was instituted in 2017 continued in effect in 2024 with emphasis on onsite monitoring, improvement in financial record keeping, increased accountability, reporting, registration and organization & development. In order to enhance the development of this programme, GARFIN conducted four (4) training workshops across the country for Teacher Guides and Principals covering all 78 schools.



Grenada Development Bank - GDB

As part of GARFIN's approach to effectively regulate and supervise the non-bank financial sector in 2024, enhanced offsite monitoring of the Bank's operations was effected. Quarterly financial reports were submitted by the Bank on approved reporting forms to facilitate this monitoring. In addition, an onsite inspection was conducted of the Bank's operations including its credit quality in June 2024 and a Report reflecting the findings from the said inspection was submitted to the Board of Directors. Subsequently, two quarterly reports were submitted by the Board for GARFIN's consideration outlining measures undertaken to address the deficiencies identified and progress realized.

As at December 31, 2024 the GDB held total assets amounting to \$111.9 million with a total loan portfolio of \$96.1 million and a net operating deficit of \$1.4 million for the year. Non-performing loans stood at 7.3%, reflecting an increase from that of the previous year when it stood at 3%.

On an overall basis, the Bank's performance has been creditable and remains stable while monitoring of its credit quality remains in effect.

Grenada Building and Loan Association

The Grenada Building and Loan Association ("The Association") continued to operate with an elected Board of Directors as approved by the High Court following a period of Judicial Management. The Board continues to make steady progress and has been able to stabilize the operations of the Association as well as relax certain restrictions on withdrawal of shares and deposits based on its overall improvement in liquidity and its financial position. Its 2024 financial statements showed total assets of \$17.3 million and a surplus for the year before tax of \$247,943. In addition, the Board continued lending to its members at competitive interest rates. In keeping with the approval of the Court, a representative from GARFIN attended all meetings of the Board as an observer and for monitoring.

The Association restated its accounts during the 2024 financial audit and with the approval of the members at the annual general meeting, wrote off the amount of \$8.9 million held as accumulated deficit against members shares. This action served to strengthen the solvency position.

It is envisaged that any funds received in the future from the Judicial Managers of Clico and Baico – the two failed insurance companies which held significant investments for the Association - will contribute to an overall improvement in the Association’s financial position thereby improving the impact on its members.

Money Service Businesses (MSBs)

As at December 31, 2024 there were two companies licenced to conduct money transfer activities in Grenada and seven companies licensed to conduct micro lending activities. These were all licenced under the Money Services Businesses (MSB) Act CAP198A. MSB operators are subject to GARFIN’s regulatory procedures, including both offsite and onsite supervision as all other regulated entities. In 2024, supervisory procedures focused on enhanced offsite monitoring while one onsite inspection of a micro lending entity was conducted.

Based on data reported to GARFIN, total remittances flowing into Grenada in 2024 through the money transfer operators amounted to EC\$215.7 million while total outflows amounted to EC\$59.5 million. There was therefore a net inflow into the country of \$156.2 million.

GARFIN commenced reporting for the micro lending institutions in 2018 and as at December 31, 2024 the sector recorded total consolidated loans amounting to \$18.6 million compared to \$19.2 million in 2023.

GARFIN intends to have separate legislation to cover micro lending activities in the future.

Friendly Societies

As at December 31, 2024 there were in excess of one hundred societies on the Friendly Societies register most of which were dormant. Following the conduct of extensive research on the available records of these societies, measures have been taken to commence dissolution in accordance with the Friendly Societies Act Cap 118. The seven societies that are functional submit annual audited financial statements to GARFIN.

Consistent with GARFIN’s approach to enhancing supervision of the non-bank financial sector, a risk based supervisory framework has also been developed to provide oversight of friendly societies going forward. Consideration is also being given to revise the existing Act, which is considered to be outdated and in need of modernization.

Two long standing Burial Societies were registered under the Friendly Societies Act Cap 118 in keeping with the provision of the GARFIN Amendment Act of 2013 which requires that all entities carrying on financial business in the State of Grenada must have a licence.

