ACCESS
FINANCIAL SERVICES LTD.

2024 ANNUAL REPORT

CHAMPION OF SMALL BUSINESS

Mission

To offer exceptional value to stakeholders by providing financial services to microentrepreneurs and individuals underserved by traditional providers. This will be achieved by a customer-centric, highly competent and committed team providing superior services tailored to our customers' needs.

Vision

Access Financial Services Limited, the leading financial services provider, is a highly profitable employer of choice, serving exceptionally satisfied customers while being focused, innovative and prudent.

Core Values

- Customer First
- Integrity
- Accountability
- Respect
- Caring Environment
- Continuous Improvement

A Champion of Small Business

For more than 20 years, Access Financial Services (AFS) has been championing the cause of the small business owner in Jamaica. Providing for a sector that is largely underserved, the company has been doing more than just writing loans. From the customers' standpoint, a loan of just $50,000 can be the catalyst that transforms their lives and that of their families. In the financial year 2023/2024, the company launched a campaign 'Champion of Small Business' that created opportunities which went way beyond financing projects and restocking businesses. Through the campaign, a slew of AFS customers got prime platforms to showcase their businesses along with marketing support that has been truly transformative. From beauty salon operators and apparel designers to farmers and restaurateurs, AFS customers basked in the spotlight, which attracted eyes and, most importantly, revenue opportunities.

Access team members paused to capture the moment with three of their customers at Expo Jamaica 2023 inside the National Arena and Indoor Sports Centre. **Front row** [l-r] Access Financial Services Chief Executive Officer Hugh Campbell; AFS customers - Dub Step Fashion and Kendada Collections' Racardo Stewart, and Proprietor of Epitome Beauty Care Patricia Douglas; AFS team members Latoya Blair and Chenice Johnson. **Back row** [l-r] AFS team members Leecraft Barnes, Jodian Burrell, Krysta-Gaye Hislop, David Yee-Sing, Ellice Thomas; and AFS customer Managing Director, Dub Step Fashion and Kendada Collections O'Neil Hall.

CHAMPION OF SMALL BUSINESS

AFS used the four-day extravaganza at the National Arena and Indoor Sports Centre to provide a platform for two of their customers to showcase their businesses. With buyers from more than 20 countries, Expo Jamaica brought a global marketplace right to their feet. “We have always been champions of small business in Jamaica, helping our MSMEs to grow. Dub Step and Epitome Beauty Care have been customers for many years, and we have watched them thrive. Expo Jamaica is all about creating an environment where local manufacturers – big and small, can form linkages to maximize their opportunities, and I’m happy that Access could help them make some valuable connections,” said AFS Chief Executive Officer Hugh Campbell.

A local shoe and clothing designer, O’Neil Hall and Racardo Stewart also got the opportunity to speak with buyers from Canada and Switzerland, who expressed strong interest in their products. In addition to a few sales of T-shirts and hats, Hall and his team got several orders for the sandals and shoes, which became popular years ago because of their most famous client, recording artiste Capleton. “We’ve been making customized shoes for the artiste for years. My brother is the creative genius behind the designs and now through Expo, we’ve been given an even bigger platform,” Hall explained.

Makeup artiste and proprietor of Epitome Beauty Care Patricia Douglas works her magic inside the Access Financial Booth at Expo Jamaica 2023 on Saturday, April 29. Douglas was one of two AFS customers who got a platform to showcase their businesses at the mega exposition at the National Arena and Indoor Sports Centre.

[L-R] Minister of Industry, Investment & Commerce Aubyn Hill; Managing Director, Dub Step Fashion and Kendada Collections O’Neil Hall; and his business partner Racardo Stewart connect inside the Access Financial Services booth at Expo Jamaica 2023.

Contents

About Access

Access team members stand proudly at the June 28, 2023 launch of the Access Ability poverty alleviation programme in Kingston. Access Ability is the local version of the global initiative known as 'Poverty Stoplight', founded by Fundación Paraguay, that has already been rolled out in more than 40 countries. Through self-assessments and access to small business loans, the programme is activating the potential of Jamaican families to lift themselves out of poverty.

Access Financial Services Limited (AFS) is a leading provider of personal and business loans to micro and small businesses in the Jamaican microfinance sector. Headquartered in Kingston, and listed on the Jamaica Stock Exchange, AFS has 17 branches across the island; and manages Embassy Loans, a wholly owned subsidiary of the Access Financial Group located in the US state of Florida. Established in 2000 by Founder and Executive Chairman Marcus James, the microfinance entity has 178 full time employees who help to drive the organisation's goals in keeping with the AFS mission – to offer exceptional value to stakeholders by providing financial services to microentrepreneurs and individuals underserved by traditional providers.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the Company will be held on Thursday, the 19th day of September 2024 at the Courtleigh Hotel, 85 Knutsford Boulevard, Kingston 5, Saint Andrew at 11:00 a.m., to consider and, if thought fit, the passing of the following resolutions:

1. To adopt the Reports of the Directors and Auditors and the Audited Financial Statements of the Company for the year ended 31st March 2024.

   Resolution No. 1 – Directors and Auditors Reports, and Audited Financial Statements

   > **BE IT RESOLVED THAT the Audited Financial Statements of the Company for the year ended 31st March 2024 and the Reports of the Directors and Auditors thereon be hereby adopted.**

2. To declare the Interim Dividends paid during the year as final.

   Resolution No. 2 – Dividend Payment

   > **BE IT RESOLVED THAT on the recommendation of the Directors, the interim dividends paid by the Company on September 8, 2023 of $0.12; December 1, 2023 of $0.12; and February 23, 2024 of $0.12 be and are hereby declared as final for the 2024 financial year.**

   Pursuant to Article 93 of the Company's Articles of Incorporation, Mr. Johann Heaven was appointed a Director of the Company effective 31st March 2024 to replace Mrs. Nerisha Farquharson (Shareholder Director) who resigned on 31st March 2024. Director Heaven is not subject to rotation as he was elected by Proven Investments Limited as its Shareholder Director in accordance with Article 99 of the Company's Articles of Incorporation.

3. Director Neville James is the Director to retire by rotation pursuant to Article 97 of the Company's Articles of Incorporation.

   Resolution No. 3 – Re-Election of Directors

   > **BE IT RESOLVED THAT Mr. Neville James, a Director retiring by rotation, be re-elected a Director of the Company.**

4. To re-appoint the retiring auditors:

   Resolution No. 4 – Re-Appointment of Auditors

   BE IT RESOLVED THAT KPMG, Chartered Accountants of 6 Duke Street, Kingston, having consented to continue as Auditors of the Company, be re-appointed to office until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be authorized to fix their remuneration.

5. To approve the remuneration of Directors:

   Resolution No. 5 – Directors' Remuneration

   RESOLVED THAT the amount shown in the Audited Financial Statements of the Company for the year ended 31st March 2024 as remuneration paid to the Directors for their services as Directors be and is hereby approved.

By Order of the Board

Sherri Murray
Secretary

Dated 2nd May 2024

Note: Any member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A proxy is prohibited to speak at the meeting unless he or she is also a member of the Company.

The attached proxy form must be completed, impressed with stamp duty of $100 (cancelled by the person signing the proxy form) and lodged at the offices of the Company's Registrar and Transfer Agents, the Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, not less than forty-eight (48) hours before the time appointed for holding the meeting.

Corporate Data

Board of Directors

Marcus James
Executive Chairman

Neville James
Non-Executive, Non-Independent Director

Charmaine Boyd-Walker
Non-Executive, Non-Independent Director

Michael Shaw
Non-Executive, Independent Director

Justine Collins
Non-Executive, Independent Director

Nerisha Farquharson
Non-Executive, Non-Independent Director

Sherri Murray
Company Secretary

Registered Office

Access Financial Services Limited
41B Half-Way Tree Road
Kingston 5, Jamaica W.I.
(876) 929-9253
(876) 960-2716
www.accessfinanceonline.com

Bankers

Sagicor Bank Jamaica Limited
17 Dominica Drive
Kingston 5, Jamaica W.I.

Bank of Nova Scotia Jamaica Limited
2 Knutsford Boulevard
Kingston 5, Jamaica W.I.

National Commercial Bank (Jamaica) Limited
94 Half-Way Tree Road
Kingston 10, Jamaica W.I.

Internal Auditors

PricewaterhouseCoopers
Scotiabank Centre
Corner Duke and Port Royal Streets
Kingston, Jamaica W.I.

External Auditors

KPMG
P.O Box 436
VMBS Building
6 Duke Street
Kingston, Jamaica W.I.

Attorneys-At-Law

Hart Muirhead Fatta
2nd Floor, Victoria Mutual Building
53 Knutsford Boulevard
Kingston 5, Jamaica W.I.

Registrar Agent

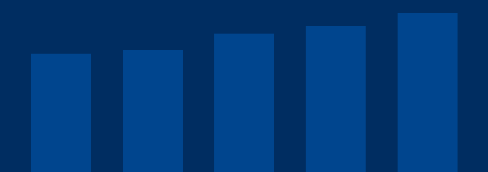
Jamaica Central Securities Depository Limited
40 Harbour Street
Kingston, Jamaica W.I.

Directors’ Report

The Directors of Access Financial Services Limited (AFS) hereby submit their Report and the Audited Consolidated Financial Statements for the year ended March 31, 2024. Financial highlights are set out below. Details of the results for the year as approved by the Board of Directors on July 12, 2024, are set out in the Consolidated Statement of Financial Position and Statement of Profit and Loss and Other Comprehensive Income on pages 56 and 57 of the Annual Report respectively.

Financial Highlights

Dividends
The following dividends were paid during the year:



$0.12

per ordinary stock unit was paid on **September 8, 2023** in respect of Financial Year 2024

$0.12

per ordinary stock unit was paid on **December 1, 2023** in respect of Financial Year 2024

$0.12

per ordinary stock unit was paid on **February 23, 2024** in respect of Financial Year 2024

At a subsequent Board meeting after the year ended March 31, 2024, a decision was made that no dividend would be declared. The decision reflects prudent liquidity management to better position AFS to respond to market opportunities as they arise.

The dividend payout ratio for the financial year ended March 31, 2024, amounted to 29% with a dividend yield of 1.64%. As of March 31, 2024, the share price of AFS shares on the Jamaica Stock Exchange (JSE) was $21.94.

Directors
For the financial year ended March 31, 2024, the Board of Directors met on June 2, 2023; July 10, 2023; August 10, 2023; October 26, 2023; and January 25, 2024. The members of the Board of Directors as of March 31, 2024, are:

Mr. Marcus James
Executive Chairman

Mr. Neville James
Non-Independent Member

Mrs. Charmaine Boyd-Walker
Non-Independent Member

Mr. Michael Shaw
Independent Member

Ms. Justine Collins
Independent Member

In accordance with Article 97 of the Company’s Articles of Incorporation, Neville James will retire by rotation, and being eligible, offer himself for re-election.

Pursuant to Article 93 of the Company's Articles of Incorporation, Mr. Johann Heaven was appointed a Director of the Company effective March 31, 2024 to replace Mrs. Nerisha Farquharson (Shareholder Director) who resigned on March 31, 2024. Director Heaven is not subject to rotation as he was elected by Proven Investments Limited as its Shareholder Director in accordance with Article 99 of the Company's Articles of Incorporation

Auditors
KPMG, Chartered Accountants of 6 Duke Street, Kingston, have signified their willingness to continue serving as auditors of the Company for the next financial year.

Acknowledgement
The Directors wish to express their appreciation to the AFS team members for their continued diligence and dedication and for their continued performance. The Directors also thank shareholders for their continued show of confidence, and customers for their continued support of the Group.

By Order of the Board

June 27, 2024

Marcus James
Executive Chairman

Executive Chairman's Statement

"We continue to work to ensure a high level of customer satisfaction among the small business owners and individuals who we serve."

Dear Shareholders:

On behalf of the Board of Directors, I am honoured to present Access Financial Services' (AFS) Annual Report for the financial year ended March 31, 2024. As we approach the 25-year milestone of our company, we have kept the Access vision and mission in sharp focus, aligning the business strategy with the goal of sustaining our position as a leading, highly profitable employer of choice in the micro finance sector, with exceptionally satisfied customers. The double-digit growth in our company's asset base and loan portfolio serves as a testament to the fact that AFS is a preferred microlender, with a reputation that has improved over time.

Through strategic product design and delivery, Access has been able to play a pivotal role in the development of the microfinance sector in general. Our Microbiz loans have been a catalyst for the growth of our small and micro business customers and our personal loans have assisted our customers to meet their financial needs. With the financial support provided by our financial options and the counsel provided by our team members, Access can proudly claim the title 'Champion of Small Businesses' in Jamaica.

Coupled with high service standards and a focus on maintaining good customer relations, we continue to work to ensure a high level of customer satisfaction among the small business owners and individuals who we serve. The growth of the company's loan portfolio and our financial performance demonstrates the gains we have made and the strong prospects for continued growth in the sector. The November 2023 reaffirmation of our company's credit worthiness and an "expectation of continued good financial performance" by the Caribbean Information and Credit Rating Services (CariCRIS) was a powerful third-party endorsement of this. As an employer, we have maintained a low attrition rate, high levels of engagement and a spirit of volunteerism to support community initiatives, sustaining our position as an employer of choice in the microfinance sector.

Delivering Value

Offering exceptional value is at the heart of our mission as a business, and our employees have owned that mission with winning effect. While growing the loan portfolio is a key performance indicator, we understand that the focus must be on creating value for our customers. Our dedicated teams of employees across our 17 locations in Jamaica and at our Florida subsidiary demonstrate this as a matter of course. As a Board and Senior Management Team, we are deliberate about creating an inclusive environment where our employees feel valued and see themselves as important stakeholders in the business. In the financial year 2024, we spent time on corporate social responsibility initiatives that made meaningful contributions to communities and worthy causes, creating valuable linkages that redound to the good of the nation. The Access-Ability poverty alleviation programme, launched in the first quarter, is perhaps the best example of how corporate entities can help communities and families to move themselves out of poverty. Through a partnership with Fundación Paraguay, AFS rolled out the local version of the Poverty Stoplight programme which has already been implemented in more than 40 countries and connected countless families with microlenders to grow small businesses across the world. Designed to activate the potential of Jamaican families and communities to lift themselves out of poverty, Access-Ability has received the full endorsement of the Government of Jamaica.

Commitment to Growth

Remaining true to our core values of integrity, accountability and respect with a 'customer-first' mindset served us well in the financial year 2024. Through a solid mix of training opportunities for employees and strategic innovations we demonstrated the value of continuous improvement. The 'Access Leads Management App' is one shining example of what creative innovation looks like. Faced with the challenge of improving process flow and the need to retire manual paperwork, our marketing team revolutionised the sales process with the design and implementation of this mobile application. The Access Leads Management App provides a centralized portal for capturing, organising and tracking leads to drive sales. In addition to built-in automation for seamless communication across the organisation, and real-time mobile access everywhere, this user-friendly tool has helped the business to better capitalise on all possible leads. This transformative piece of innovation is another testament to the AFS commitment to staying ahead of the curve and elevating our sales process to unmatched levels of effectiveness and efficiency.

The 2024 financial year was very productive and I to extend heartfelt thanks to all our stakeholders who had a hand in our success - our investors whose belief in our business sustains us; members of the Board who provided a steady hand and invaluable expertise; the management team who steered the ship with great skill and dexterity; our employees who pushed the boundaries and represented the Access brand with distinction; and finally, every single customer who remained loyal to our company in a competitive environment. Together we will continue to write the history of this great company for the good of all.

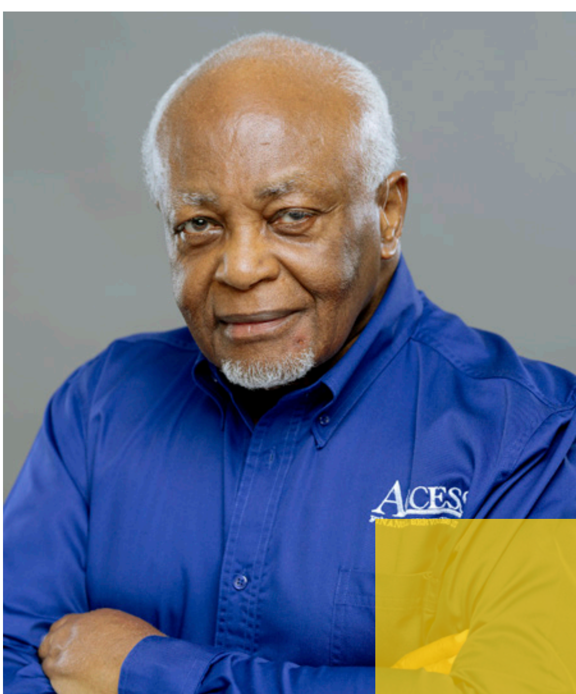
Respectfully,

Marcus James
Executive Chairman

Marcus James

Executive Chairman

Mr. James is the Founder and Executive Chairman of the company. Widely recognized as a pioneer in the microfinance industry in Jamaica, Mr. James is the recipient of awards for his contribution to its development. Under his leadership, AFS became the first company to list on the Junior Market of the Jamaica Stock Exchange (JSE) in 2009. He is Chairman of the Airports Authority of Jamaica Pension Plan; and serves on the boards of the British Caribbean Insurance Company (BCIC) and iPrint Group of Companies.



Neville James

Non-Executive Non-Independent Director

Mr. James is a communications consultant with broad experience in media and broadcasting, for which he was conferred with the Order of Distinction (Commander), a national honour, in 2019. His long career in media includes the conceptualising of radio station, KLAS FM which began broadcasting in 1989. Among his many leadership roles, Mr. James was CEO of the Private Sector Organisation of Jamaica (PSOJ), member of the Broadcasting Commission and former Chairman of the Media Association of Jamaica. He currently serves on the boards of the National Crime Prevention Fund, PALS Jamaica Limited and Renew Limited.

Charmaine Boyd-Walker

Non-Executive Non-Independent Director

Mrs. Boyd-Walker is a financial management professional having amassed over twenty years' experience in finance and serving at varying senior levels throughout her career. She has an inexhaustible reservoir of knowledge in accounting, audit, finance, and compliance. Charmaine previously held the position of Snr Vice President - Finance, Risk and Compliance at PROVEN Management Limited and has served as a director on several Boards. She currently serves on the Board of Directors of Proven Properties Limited.

Michael Shaw

Non-Executive Independent Director

Mr. Shaw is a former banking executive with over 30 years' experience in the local and international financial sector. During his banking career at Scotiabank, he held senior posts as Managing Director Scotiabank Belize and District Vice President Scotiabank Jamaica. He brings a wealth of knowledge in sales management, risk management and governance practices, and has a solid track record of revenue generation and improving operational efficiencies. He currently serves as Chairman of the National Water Commission and is a Board Member of the Urban Development Corporation (UDC), and a Director at CVM Television Ltd.