OTHER KEY ACTIVITIES

Technical Assistance

In 2024, GARFIN continued to receive technical assistance in various areas from the Caribbean Regional Technical Assistance Centre (CARTAC) notably in conducting credit risk assessment, conducting stress testing and finalizing development of a risk based supervisory framework for credit unions and insurance companies. The framework for implementation of stress testing for credit unions has been completed, and use of the new assessment procedures has commenced while that for insurance companies requires additional time for development due to certain complexities in the computation model.

Public Awareness

Presentations were made by staff of GARFIN at several meetings and workshops in 2024 including the following:

- 2 TV presentations were made as part of the annual Financial Information Month programme hosted by ECCB.
- A Radio presentation was made on the programme “*mid-morning buzz*” on the roles and responsibilities of GARFIN while there was another instance of an interview with the Government Information Service (GIS) for News purposes.
- Visitations were made to 2 schools re presentations on the development & importance of the financial sector supervision in Grenada.
- Participated in the Career Fair hosted by the Centre for Academic Excellence, School of Arts and Sciences of the St. George’s University, May 11, 2024.

In addition, staff of GARFIN attended and addressed the Annual General Meetings of all credit unions and the National League in 2024.

Training

Staff of GARFIN participated in several local and regional virtual and in-person workshops and conferences in 2024 on various topics including –

- 2 technical staff participated in a workshop on the subject “*Climate Risk and Financial Stability*” held in Panama, February 20-22, 2024. This Workshop was facilitated by the Caribbean Regional Technical Assistance Centre (CARTAC).
- Technical staff of the Non-Bank Supervision Department, the Insurance and Pension Supervision Department along with staff from Administration and Accounting Departments participated in a Training Session on “*Risk Based Supervision and Credit Risks*”, March 11-15, 2024 facilitated by CARTAC.
- 2 technical staff participated in a Training Workshop on “*Supervisory Skills*”, March 26-27, 2024 facilitated by MBA Consultancy Inc.
- One technical staff from the Insurance & Pension Supervision Department attended the “*Barbados Risk & Insurance Management Conference*,” March 27-28, 2024 facilitated by the Barbados International Business Association.
- The Executive Director participated in the “*Chainalysis Links 2024 Conference (Nodes Caribbean)*” held in New York, April 9-11, 2024, on the recommendation of the Director of the Financial Intelligence Unit (FIU).
- The Executive Director participated in the Caribbean Group of Banking Supervisors (CGBS) XLI Annual Conference and related meeting hosted by the Financial Services Commission, British Virgin Islands, May 2 - 4, 2024.
- 3 technical staff completed six weeks training with the Digital Frontiers Institute in the following areas:
 - Product Management for Fintech
 - Understanding & Managing Risks
 - Financial Inclusion: Searching for Impact
- The Manager of the Insurance & Pension Supervision Department attended the Caribbean Association of Insurance Regulators (CAIR) Conference and Annual General Meeting (AGM) in Bermuda, May 28-30, 2024. GARFIN has been elected as Treasurer of the Association for a period of 2 years in the first instance.