Justine Collins

Non-Executive Independent Director

Ms. Collins is a Partner at the law firm Hart Muirhead Fatta and specializes in Commercial, Corporate and Technology Law. Justine has presented submissions on the Data Protection Bill to the Joint Select Committee of Parliament and currently lectures at the Jamaica Stock Exchange E-campus on Data Protection law. She is a member of the Jamaican Bar Association, Rotary Club of Kingston, Rotaract Club of Kingston, and Commonwealth Lawyers Association.

Nerisha Farquharson

Non-Executive Non-Independent Director

Mrs. Farquharson has over 15 years' experience spanning investment banking, treasury and investment risk management, private equity life cycle management and business strategy formulation. She is currently Vice President Private Capital at PROVEN Management Limited and is a founding Director of the CFA Society Jamaica as well as a Director of the Caribbean Association of Alternative Investments (CARAI).

Sherri Murray

Corporate Secretary

Ms. Murray is the Company Secretary for Access Financial Services Ltd, PROVEN Group Ltd, PROVEN Wealth Ltd, PROVEN Management Ltd, PROVEN Properties Ltd, Heritage Funds International Inc PROVEN Bank (Cayman) and PROVEN Bank (Saint Lucia) Ltd.

Ms. Murray has over 25 years' experience in the Financial Services Industry. She holds an MBA in Finance & International Business from McGill University.

Senior Management Team

Hugh Campbell

Chief Executive Officer

Hugh has direct responsibility for the execution of expansion and acquisition strategies and maximising synergies across the Company's operations in Jamaica and its wholly owned subsidiary Embassy Loans Inc. located in Florida, United States. In addition to stewardship of day-to-day operations, Hugh drives the sales and collections portfolios of the business.

Brian Salmon

Vice President of Finance & Chief Financial Officer

Brian is responsible for the Company's finance functions which includes financial reporting, financial planning and analysis, tax compliance and treasury management. He is also charged with the implementation and monitoring of a strong internal control environment for the Company's operations.

Catherine Thomas

Vice President of Operations & Credit

Catherine is responsible for strategically guiding the operations of the organisation. She is tasked with optimizing the Company's operational efficiencies, enhancing distribution channels, and maximising technological innovations to improve customer outreach.

Extended Leadership Team

Nicholas Mundell

Marketing & Communications Manager

Nicholas is responsible for overseeing the strategic positioning of our brand and ensuring effective communication with our stakeholders. His role involves developing and implementing marketing strategies, managing brand identity, and creating engaging content. Nicholas fosters meaningful connections with our customers, partners, and community, while ensuring our messaging aligns with our company values.

Carla Stephens-Mullings

Legal & Corporate Affairs Manager

Carla provides guidance on legal compliance and oversees corporate governance. She handles regulatory matters, manages legal risks, and advises senior management on legal and business decisions. Carla was integral in the company's application for license under the Microcredit Act and was appointed Nominated Officer.

Daniel Bruce

IT Manager

Daniel oversees and directs the technology operations of the organisation, ensuring that computer systems, networks, and software are functioning effectively. He is responsible for managing IT projects, implementing security measures, and providing strategic guidance on technology infrastructure and investments to support business objectives.

Rion Rodgers

Human Resources & Training Manager

Rion oversees and manages the overall human resources function within AFS, to support the company's strategic goals. He is responsible for the areas of recruitment, employee relations, training and development, compensation and benefits, performance management and policy implementation. He is also responsible for promoting a positive work culture within the company.

For the senior management team, the financial year 2024 was another example of what can happen when you apply solid strategy at the right time with the right kind of leadership, supported by a team of talented professionals who are all committed to the achieving a singular mission – delivering value by providing financial services to microentrepreneurs and individuals who are underserved by traditional providers. With the guidance of the Board of Directors, we developed and executed a strategy that was informed by customer insights and a genuine desire to help people. Our network of managers, regional managers and employees remained committed to the mission, and together we built a momentum from the very first quarter of the year and sustained it right through to the end. The results were improved financial outcomes year-over-year, increased visibility of the Access Financial Services (AFS) brand among various target audiences, and a stronger corporate reputation on which to build.

Financial Performance

The year ended March 31, 2024 saw the Group return to double digit revenue growth with an increase of 12% year-over-year, moving total revenues from $2.08 billion the previous year to $2.34 billion. Profit before tax of $571 million was a 37% increase year-over-year. There was also an increase in net profit margin from 14% in the prior year to 15% at the end of the financial year. Additionally, the operating expense ratio reduced from 80% to 76% over the 12-month period. As market conditions continued to improve, the team took advantage of the increase in demand for loans and grew the loan portfolio by 21%. We increased the return on equity to 12.2% up from 11.6% the previous year and ended the year with earnings per share at $1.23, reflecting an increase of 13%. Our wholly owned subsidiary in Florida, Embassy Loans Inc. saw a 10% increase in disbursements year-over-year as the demand for loans by customers in this segment continued to be impacted by low demand for auto equity loans. Total assets for the Group as at March 31, 2024 were $7.14 billion, an increase of 13% compared to $6.29 billion in the previous year, of which loans and advances represent 80% (2023: 76%).

Operational Efficiency

A key pillar of the strategy that drove results involved placing focused attention on improving operational efficiency across the business where it mattered most. There was alignment with the Board on the need to explore options to move more aggressively towards digitisation which would allow the organisation to make better use of available technology to drive efficiency. The senior management team was tasked with procuring a customer relationship management (CRM) tool that would include an improved loan management system (LMS). This would better streamline the lending process by automating and integrating functionalities at different stages of the loan cycle – from onboarding, credit assessment and underwriting to disbursement, managing repayments and delinquency management.

An improved LMS will ultimately increase productivity among team members by reducing manual processes, and cutting costs related to the onboarding of new clients. While we explored options for the most effective CRM to suit the needs of the business, the team leveraged internal capabilities to develop our very own ‘Leads Management App’ - a mobile application designed to track and convert leads for better sales outcomes. Other internally designed digital solutions such as a mobile application to manage certain operational functions within the business also bore fruit.

To ensure compliance with the Data Protection Act which became effective on December 1, 2023, our senior management team ensured that key employees were trained, and that the required operational adjustments were made. These include measures to better ensure the safety, security and confidentiality of personal data, and registration of the company as a data controller with the Office of the Information Commissioner. Given the new regulatory framework, we adjusted the marketing strategy, amplifying the use of digital marketing tools to ensure we could still connect with our existing customers; and employed measures to sustain the reach of brand communications. By all indications, the strategy has been successful in driving sales while delivering value to customers.

Putting Customers and our People First

Driven by the core values of the business, which put customers at the top of the list of priorities, the management team sustained the ‘Champion of Small Business’ campaign which was launched toward the end of the previous financial year. Designed to provide marketing support for business loan customers, the campaign seeks to give customers opportunities to reach markets to which they would not normally have access. ‘Champion of Small Business’ went live in April 2023 with a strong showing at Expo Jamaica which made a grand return after a four-year hiatus. As a sponsor of the region’s biggest exposition and trade show, Access Financial Services used its platform to give prominence to two of its small business customers who got high value exposure from buyers in and outside the Caribbean region. Both customers received more business because of their participation at the expo, and additional publicity from newspaper features which followed.

In the article published by the Jamaica Observer newspaper, AFS customer O’Neil Hall, founder of Mek-A-Move promotion, the creator of shoes and sandals, said he had an increase in orders and was “looking to expand his workforce to satisfy demand”! The ‘Champion of Small Business’ campaign continued throughout the year, engaging several business customers who participated in road shows, expos and other marketing events where they were exposed to a broader base of the buying public. From the feedback we received, the campaign has achieved its main objective which was to provide bigger platforms for customers to showcase their products and position AFS as the microlender that is always in their corner.

Focused attention was also placed on empowering our employees through the provision of training to boost technical capabilities. The business also supported them with a robust staff welfare programme that made psychosocial support readily available; and provided financial assistance towards education. Several team-building activities, at the branch and company levels, helped to raise the energy of our employees, build rapport and increase engagement. These outcomes are undoubtedly critical success factors in what we were able to achieve in the financial year, and it remains my absolute pleasure to lead this diverse team of capable and committed professionals who represent the beating heart of this organisation.

Sincerely,

Hugh Campbell
Chief Executive Officer

Disclosure of Shareholdings

As at March 31, 2024

TOP 10 SHAREHOLDERS	Units	Percentage
Springhill Holdings Limited	129,932,209	47.3324%
PROVEN Investments Holdings Limited	67,861,415	24.7209%
NCB Capital Markets Ltd. A/C 2231	23,381,458	8.5175%
NCB Insurance Agency and Fund Managers Ltd	10,814,707	3.9396%
QWI Investments Ltd	8,482,000	3.0899%
Generation 4 Investment Company Ltd.	6,823,500	2.4857%
Winston Hoo	4,200,695	1.5303%
MF&G Asset Management Ltd. - Jamaica Investments Fund	2,597,694	0.9463%
JcCSD Trustee Services Ltd - Sigma Global Venture	1,904,635	0.6938%
Barita Investments Ltd-Long A/C (Trading)	1,307,510	0.4763%

DIRECTORS	Position	Volume	Percentage
Marcus James	Director	130,202,584	47.43094
Justine Collins	Director	-	0.00000
Sherri Murray	Director	-	0.00000
Charmaine Boyd-Walker	Director	-	0.00000
Neville James	Director	7,181,722	2.61620
Michael Shaw	Director	-	0.00000

SENIOR MANAGEMENT	Position	Volume	Percentage
Hugh Campbell	Manager	5,305	0.00193
Catherine Thomas	Manager	-	0.00000
Brian Salmon	Manager	-	0.00000

Small business owner Dale Cowan (centre), recording artiste Yaksta (left) and Access Financial Services Marketing and Communications Manager Nicolas Mundell (right) give a resounding 'thumbs up' to the Access Ability poverty reduction programme at the launch in Kingston in June 2023.

> "I felt stuck, but Access opened my eyes. It helped me to change my mindset. No matter your situation, it's really about your mindset, how you see yourself. They helped me to understand where I was and create a path to achieve my goals. They gave me the tools and the belief that I could make certain things happen for my business."
>
> Dale Cowan
> Small Business Owner

Store owner sees brighter future through support from Access Ability poverty reduction programme

In another groundbreaking move, Access Financial Services launched Access Ability in 2023, a programme designed to give its customers, and Jamaicans in general, the ability to activate their own potential to lift themselves out of poverty. Hailed by the Minister of Local Government and Community Development, Hon. Desmond McKenzie as transformative, the programme is the local version of a global initiative called Poverty Stoplight which has been successfully rolled out in more than 40 countries.

Among the customers who speak glowingly about the programme is store owner Dale Cowan who runs the Spenders 24-Hour Convenience Store in Drewsland, St. Andrew. After 17 years as an entrepreneur, Cowan says he's beginning to see a brighter future, thanks in part to Access Ability which is helping micro and small businesses to create a clear path to growth.

Like the Poverty Stoplight, Access-Ability uses a self-evaluation survey tool which incorporates questions across six dimensions, allowing families to define specifics around what it means to 'not be poor'. Survey participants assess their status in the key areas of income and education; housing and infrastructure; education and culture; health and environment among others.

Administered on a tablet, the easy-to-use tool breaks down the key areas into relatable indicators that are illustrated as images representing situations that define extreme poverty (red), poverty (yellow), and non-poverty (green).

Cowan shared, "I had a lot of yellows and a few greens. It helps me to see exactly what I need to do to improve. That life map that they give you at the end really works. I also got financial coaching, life coaching and they hold you accountable. The programme wasn't just about getting assistance from the facilitators, it was about learning more skills, getting knowledge and building my confidence. I actually felt heard and respected."

Armed with a plan and some new skills, the small business owner says he's already helping others in his Kingston 20 community. Now that's what access is all about!

Established in Jamaica in the year 2000, Access Financial Services Limited (AFS) is a leading microfinance institution offering a range of business and personal loans to the microfinance sector, which contributes significantly to the economic growth and development of Jamaica. In addition to its Jamaican operations across 17 locations, AFS has a wholly owned subsidiary, Embassy Loans Inc., located in the US state of Florida. In 2009, AFS became the first company to list on the Junior Market of the Jamaica Stock Exchange (JSE); and in 2022, the company became the first microfinance entity to receive a license from the Bank of Jamaica to operate under a new regulatory framework.

AFS' Corporate Governance framework guides the interaction between shareholders, the Board of Directors, executive management, employees, and other key stakeholders. It is designed to engender the confidence of all stakeholders in the effective and transparent management of the Group's affairs. The Corporate Governance framework has taken into consideration the principles outlined in the Company's Articles of Incorporation, elements of the Rules of the Jamaica Stock Exchange (JSE), the Private Sector Organisation of Jamaica's (PSOJ) Corporate Governance Code, international best practices, and requirements of applicable legislation.

The company continues to enjoy a solid reputation as a credible player in the microfinance sector, with affirmation of its creditworthiness from the regional credit ratings agency Caribbean Information and Credit Ratings Services (CariCRIS). In November 2023, CariCRIS reaffirmed AFS' assigned issuer/corporate credit ratings of BB+ (Foreign Currency Rating) and BBB- (Local Currency Rating) on the regional rating scale; and on the Jamaica national rating scale, a BBB (Foreign Currency Rating) and BBB+ (Local Currency Rating) adjudging that the creditworthiness of the company in relation to others across the region remains adequate. In a statement, CariCRIS said the ratings were "driven by the Group's favourable market position in the microfinance sector underpinned by a long history and good brand equity."

CORPORATE GOVERNANCE BEST PRACTICES & DISCLOSURES

Board Composition & Roles

The Board has been collectively given the mandate by its shareholders for the growth, general policy direction and oversight of the Group. The Board, through the executive chairman, works closely with board sub-committees and management to ensure the effectiveness of the Group's operations and that shareholders' value is maintained over the long term. The Board is committed to maintaining the highest level of transparency, accountability, and integrity in all areas of the Group's operations.

The primary responsibilities of the Board include oversight for Access and its subsidiary Embassy Loans Inc, and its general functions include, but are not limited to:

- Approving and monitoring strategic plans.
- Reviewing, and approving annual performance targets, annual budget, quarterly financial statements, and audited financial statements.
- Approving acquisitions and major capital expenditure.
- Overseeing subsidiary operations including compliance with licensing requirements in Jamaica and the United States.
- Evaluating the Group's performance against set financial targets.
- Monitoring the performance of the Chief Executive Officer and Senior Management relative to agreed performance metrics.
- Reviewing and monitoring risk management, adequacy of internal controls, compliance of management with the Codes of Conduct and regulatory compliance.
- Reviewing and approving the Group's disclosures externally; and
- Selecting and appointing suitably qualified Directors to the Board.

The Board is placed to bring care, diligence, and skill in the exercise of its decision-making process for the best interest of the Group.

With diverse functional expertise, educational qualification, independence, gender mix and a combination of independent and non-independent directors, the Board is placed to bring care, diligence, and skill in the exercise of its decision-making process for the best interest of the Group.

Each member of the Board has held a senior managerial position in a public organisation or a recognised privately held entity. The skills set of the directors include but is not limited to: Strategy and Leadership, Finance and Banking, Governance, Mergers and Acquisitions, Audit and Risk Management, Legal, Information Technology & IT.

	Area of Expertise						
	Strategy & Leadership	Audit & Risk Management	Governance	Mergers & Acquisitions	Finance & Banking	Information Technology	Legal
Marcus James	✓	✓	✓	✓	✓		
Neville James	✓	✓	✓				
Charmaine Boyd Walker	✓	✓	✓	✓	✓		
Justine Collins	✓	✓	✓	✓		✓	✓
Michael Shaw	✓	✓	✓	✓	✓		
Nerisha Farquharson	✓	✓	✓	✓	✓		

During the 2024 financial year, some of the key activities undertaken by the Board included:

- Reviewing and approving the Group's Strategic Plan and Budget.
- Reviewing and approving of Operational, Compliance and Risk Management policies.
- Reviewing the Group's financial results and evaluating business strategy.
- Reviewing and approving changes to the structure of the Senior Management team.

As at March 31, 2024, the Board consisted of six directors in keeping with Article 79 of the Company's Articles. Mr. Marcus James is the executive chairman. There are two independent directors, Mr. Michael Shaw, and Ms. Justine Collins. The three non-independent directors are Mr. Neville James, Mrs. Charmaine Boyd-Walker, and Mrs. Nerisha Farquharson.

The following definitions are consistent with standards such as those of the governance codes of the Private Sector Organisation of Jamaica.

Executive Director
An Executive Director is employed to the Company and is involved in the day-to-day operations of the Company.

Non-Executive Director
A Non-Executive Director is one who is not an Executive Director.

Independent Director
An Independent Director:

- Is free of any interest, position, association, or relationship that might influence or reasonably be perceived to influence, in a material respect his or her capacity to bring an independent judgment to bear on issues before the Board and to act in the best interest of the entity and its shareholders generally.
- Has not had any material business dealings with the Company, its Shareholders, Directors, or any senior employee within the last three years.
- Does not have close family ties with any of the Company's advisors, directors or senior or management team.
- Does not or has represented a shareholder owning more than 10% of the voting rights of the Company.
- Has not served on the Board for more than nine years from date of first election.

Role of the Executive Chairman
As executive chairman, Mr. Marcus James' primary function is to lead and guide the effective decision-making of the Board, provide management oversight, and approve communication protocols with all stakeholders of the Group. He is the principal contact for the chief executive officer, offering sage advice and counsel. Although not an independent director, the Board believes his interest in AFS does not compromise his ability to carry out his role in a fair and balanced manner.

Role of Lead Independent Director
The Lead Independent Director is appointed from among the Independent Non-Executive Directors, where the Chairman is not independent. He serves as a sounding board for the Executive Chairman and serves as an intermediary for the other Directors where necessary.

Role of the Company Secretary
The Company Secretary, Sherri Murray is appointed by the Board of Directors to undertake the administrative and corporate governance functions related to Board and Annual General Meetings. The appointment and removal of the Corporate Secretary is subject to the approval of the Board.

Access to Independent Professional Advice
The Board of Directors has access to independent professional advice where it is deemed necessary to effectively execute its functions and responsibilities. This includes the appointment of investment professionals and attorney(s) to provide representation and advice.

BOARD APPOINTMENT, ROTATION, MEETINGS, BOARD COMMITTEES

Appointment
The appointment of board members is governed by the Company's Articles of Incorporation. Directors are also appointed to fill any casual vacancy or as an addition to the Board.