- 2 senior technical staff participated in a Conference hosted by the School of Greatness on June 13, 2024, under the theme “*Transformational Leadership for Game Changers: Fostering Exceptional Leadership, Strategy & Culture in the 21st Century.*”
- A Senior Examiner in the Insurance & Pension Supervision Department attended the Caribbean Association of Pension Supervisors (CAPS) Conference in Trinidad, June 24 - 25, 2024. This Conference was hosted by the Central Bank of Trinidad & Tobago.
- 2 senior technical staff participated in an Introductory Capacity Building Session on “*Privately financed Renewable Energy Projects*” on July 24, 2024 hosted by the Eastern Caribbean Central Bank (ECCB).
- 2 senior technical staff participated in a training workshop on “*Effective Communication*” facilitated by MBA Consultancy Inc, August 27-28, 2024.
- 1 technical staff from the Insurance & Pension Supervision Department participated in a “*Technical Presentation on Micro, Small & Medium Enterprises (MSME) Challenges and Opportunities in Digital Finance*” hosted by the United Nations Capital Development Fund (UNCDF) on August 7, 2024.
- The Executive Director attended the “*Canada Leadership Summit*” held in Canada, October 4-5, 2024 hosted by the Canadian Congress on Diversity.
- The Manager responsible for international business participated in a training workshop on “*Selected Issues in Fintech Regulation (SIFR)*” October 7-11, 2024 in Panama facilitated and sponsored by the Caribbean Regional Technical Assistance Centre (CARTAC) in conjunction with the Monetary and Capital Markets Department of the International Monetary Fund (IMF).
- 1 technical staff attended the Eastern Caribbean Central Bank (ECCB) 6th Annual Conference with Licensed Financial Institution, November 13-15, 2024 in St. Kitts.
- The Deputy Executive Director participated in the “*2nd Caribbean Insolvency Roundtable*” on December 9, 2024, in the Bahamas. The Eastern Caribbean Central Bank (ECCB) hosted the meeting in collaboration with the World Bank Group and INSOL International. The Insolvency Roundtable was followed by INSOL’s Annual International Seminar on December 10, 2024.



FINANCIAL PERFORMANCE

Summarized Financial Performance 2022 – 2024

<u>Income Statement</u>	2024	2023	2022
	\$	\$	\$
Gross Income	3,019,851	2,823,805	2,594,997
Total Expenses	-2,618,196	(2,195,613)	(2,059,709)
Excess of Income over Expenditure	401,655	628,192	535,288
<u>Balance Sheet</u>	2024	2023	2022
	\$	\$	\$
Current Assets	22,355,195	20,811,926	20,442,027
Non-Current Assets	2,159,515	2,155,862	2,178,716
Total Assets	24,514,710	22,967,788	22,620,743
Statutory & Other Deposits	16,313,583	15,378,583	16,030,405
Trade & Other Payables	1,098,560	888,293	762,678
Total Liabilities	17,412,143	16,266,876	16,793,083
Contributed Capital	1,469,760	1,469,760	1,469,760
Accumulated Surplus	4,786,024	4,384,369	3,511,117
Special Reserves	846,783	846,783	846,783
Total Capital & Liabilities	24,514,710	22,967,788	22,620,743

Analysis of the Audited Financial Statements – 2024

Although the level of net earnings realized in 2024 fell below that of the previous year, GARFIN's financial performance continued to reflect improvement thereby contributing to an enhanced stable financial position. An excess of income over expenditure of \$401,655 was recorded as compared to a restated excess in 2023 of \$628,192. Gross income increased by 6.9% to \$3.0 million while total expenditure increased by 19.2% to \$2.6 million. The increase in income was due primarily to an overall increase in earnings from the insurance levy, annual insurance registration fees and interest derived from investments. The increase in expenses was primarily due to costs related to increased staffing, approval of salary increases, staff development, rent, electricity expenses, subscription and donation as well as legal and professional fees. The accumulated surplus on the balance sheet (retained earnings) which stood at \$4,384,369 in 2023 has increased to \$4,786,024 in 2024 thus further improving the financial position. The insurance levy accounted for 48.5% of GARFIN's revenue while fees from insurance companies & intermediaries and interest on investments accounted for 25.9% and 17.5% of revenue respectively. These three items accounted for 91.9%



of GARFIN'S total revenue as compared to 91.4% in 2023. Credit union fees which were introduced in 2015 accounted for 1.8% of total revenue.

On the expenditure side there was an increase of 19.2% in total expenses. However, in addition to increased staffing and approved salary increases, there was continued emphasis on staff training and development which was necessary to ensure that GARFIN is able to keep abreast of internationally accepted changes in regulation and supervision and at the same time strengthen its capacity to cope with new and emerging challenges. In addition, GARFIN had to relocate its offices from the Grenada National Stadium due to the commencement of extensive renovation work. Total staff costs accounted for 65.5% of expenditure in 2024 as compared to 60% in 2023 while rent and other related expenses accounted for 16%. These two items accounted for 81.5% of total expenditure.

On the balance sheet side, total assets on hand as at December 31, 2024 amounted to \$24,514,710 as compared to \$22,967,788 in 2023 reflecting a steady position. A notable item in the balance sheet – statutory and long-term deposits – amounting to \$16,313,583 represent statutory insurance funds being placed with GARFIN by insurance companies. The statutory insurance funds are held in “safe keeping” and for the most part invested by GARFIN in short term securities and bank deposits. This accounts for the major assets on the balance sheet shown in the audited financial statements as “*loans and receivables financial assets*” and “*cash and cash equivalents*”. As a result of the excess recorded for the year of \$401,655, total equity increased from a restated amount of \$6,700,912 in 2023 to \$7,102,567.

On an overall basis, GARFIN'S financial position continues to improve and reflects stability. This has ensured that GARFIN remains fully self-financing thus enabling it to continue to focus exclusively on its primary objectives of maintaining public confidence in the financial system, ensuring protection of consumers and financial stability in the non-bank financial sector.

**DIRECTOR OF AUDIT REPORT TO THE HOUSE OF REPRESENTATIVES
ON GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS
FOR YEAR ENDED 31 DECEMBER 2024**

Section 9 of the Audit Act CAP. 22A of the Laws of Grenada permits me as Director of Audit, to delegate my responsibility or power under the Act, other than the responsibility to make a report to the Minister or an appropriate Minister that is to be laid before the House of Representatives, to a professional auditor entitled by law to practice accounting in Grenada.

The Minister shall, not later than seven days after the House of Representatives first meet, after he has received the report, lay it before the House of Representatives. This is in compliance with Section 82(4) of the Constitution of Grenada.

I delegated my responsibility to Pannel Kerr Forster (PKF) Accountants & Business Advisers to conduct the audit of the financial statements of Grenada Authority for the Regulation of Financial Institutions (GARFIN) in accordance with appropriate auditing standards; I have also delegated my powers to access records and obtain information under Section 19 of the Audit Act CAP. 22A of the Laws of Grenada. I have reviewed the audited financial statements of the Grenada Authority for the Regulation of Financial Institutions for the year ended 31 December 2024 and I am satisfied with the opinion given by PKF.

Auditors Opinion

PKF has audited the financial statements of the Grenada Authority for the Regulation of Financial Institutions, which comprise the statement of financial position as at 31 December, 2024 and the Statement of Comprehensive Income, Statement of Cash Flows for the year then ended and Notes to the financial statements, including a summary of significant accounting policies.

In their opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at 31 December, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

PKF conducted their audit in accordance with International Standards on Auditing (ISAs). Their responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of their report. They are independent of the Authority in accordance with the ethical requirements that are relevant to their audit of the financial statements in Grenada, and they have fulfilled their other responsibilities in accordance with these requirements. They believe that the audit evidence they have obtained is sufficient and appropriate to provide a basis for their 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 IFRS for 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 Authority'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 Authority or to cease operations, or has no alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

PKF 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 their opinion. Reasonable assurance is a high level 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.

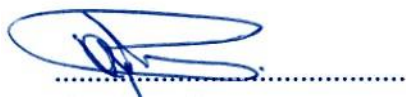
As part of an audit in accordance with ISAs, they exercise professional judgment and maintain professional scepticism throughout the audit. They also:

- 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 evidence that is sufficient and appropriate to provide a basis for their 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 Authority'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 relate to events or conditions that may cast significant doubt on the Authority's

ability to continue as a going concern. If they conclude that a material uncertainty exists; they are required to draw attention in their auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of their auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Gary Walters
DIRECTOR OF AUDIT

9 July 2025
AUDIT OFFICE
GRENADA



Accountants &
business advisers

**GRENADA AUTHORITY FOR THE REGULATION
OF FINANCIAL INSTITUTIONS**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

DECEMBER 31, 2024

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

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**INDEPENDENT AUDITORS' REPORT TO THE GOVERNMENT OF GRENADA
ON
GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Grenada Authority for the Regulation of Financial Institutions ('the Authority'), which comprise the statement of financial position at December 31, 2024 and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium sized Entities (IFRS for SME's).