Rotation, Retirement and Tenure
Board rotation and retirement are also governed by the Company's Articles. At the first Annual General Meeting, one-third of the Directors shall retire. The Director who has been in office longest, since his/her last election or appointment, shall retire. However, retiring directors shall be eligible for re-election or re-appointment. The tenure of each director is three years. A Board member may resign or retire at any time by providing the executive chairman with a written notice of resignation.

Board Meetings

The Board meets quarterly, or as required, to review the Group's financial performance against established targets, and to examine the strategic initiatives geared towards achieving the stated objectives. During the year, the Board met five times. The following table reflects the attendance of the Directors.

	AGM Oct 5, 2023	Meetings Attended	%
Marcus James	✓	5	100
Neville James	✓	5	100
Charmaine Boyd Walker	✓	4	80
Justine Collins	✓	4	80
Michael Shaw	✓	4	80
Nerisha Farquharson	✓	5	100

Board Committees

The Board has constituted three standing committees to which specific responsibilities have been delegated. The chairperson for each sub-committee is selected by the Board. These committees and members are:

Audit & Risk Management

- Marcus James (Chair)
- Michael Shaw
- Charmaine Boyd-Walker

Human Resources & Compensation

- Justine Collins (Chair)
- Michael Shaw
- Nerisha Farquharson

Corporate Governance

- Charmaine Boyd-Walker
- Neville James

Audit & Risk Management Committee

The Audit & Risk Management Committee acts to ensure that the Group adheres to its governance mandate in the specific areas of accounting policies, internal controls, financial compliance systems and procedures, risk management as well as financial reporting practices. The Audit & Risk Management Committee provides a critical service to the Board by bringing to their attention pertinent information raised by Internal and External Audits. The Committee meets quarterly or as required, to review reports generated by the internal audit process and annually to review and approve the report from the external auditors.

The Internal Audit function of Access (the Company) is carried out through a co-source agreement with PricewaterhouseCoopers. The Internal Audit function for Embassy Loans Inc is outsourced to an independent firm, Berkowitz Pollack Brant Advisors + CPAs. For the period under review, extensive control tests were conducted, covering key strategic business areas, risk assessment and mitigation.

During the year, the Committee undertook the following activities:

- Approved Risk Management Policies/ Procedures for management to effectively, identify, manage, monitor, and escalate risk-related issues to the Board.
- Reviewed and approved the Group's Quarterly and Audited Financial Statements
- Reviewed the Internal Audit Reports, the Internal Audit Plan, External Audit Reports and Management Letter
- Ensured compliance with applicable laws in Jamaica and Florida, United States
- Ensured compliance with the Jamaica Stock Exchange Rules.

During the year, the Audit & Risk Management Committee held five meetings as reflected in the table below:

	Attended	%
Marcus James	5	100
Michael Shaw	5	100
Charmaine Boyd Walker	3	60

Human Resources & Compensation Committee

The objective of the Human Resource & Compensation Committee is to provide oversight and contribute to the human resource strategic policy deliberations, while ensuring the optimisation of the Group's human capital. This includes reviewing human resources policies and overall compensation for the organisation. AFS's Human Resource & Compensation Committee provides advice and guidelines to the Board on matters brought to the committee's attention or on its own volition. During the year, the committee reviewed the remuneration of directors, officers, and employees. The committee did not meet during the period under review.

Corporate Governance Committee

The Corporate Governance Committee exercises an independent review function to assist AFS in fulfilling its corporate governance oversight responsibilities. The committee evaluates and monitors the Group's adequacy of, and compliance with all governance matters pursuant to the Group's governance policies. The Corporate Governance Committee acts to ensure that AFS adheres to its corporate governance mandate as outlined in its Board Charter, the Companies Act (2004) and other applicable laws, regulations, and the Jamaica Stock Exchange (JSE) Rules. The Corporate Governance Committee will assess the Group's governance and compliance and take appropriate action to always ensure AFS' compliance with all requirements. During the year, the committee did not have a meeting.

Compensation for Meeting Attendance

The Board sets remuneration for attendance at meetings at rates that are attractive to retain the directors, taking into consideration all relevant internal and external factors. Executive directors and non-independent directors do not receive remuneration for directorships. The Board of Directors do not partake in profit sharing. Remuneration for independent directors includes an annual retainer fee and a fee for each board and sub-committee meeting attended. The total remuneration paid for the year ended March 31, 2024, to Directors for annual retainer, board and sub-committee meetings was $2,218,700.

DIRECTOR INDUCTION, CONTINUING DEVELOPMENT, ANNUAL REVIEW & TRAINING

Upon appointment, each director participates in an induction programme that covers the Group's strategy, general financial and legal affairs, financial and regulatory reporting by the Board, any specific aspects unique to AFS and its activities, and the responsibilities and expectations of a director.

The training of directors is critical to ensure the maintenance of good governance. The Board through the Corporate Governance Committee will recommend such ongoing training for directors as is necessary for them to maintain the knowledge and expertise required to better understand the operations of the Group and to properly discharge their role and function as directors.

Disclosure and Communication with Shareholders

The Board is committed to providing accurate and timely information on the operations of the Group and all material and market sensitive information to its shareholders, the Jamaica Stock Exchange (JSE) and other stakeholders, in a timely manner. AFS holds an annual general meeting of shareholders which serves as a forum through which:

- Audited Accounts, Directors' Report and Auditor's Reports are approved and adopted, respectively.

- Resolutions on dividend payments are approved.
- Directors are elected and re-elected; and
- External auditors are appointed or re-appointed.

Shareholders are provided an opportunity during and after the annual general meeting to raise questions relating to the financial statements and the operation of the Group, as well as provide suggestions to management and the Board of Directors.

During the year and outside of the annual general meeting, material information relating to the Group's operations is disseminated to shareholders, staff and the public through press releases, media releases, the AFS website and the JSE's website.

The Annual Reports, Financial Results and AGM minutes are available on the Company's website at **www.accessfinanceonline.com**.

Board Charter and Terms of References
The AFS Board Charter and Terms of Reference for the three sub-committees of the Board may be viewed on the Company's website at **www.accessfinanceonline.com**.

The Company's Articles of Incorporation are available for viewing upon request. The request should made be made in writing to:

The Company Secretary
C/O Access Financial Services Limited
41B Half-Way Tree Road
Kingston 5

customerservice@accessfinanceonline.com

Branch Managers

Meet our team of branch managers who are at the heart of our business!
At Access Financial Services, our dedicated team members provide more than just loans for the microfinance sector. They build relationships and help our customers to achieve their goals. They champion the cause of small businesses every day and in every way.

Aldria Brown
Black River

Angela Lindsay-Brown
Brown's Town

Aretha Bryan
Santa Cruz

Aretha C Douglas
Ocho Rios

Atasha Alveranga Brown
Spanish Town

Brenda King
Christiana

Bronia Simpson
Kingston

Carolyn Plummer
Savanna-la-Mar

Chantal Taffe-Allen
Montego Bay

Collette Harris
Linstead

Danielle Lawrence
Portmore

Kadia Grant
Portland

Karen Bradford
Mandeville

Michelle Campbell-Ellington
Kingston

Nadia Manradge
May Pen

Nordia Dennie
Junction

Renaldo Allen
Business Centre

Sashana Beckford-Deans
East Parade

Business owner Marion Stone, affectionately called Miss June, pauses mid-sale for a quick photo with a customer inside the Black River Market in St. Elizabeth where she has been doing business for almost ten years.

Black River entrepreneur striving with perseverance and support from Access

St. Elizabeth businesswoman Marion Stone became one of the many entrepreneurs who benefited as the 'Champion of Small Business' campaign rolled across Jamaica in 2023. Miss June, as Stone is affectionately called, was invited to join Access Financial Services (AFS) on Black River Day (July 28) where she got the opportunity to showcase her business, selling Jamaican souvenirs, clothing, pillows and haberdashery items inside the Black River Market. For this hardworking resident of the 'breadbasket parish', support from AFS has been more than a godsend after years of struggle.

The 51-year-old mother of three has steadily grown her clientele which expanded even further, thanks to the exposure she received on Black River Day, courtesy of Access Financial.

Stone and other AFS customers who have benefited from the 'Champion of Small Business' campaign also received marketing tools, including professional brochures which have helped to push their business.

"I've been living in St. Elizabeth now for 28 years. It took me a while to settle down and find a business that would provide steady income, something that could go a little further. At one point I had an ice-cream shop, but the rent was too high, and I had to let it go. Then a friend told me about Access Financial and I checked it out and got a loan. Since then, things have improved a lot."

Marion "Miss June" Stone
Entrepreneur

Management Discussion & Analysis

Overview

The Management's Discussion and Analysis (MD&A) provides information relevant to assessing and understanding the consolidated financial results of Access Financial Services Limited (AFS) hereafter referred to as "we", "our", or "Group". The Group consists of Access Financial Services Limited ("the company" or "Access") with a network of seventeen (17) locations islandwide, and Embassy Loans Inc. ("Embassy Loans"), our wholly owned subsidiary which operates in Florida, United States of America.