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 are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Grenada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 IFRS for SME's, 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.

Partners: Henry A. Joseph FCCA, CA (Managing), Michelle A. Millet B.A., CPA, CGA (Mrs.), Michelle K. Bain FCCA (Miss.)

**INDEPENDENT AUDITORS' REPORT TO THE GOVERNMENT OF GRENADA
ON
GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS
(continued)**

Report on the Audit of the Financial Statements (continued)

In preparing the financial statements, management is responsible for assessing the Authority'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 Authority or to cease operations, or has no realistic alternative but to do so.

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 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 Authority's internal control.

**INDEPENDENT AUDITORS' REPORT TO THE GOVERNMENT OF GRENADA
ON
GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS
(continued)**

Report on the Audit of the Financial Statements (continued)

- 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 Authority'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 Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

GRENADA

July 4th, 2025




Accountants Business Advisers:

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS

**STATEMENT OF FINANCIAL POSITION
AT 31ST DECEMBER, 2024**

ASSETS	Notes	2024	2023 Restated
Non-Current Assets			
Plant and equipment	4	66,609	62,956
Loans and receivables financial assets	6(a)	<u>2,092,906</u>	<u>2,092,906</u>
		<u>2,159,515</u>	<u>2,155,862</u>
Current Assets			
Trade and other receivables	5	48,584	39,751
Loans and receivables financial assets	6(b)	9,000,982	10,656,827
Cash and cash equivalents	7	<u>13,305,629</u>	<u>10,115,348</u>
		<u>22,355,195</u>	<u>20,811,926</u>
TOTAL ASSETS		<u>\$24,514,710</u>	<u>\$22,967,788</u>
EQUITY AND LIABILITIES			
CONTRIBUTED CAPITAL	8	1,469,760	1,469,760
SPECIAL RESERVES	9	846,783	846,783
ACCUMULATED SURPLUS		<u>4,786,024</u>	<u>4,384,369</u>
TOTAL EQUITY		<u>7,102,567</u>	<u>6,700,912</u>
Non-Current Liabilities			
Statutory deposits	10	10,813,583	10,028,583
Other long-term deposits	11	<u>5,500,000</u>	<u>5,350,000</u>
		<u>16,313,583</u>	<u>15,378,583</u>
Current Liabilities			
Trade and other payables	12	<u>1,098,560</u>	<u>888,293</u>
TOTAL LIABILITIES		<u>17,412,143</u>	<u>16,266,876</u>
TOTAL EQUITY AND LIABILITIES		<u>\$24,514,710</u>	<u>\$22,967,788</u>

The accompanying notes form an integral part of these financial statements

 :Director

 :Director

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2024

INCOME	Note	2024	2023 Restated
Insurance companies			
- Levy		1,464,205	1,324,913
- Registration fees		781,735	728,194
International betting fees		94,087	94,087
Credit Union license fees		53,665	53,000
Money services		90,000	95,965
Virtual assets business		2,500	-
Pension plan		<u>5,500</u>	<u>1,000</u>
		<u>2,491,692</u>	<u>2,297,159</u>
General and administration expenses	16	(2,618,196)	(2,195,613)
Other income	13	<u>528,159</u>	<u>526,646</u>
		<u>(2,090,037)</u>	<u>(1,668,967)</u>
Excess of income over expenditure for the year		<u>\$401,655</u>	<u>\$628,192</u>

The accompanying notes form an integral part of these financial statements

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2024**

	Contributed Capital	Accumulated Surplus	Special Reserve	Total Equity
Balance at January 1 st , 2023 – previously reported	1,469,760	3,511,117	846,783	5,827,660
Prior year adjustments – (note 15)	<u> -</u>	<u> 245,060</u>	<u> -</u>	<u> 245,060</u>
Balance at January 1 st , 2023 - restated	1,469,760	3,756,177	846,783	6,072,720
Excess of income over expenditure for the year -restated	<u> -</u>	<u> 628,192</u>	<u> -</u>	<u> 628,192</u>
Balance at December 31 st , 2023 - restated	1,469,760	4,384,369	846,783	6,700,912
Excess of income over expenditure for the year	<u> -</u>	<u> 401,655</u>	<u> -</u>	<u> 401,655</u>
Balance at December 31, 2024	<u>\$1,469,760</u>	<u>\$4,786,024</u>	<u>\$846,783</u>	<u>\$7,102,567</u>

The accompanying notes form an integral part of these financial statements

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	2024	2023 Restated
OPERATING ACTIVITIES		
Excess of income over expenditure for the year	401,655	628,192
Adjustments for:		
Understatement of treasury bills in prior period	-	148,613
Depreciation	18,372	12,036
Write-off intangible assets	-	23,476
Disposal of assets	<u>-</u>	<u>3,625</u>
Operating surplus before working capital changes	420,027	815,942
(Increase)/decrease in trade and other receivables	(8,832)	5,575
Increase in trade and other payables	210,266	159,493
Increase/(decrease) in statutory deposits	785,000	(1,001,822)
Increase in other long-term deposits	<u>150,000</u>	<u>350,000</u>
Net cash provided by operating activities	<u>1,556,461</u>	<u>329,188</u>
INVESTING ACTIVITIES		
Purchase of plant and equipment	(22,025)	(16,283)
Decrease in loans and receivables financial assets	<u>1,655,844</u>	<u>129,153</u>
Net cash provided by investing activities	<u>1,633,819</u>	<u>112,870</u>
Net increase in cash and cash equivalents	3,190,280	442,058
Cash and cash equivalents - at beginning of the year	<u>10,115,349</u>	<u>9,673,291</u>
- at end of the year	<u>\$13,305,629</u>	<u>\$10,115,349</u>

The accompanying notes form an integral part of these financial statements

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024****1. CORPORATE INFORMATION**

Grenada Authority for the Regulation of Financial Institutions (the “Authority”) was established as a Statutory Body on February 1, 2007 under Act No. 5 of 2006 of the Laws of Grenada. This Act was repealed and replaced with Act No.1 of 2008.

The function of the Authority is to administer and regulate the non-banking financial institutions in Grenada. At year end the Authority employed eighteen (18) persons (2023 - 14).

The principal place of business is Grand Anse, St. George.

2. SUMMARY OF ACCOUNTING POLICIES

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

a) Basis of preparation

These financial statements have been prepared in compliance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) and under the historical cost convention. The financial statements are expressed in Eastern Caribbean Currency Dollars.

The preparation of financial statements in conformity with IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Authority’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

b) Plant and equipment

Plant and equipment and leasehold improvements are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amounts or are recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Plant and equipment

Depreciation on assets is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

Furniture, fittings and equipment	- 10 years
Computer equipment	- 3 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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

c) Cash and cash equivalents

Cash and cash equivalents includes cash at bank and short-term deposits.

d) Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less if not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(continued)**

2. SUMMARY OF ACCOUNTING POLICIES (continued)

e) Foreign currencies

Foreign currency transactions during the year have been effected at the rates of exchange ruling at the dates of the transactions. Assets and liabilities expressed in foreign currencies are translated to E.C. dollars at the rates of exchange ruling at the end of the financial period. Differences arising from fluctuations in exchange rates are included in income for the period.

f) Revenue recognition

Income comprises the fair value of the consideration received for services provided in the ordinary course of the Authority's activities.