Total Revenue
$2.34
BILLION

Net Profit After Tax
$340
MILLION

Total Assets
$7.14
BILLION

Financial Highlights				
	2024	**2023**	**Year over Year Change**	
	$'000	$'000	**$**	**%**
Financial Performance				
Total Revenue	$2.34B	$2.08B	$256M	12%
Total Expenses	$1.77B	$1.67B	$102M	6%
Net Profit After Tax	$340M	$301M	$39M	13%
Earnings per Share	$1.23	$1.09	$0.14	13%
Financial Position				
Net Loans and Advances	$5.73B	$4.75B	$979M	21%
Total Assets	$7.14B	$6.29B	$846M	13%
Total Liabilities	$4.22B	$3.63B	$583M	16%
Total Stockholders' Equity	$2.92B	$2.66B	$263M	10%

The Group recorded total revenue of $2.34 billion, representing a $256 million or 12% increase year-over-year. This resulted in a net profit after tax of $340 million, an increase of $39 million or 13% year-over-year.

Net loans and advances now stand at $5.73 billion, an increase of $979 million or 21% when compared to the prior year. By strategically managing its credit exposure based on perceived risks evaluated by industry, Access Financial grew its loan portfolio by 21% year-over-year. Total assets increased by 13% to J$7.14 billion when compared to J$6.29 billion at the end of the previous financial year, driven by a 21% increase in net loans and advances.

Total liabilities increased by 16% to J$4.22 billion compared to J$3.63 billion at the end of the 2023 financial year. Total stockholders' equity improved by J$263 million or 10% driven by internally generated profits.

Earnings per Share
$1.23

Total Expenses
$1.77
BILLION

Stockholders' Equity
$2.92
BILLION

Economic Environment - Jamaica

Jamaica's economy has shown significant resilience and recovery in the post-pandemic period. By the end of 2023, the Jamaican economy expanded by 2.9% in real terms, driven primarily by strong performances in the tourism and mining sectors, while agriculture saw a decline due to prolonged droughts. This growth helped to reduce the unemployment rate to a record low of 4.2% by October 2023.

Annual inflation rose to 7.4% in January 2024, influenced by factors such as increased food prices due to droughts, higher costs for public transportation, and a substantial increase in the minimum wage of 44% in July 2023. Despite these inflationary pressures, the Bank of Jamaica has maintained a tight monetary policy to ensure financial stability and to return inflation to its target range by mid-2025.

The fiscal stance of the Government of Jamaica continues to focus on fiscal consolidation, supported by robust tax revenues. Although the fiscal account recorded a deficit of 1.4% of Gross Domestic Product (GDP) in 2023 due to increased spending on wages and salaries, the GOJ issued its first domestic-currency international bond to mitigate foreign exchange risk, improving Jamaica's creditworthiness.

According to International Monetary Fund (IMF) projections, Jamaica's annual growth is expected to average 1.7% over the medium term, as global demand weakens and fiscal austerity limits capital investments. Growth will be driven by mining, tourism, and private investments in hospitality and infrastructure. The country's external position remains strong, with substantial earnings from tourism and remittances contributing to a current account surplus and adequate foreign reserves.

Economic Environment: United States of America

The U.S. economy began 2024 with a strong performance but faces several challenges moving forward. In the first quarter of 2024, real GDP grew at an annual rate of 1.6%, down from 3.4% in the previous quarter. This deceleration is attributed to the diminishing effects of post-pandemic recovery and the impact of tighter monetary policies. Inflation remains a significant concern. In January 2024, inflation was recorded at 5.6%, driven by higher energy prices and geopolitical tensions affecting global trade. The Federal Reserve has maintained high interest rates to combat persistent inflation, with the Federal Open Market Committee (FOMC) keeping the federal funds rate in the range of 5.25% to 5.5%.

The labour market remains robust, with an unemployment rate of 3.7% as of early 2024. Despite high employment levels, challenges such as rising consumer debt and the need for wage adjustments to match inflation persist. The labour force participation rate improved slightly, indicating a steady increase in workforce engagement. Overall, U.S. economic growth is projected to average around 1.4% per year through 2026, with potential for a soft landing rather than a recession. Key growth drivers will include consumer spending, albeit at a moderated pace, and strategic investments in technology and infrastructure.

Regulatory & Legislative Environment

In accordance with the Micro Credit Act (2021), the Bank of Jamaica (BOJ) is the regulatory authority for the microfinance sector, with responsibility for (i) general administration of the Act and (ii) supervision of microfinance institutions (MFIs). The BOJ's supervisory responsibilities for MFIs are discharged through the Financial Institutions Supervisory Division of the Bank. The legal framework includes regulations which seek to outlaw predatory lending practices, promote transparency, and reduce the risk of money laundering within the industry. Under the new regulations, the Consumer Affairs Commission has oversight of consumer-related matters.

$1.88B

NET INTEREST INCOME

Financial Performance

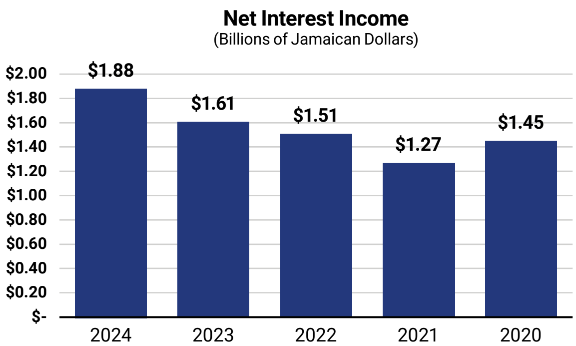
FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA

(Expressed in Thousands of Jamaican Dollars, except per stock unit amounts)	31-Mar-2024	31-Mar-2023	31-Mar-2022	31-Mar-2021	31-Mar-2020	Change 2024 vs 2023		Five- Year
						$	%	Compounded Annual Growth Rate (CAGR)
Statement of Financial Performance								
Net-interest Income	1,880,684	1,605,148	1,508,254	1,269,100	1,449,429	275,536	17%	5%
Non- interest Income	460,099	479,269	510,934	549,954	705,259	(19,170)	-4%	-8%
Operating Revenue	**2,340,783**	**2,084,417**	**2,019,188**	**1,819,054**	**2,154,688**	**256,366**	**12%**	**2%**
Staff Cost	644,247	710,922	690,361	670,511	725,444	(66,675)	-9%	-2%
Allowance for credit losses	480,787	396,114	283,205	294,989	297,048	84,673	21%	10%
Non interest Expenses	644,646	560,405	484,791	512,249	736,671	84,241	15%	-3%
Operating Expenses	**1,769,680**	**1,667,441**	**1,458,357**	**1,477,749**	**1,759,163**	**102,239**	**6%**	**0%**
Net Profit after Tax	**340,183**	**301,049**	**428,900**	**265,687**	**329,747**	**39,134**	**13%**	**1%**
Earnings per stock unit ($)	1.23	1.09	1.5	0.97	1.20	0.14	13%	0%
Dividends paid per stock unit ($)	0.36	0.30	0.55	0.23	0.49	(0.25)	-83%	-25%

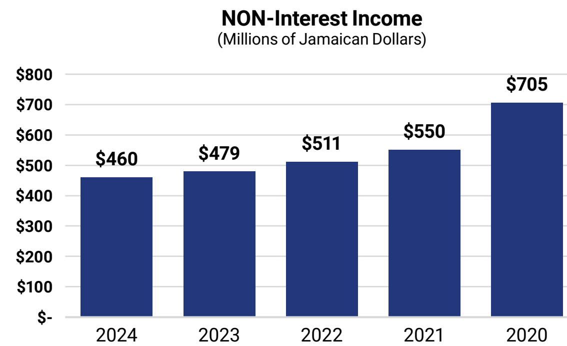
Net Profit after Tax

The Group recorded consolidated net profit after tax of $340 million for the year ended March 31, 2024, compared to $301 million for the prior year. This represents a 13% increase in net profit year-over-year which is a result of a $256 million or 12% increase in operating revenue. There was also an increase in net profit margin from 14% in the prior year to 15% as at March 31, 2024. In addition to this, the operating expense ratio improved from 80% to 76% over the 12-month period.

Operating Revenues



Net interest income increased by $276 million or 17% year-over-year to $1.88 billion, compared to $1.61 billion in the prior year. This is due mainly to a 21% increase in the loan portfolio (net loans and advances).

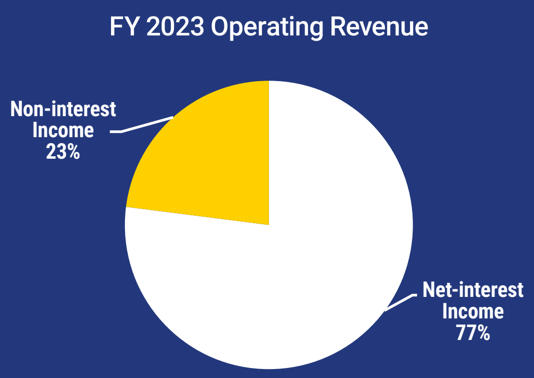


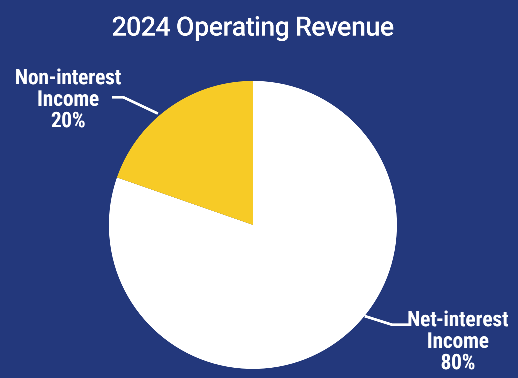
Non-interest Income which represents Fee and Commission Income, income from money services, foreign exchange gains (losses), and other income, decreased by $19 million or 4%. This was a result of a 4% reduction in net fees and commission as well as a 12% decline in money services fees and commission.