Revenue is recognised as follows:

Fees

Incorporation fees, licences and annual registration fees are recognised on a cash basis.

Interest

Interest income is recognised on an accrual basis.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS IN APPLYING ACCOUNTING POLICIES

The development of estimates and the exercise of judgment in applying accounting policies may have a material impact on the Authority's reported assets, liabilities, revenues and expenses. There are no such items that may have a material impact on the financial statements.

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS
**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(continued)**
4. PLANT AND EQUIPMENT

	Leasehold Improvements	Furniture and Equipment	Computer Equipment	Total
Balance at January 1, 2023				
Cost	5,003	159,722	180,237	344,962
Accumulated depreciation	(1,272)	(113,853)	(167,503)	(282,628)
NET BOOK VALUE	<u>\$3,731</u>	<u>\$45,869</u>	<u>\$12,734</u>	<u>\$62,334</u>
For the year ended December 31, 2023				
Opening book value	3,731	45,869	12,734	62,334
Additions for the year	-	1,303	14,980	16,283
Disposal for the year – Cost	(5,003)	-	-	(5,003)
Disposal for the year - Depreciation	1,378	-	-	1,378
Depreciation charge for the year	(106)	(7,497)	(4,433)	(12,036)
NET BOOK VALUE	<u>\$-</u>	<u>\$39,675</u>	<u>\$23,281</u>	<u>\$62,956</u>
Balance at December 31, 2023				
Cost	-	161,025	195,217	356,242
Accumulated depreciation	-	(121,350)	(171,936)	(293,286)
NET BOOK VALUE	<u>\$-</u>	<u>\$39,675</u>	<u>\$23,281</u>	<u>\$62,956</u>
For the year ended December 31, 2024				
Opening book value	-	39,675	23,281	62,956
Additions for the year	-	6,332	15,693	22,025
Depreciation charge for the year	-	(7,946)	(10,426)	(18,372)
NET BOOK VALUE	<u>\$-</u>	<u>\$38,061</u>	<u>\$28,548</u>	<u>\$66,609</u>
Balance at December 31, 2024				
Cost	-	167,357	210,910	378,267
Accumulated depreciation	-	(129,296)	(182,362)	(311,658)
NET BOOK VALUE	<u>\$-</u>	<u>\$38,061</u>	<u>\$28,548</u>	<u>\$66,609</u>

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS
**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(continued)**
5. TRADE AND OTHER RECEIVABLES

	2024	2023
Trade receivables	23,584	21,251
Security deposits	<u>25,000</u>	<u>18,500</u>
	<u>\$48,584</u>	<u>\$39,751</u>

6. LOANS AND RECEIVABLES
(a) Long-term

Government of Grenada – Treasury bills	<u>2,092,906</u>	<u>2,092,906</u>
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(b) Short-term

Grenada Co-operative League Limited	9,606	9,511
Ariza Credit Union - Fixed deposits	1,717,563	1,683,886
Grenada Co-operative Bank Limited - Term deposits	500,000	655,325
ACB Bank Grenada Limited - Term deposit	20,450	513,285
Government of St. Lucia – Treasury bills	2,596,654	2,677,820
Eastern Caribbean Home Mortgage Bank – Corporate paper	<u>4,156,709</u>	<u>5,117,000</u>
	<u>9,000,982</u>	<u>10,656,827</u>
	<u>\$11,093,888</u>	<u>\$12,749,733</u>

The above, except for the Grenada Co-operative League Limited deposit, are all held in escrow in lieu of statutory deposits.

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(continued)**

7. CASH AND CASH EQUIVALENTS

	2024	2023
Loans and receivables		
- Government of Grenada – Treasury bills	4,816,231	4,667,907
- Government of St. Lucia – Treasury bills	995,734	-
- Government of St. Vincent and the Grenadines – Treasury bills	5,672,941	4,810,281
- Current account	1,809,236	627,106
- Cash on hand	11,259	10,000
- Petty cash	<u>228</u>	<u>54</u>
	<u>\$13,305,629</u>	<u>\$10,115,348</u>

8. CONTRIBUTED CAPITAL

This amount represents the original net value of assets transferred by the Government of Grenada.