NON-INTEREST INCOME

(Expressed in Thousands of Jamaican Dollars)	31-Mar-2024	31-Mar-2023	31-Mar-2022	31-Mar-2021	31-Mar-2020	Change 2024 vs 2023		Five- Year
						$	%	Compounded Annual Growth Rate (CAGR)
Fee and commission income	297,756	309,035	372,753	412,549	617,750	(11,279)	-4%	-14%
Money services fees and commission	1,190	1,345	1,204	935	1,787	(155)	-12%	-8%
Foreign exchange (loss)/gains	1,384	(438)	(4,652)	(12,851)	(5,477)	1,822	-416%	-176%
Other income	159,769	169,327	141,629	149,321	91,199	(9,558)	-6%	12%
Total Non-interest Income	**460,099**	**479,269**	**510,934**	**549,954**	**705,259**	**(19,170)**	**-4%**	**-8%**

- Net fees and commission decreased by $11 million or 4% as a direct result of reduced fee income from our overseas subsidiary in line with a declining average loan portfolio.
- Other income decreased by $10 million or 6% year-over-year mainly due to a reduction in our overseas subsidiary recoveries of prior year losses.

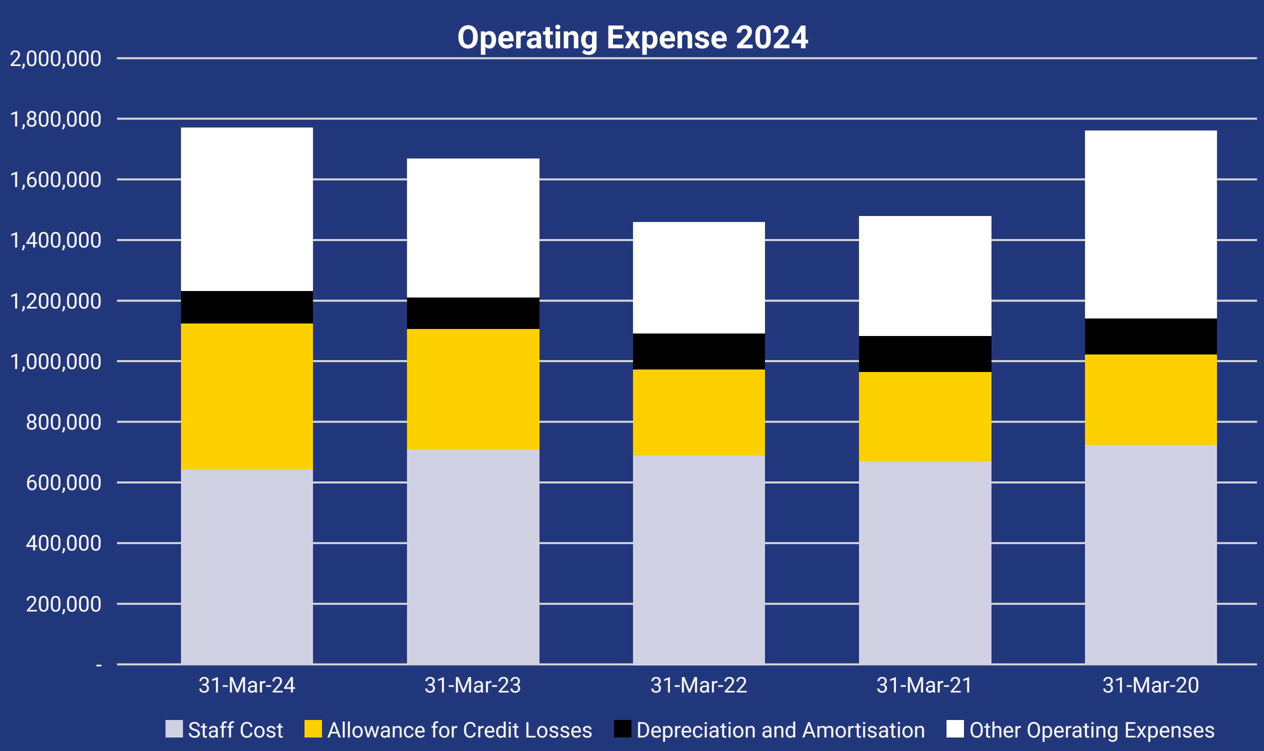




- An increased net-Interest income resulted in the Group realizing $2.34 billion in Operating income when compared to the prior year's amount of $2.08 billion. Non-interest income for the year in review was 20% of Operating revenue compared to 23% in the prior year, which highlights the continued need to diversify revenue streams.

Operating Expenses

(Expressed in Thousands of Jamaican Dollars)	31-Mar-2024	31-Mar-2023	31-Mar-2022	31-Mar-2021	31-Mar-2020	Change 2024 vs 2023		Five-Year Compounded Annual Growth Rate (CAGR)
						$	%	
Staff Cost	644,247	710,922	690,361	670,511	725,444	(66,675)	-9%	-2%
Allowance for Credit Losses	480,787	396,114	283,205	294,989	297,048	84,673	21%	10%
Depreciation and Amoritisation	106,546	104,395	117,391	118,351	118,120	2,151	2%	-2%
Other Operating Expenses	538,100	456,010	367,400	393,898	618,551	82,090	18%	-3%
Total Operating Expenses	**1,769,680**	**1,667,441**	**1,458,357**	**1,477,749**	**1,759,163**	**102,239**	**6%**	**0.1%**



For the year in review, total operating expenses amounted to $1.77 billion, an increase of $102 million or 6% when compared to the prior year.

- Staff costs decreased by $67 million or 9%, which was due to an organisational restructuring carried out earlier in the year.
- Allowance for credit losses increased by $85 million or 21% due to the increase in the loan portfolio.
- Other Operating Expenses increased by $82 million or 18%. Marketing efforts were heightened to improve brand awareness in an increasingly competitive marlet, which resulted in a 120% increase in advertising costs. There was also an increase in audit fees, bank charges and the cost of security.

OTHER OPERATING EXPENSES

(Expressed in Thousands of Jamaican Dollars)	31-Mar-2024	31-Mar-2023	Change	
	$	$	$	%
Advertising	89,096	40,549	48,547	120%
Agency fees	20,367	18,181	2,186	12%
Audit fees	43,843	30,888	12,955	42%
Bank charges	21,327	17,539	3,788	22%
Cleaning and sanitation	5,777	6,097	(320)	-5%
Courier and collection services	6,992	6,555	437	7%
Directors' fees	5,211	6,301	(1,090)	-17%
Fee Expenses	43,618	47,472	(3,854)	-8%
Impairment of Intangibles	-	9,074	(9,074)	-100%
IT Maintenance Cost	40,037	31,078	8,959	29%
Insurance	3,313	3,093	220	7%
Irrecoverable GCT	40,226	41,020	(794)	-2%
Legal and professional fees	39,375	31,737	7,638	24%
Motor vehicle expenses	1,899	2,123	(224)	-11%
Printing and stationery	14,352	10,818	3,534	33%
Rent	2,335	3,467	(1,132)	-33%
Repairs and maintenance	13,654	9,713	3,941	41%
Security	15,215	7,832	7,383	94%
Subscriptions & donations	19,268	15,846	3,422	22%
Travel and entertainment	4,945	7,347	(2,402)	-33%
Utilities	59,802	55,283	4,519	8%
Other taxes	9,293	22	9,271	42141%
Other expenses	38,155	53,975	(15,820)	-29%
Totals	**538,100**	**456,010**	**82,090**	**18%**

Financial Position

FIVE-YEAR SUMMARY OF SELECTED FINANCIAL DATA								
(Expressed in Thousands of Jamaican Dollars)	31-Mar-2024	31-Mar-2023	31-Mar-2022	31-Mar-2021	31-Mar-2020	Change 2024 vs 2023		Five- Year Compounded Annual Growth Rate (CAGR)
						$	%	
Statement of Financial Position								
Net loans and advances	5,732,883	4,753,540	4,358,198	3,943,649	4,470,914	979,343	21%	5%
Total Assets	7,136,679	6,290,771	5,556,803	5,377,405	5,962,443	845,908	13%	4%
Total Liabillties	4,215,346	3,632,726	3,017,685	3,176,131	3,791,520	582,620	16%	2%
Total Equity	2,921,333	2,658,045	2,539,118	2,201,274	2,170,923	263,288	10%	6%

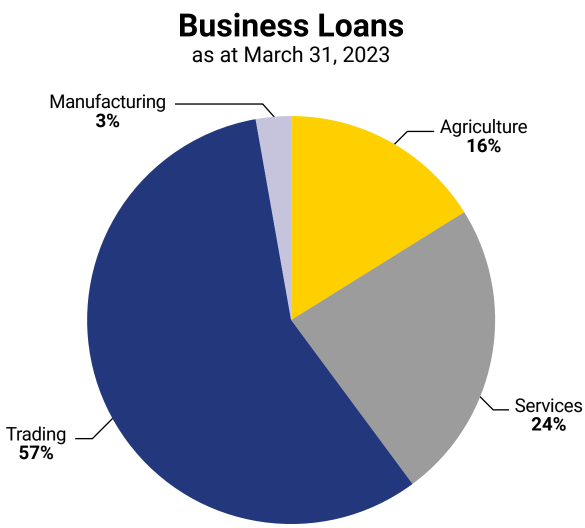
The Group's Total Assets increased by $846 million or 13% year-over-year, due mainly to an increase in the demand for loans. Net loans and advances now stand at $5.73 billion, reflecting an increase of $979 million or 21% compared to the prior year. The increase in the loan portfolio was a result of increased disbursements across the Group.