9. SPECIAL RESERVES

This amount represents refundable deposits made by Offshore Banks on registration with the Grenada International Financial Services Authority (GIFSA) which may no longer be payable.

10. STATUTORY DEPOSITS

These represent a part of the statutory deposits which insurance companies are required to maintain in accordance with Section 22 and 28 of the Insurance Act Cap 150 of the Continuous Revised Edition of the Laws of Grenada. The remainder of the deposits is held by the Accountant General’s office or in investments as prescribed under Schedule II of the Insurance Act and pledged to the Supervisor of Insurance.

11. LONG-TERM DEPOSITS

This amount includes deposits made by long-term insurance businesses under Act No. 6 of 2013.

12. TRADE AND OTHER PAYABLES

Prepaid fees	107,084	100,000
Trade payables	132,720	111,619
Interest payable	568,684	499,986
Other payables	<u>290,072</u>	<u>176,688</u>
	<u>\$1,098,560</u>	<u>\$888,293</u>

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(continued)**

13. OTHER INCOME

	2024	2023
Interest income	524,769	522,921
School savings union	2,915	3,400
Photocopies and stamps	50	325
Other income	<u>425</u>	<u>-</u>
	<u>\$528,159</u>	<u>\$526,646</u>

14. RELATED PARTY TRANSACTIONS

Key management

Key management comprises directors and senior management of the Authority. Compensation to these individuals was as follows:-

Directors' fees and expenses	71,601	65,458
Salaries and other short-term employee benefits	<u>730,581</u>	<u>554,283</u>
	<u>\$802,182</u>	<u>\$619,741</u>

15. PRIOR ADJUSTMENTS

- 1) The Government of Grenada and Government of St. Lucia treasury bills, included in loans and receivables financial assets, were understated by \$423,796 at the end of 2023. Of this amount \$222,129 related to 2023 and \$201,667 related prior to 2023. The interest was not previously accrued on these amounts.
- 2) Interest payable was overstated by \$33,882 at the end of 2023.
- 3) The deposit account with Grenada Co-operative League Limited was understated by \$9,511 at the end of 2023.

The 2023 financial statements have therefore been restated to account for the foregoing differences.

GRENADA AUTHORITY FOR THE REGULATION OF FINANCIAL INSTITUTIONS
**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
(continued)**
16. GENERAL AND ADMINISTRATIVE EXPENSES

	2024	2023
Salaries	1,432,286	1,206,208
National Insurance Scheme contributions	55,714	46,277
Pension contributions	53,205	44,154
Training	13,550	19,808
Other staff cost	68,212	28,019
Uniforms	21,635	19,498
Depreciation	18,372	12,036
Directors' fees	44,115	43,200
Directors' meeting expenses	26,986	22,258
Electricity	54,705	41,352
Audit fees	12,000	12,500
Legal and professional fees	44,457	3,930
Repairs and maintenance - computer equipment	18,000	16,777
Stationery, printing and office expenses	30,482	22,107
Telephone	27,418	46,917
Rent	357,622	255,300
Travel	56,637	32,708
Advertising and promotion	8,519	9,100
Insurance	2,039	5,228
Health insurance	7,975	6,921
Other fees and expenses	63,161	69,730
Tuition assistance	-	4,794
Interest - Bank charges	7,381	5,506
- Statutory deposits and treasury bills	76,593	76,465
Subscriptions and contributions	37,005	25,105
Workshop	43,339	49,750
Repairs and maintenance – general	2,755	2,875
Loss on assets disposed	-	27,101
Office relocation expense	9,033	38,489
Donations	<u>25,000</u>	<u>1,500</u>
TOTAL EXPENSES	<u>\$2,618,196</u>	<u>\$2,195,613</u>