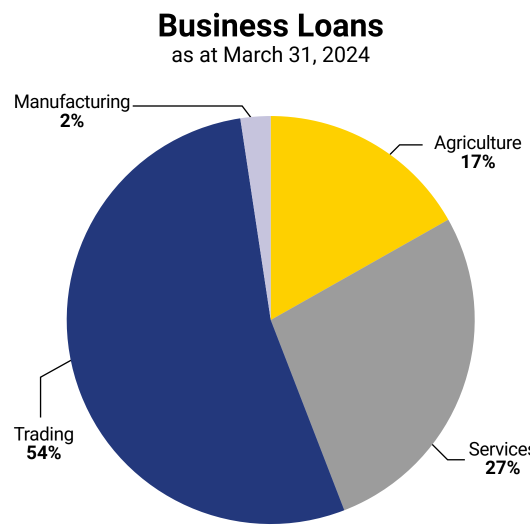
Total equity for the Group increased by $263 million or 10% due to internally generated profits.

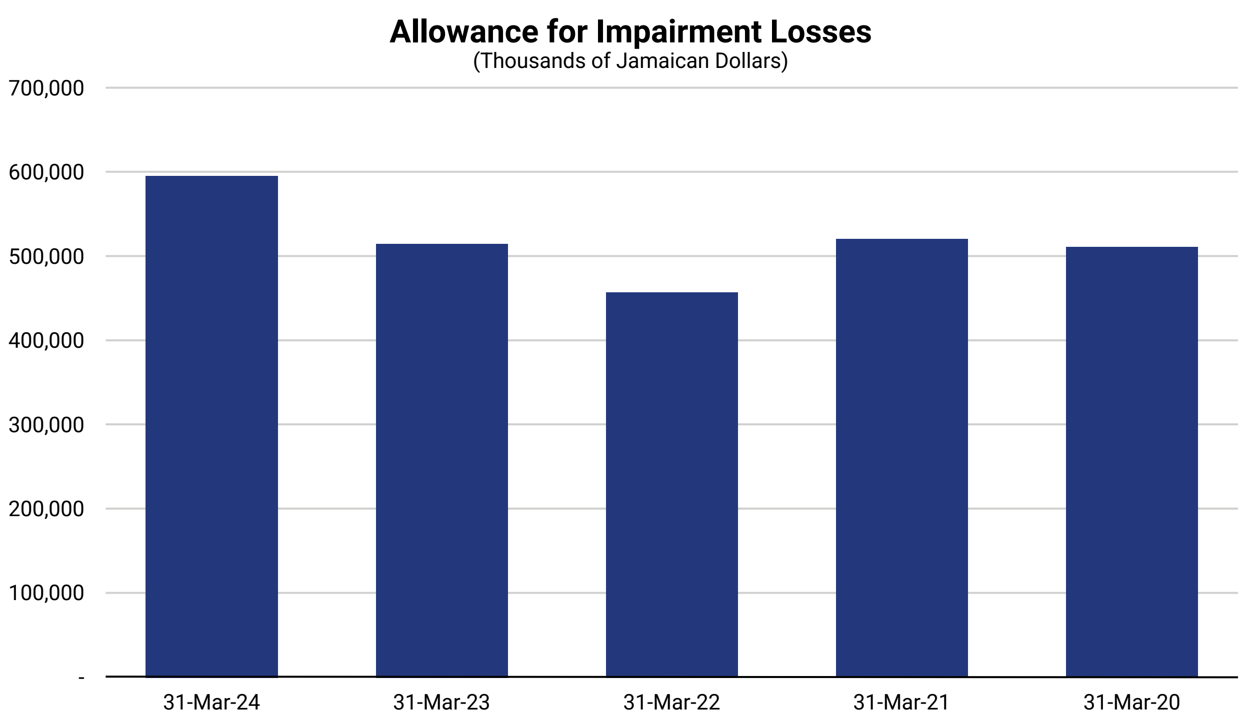
Analysis of Loans and Advances Portfolio

ANALYSIS OF LOANS AND ADVANCES PORTFOLIO				
(Expressed in Thousands of Jamaican Dollars)	31-Mar-2024	% of Total	31-Mar-2023	% of Total
Personal	6,040,973	92%	5,028,309	93%
Business				
Agriculture	83,442	1%	64,696	1%
Services	135,520	2%	95,163	2%
Trading	265,424	4%	230,052	4%
Manufacturing	11,847	0%	11,181	0%
	496,233	8%	401,092	7%
Total	**6,537,206**	**100%**	**5,429,401**	**100%**
Due within 1 month	85,290	1%	48,373	1%
1 to 3 months	591,590	9%	79,139	1%
3 to 12 months	315,369	5%	804,444	15%
Over 12 months	5,544,957	85%	4,497,445	83%
Total	**6,537,206**	**100%**	**5,429,401**	**100%**
Allowance for Impairment	(594,824)		(513,865)	
Unammortised Loan Fees	(209,499)		(161,996)	
Net Loan and Advances	**5,732,883**		**4,753,540**	

As at March 31, 2024, Access Personal Loan portfolio amounted to $6.04 billion representing 92% of the gross loan portfolio, compared to $5.03 billion or 93% as at March 31, 2023. This is reflective of the strategic shift to boost the business loans portfolio and rebalance the portfolio towards more business loans. Access' Business Loan portfolio increased to $496 million, representing 8% of the gross loan portfolio compared to $401 million or 7% at the end of the prior year. A strategy to drive growth in the business loan portfolio has been deployed and we will continue to create products and services to meet the demand from micro and small business operators who fuel Jamaica's economy.







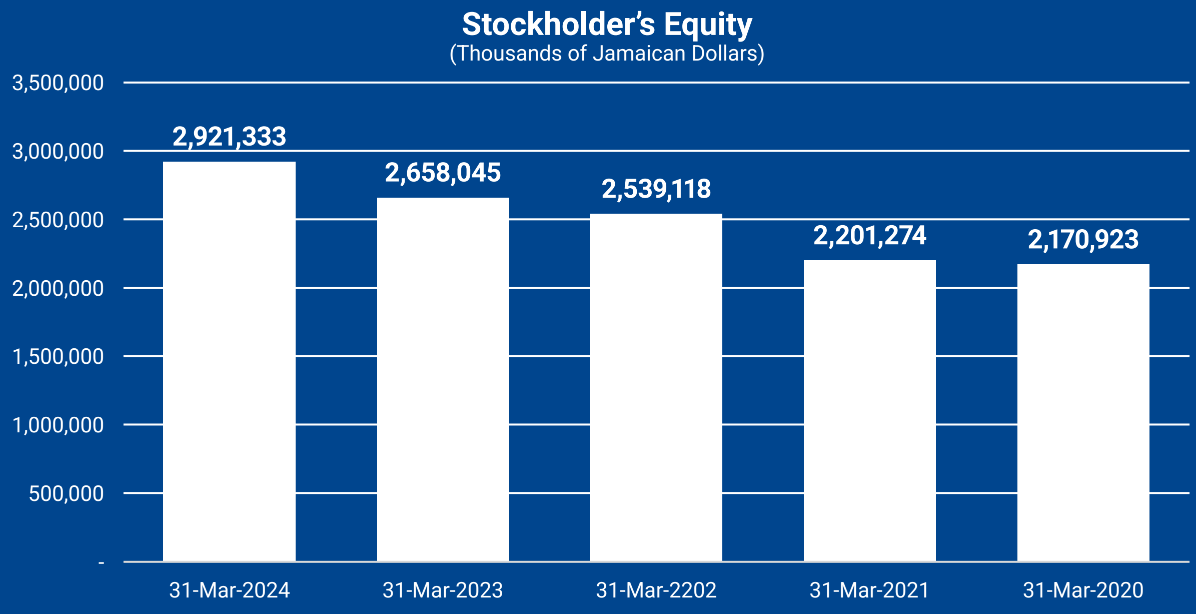
Allowance for impairment as at March 31, 2024 was $595 million, a 16% increase when compared to $514 million as at March 31, 2023. We continue to utilise various methodologies to improve the management of delinquency and the collection of bad debt.

Loans Payable

FUNDING PORTFOLIO (Expressed in Thousands of Jamaican Dollars)	31-Mar-2024	% of Total	31-Mar-2023	% of Total	31-Mar-2022	% of Total	31-Mar-2021	% of Total
Corporate Bond Holders (i)	2,028,024	58%	2,018,842	67%	1,289,196	56%	1,286,299	51%
Corporate Bond Holders (ii)	285,900	8%	-	-	-	-	-	-
JMMB Bank Limited (iii)	246,297	7%	60,297	2%	273,605	12%	85,911	3%
Development Bank of Jamaica Limited (iv)	930,952	27%	916,857	31%	752,994	33%	1,153,770	45%
Total	**3,491,173**	**100%**	**2,995,996**	**100%**	**2,315,795**	**100%**	**2,542,774**	**100%**
1 to 3 months	681,066	20%	113,797	4%	149,950	6%	168,489	7%
3 to 12 months	1,242,006	36%	689,319	23%	807,563	35%	747,041	29%
Over 12 months	1,568,101	45%	2,192,880	73%	1,358,282	59%	1,627,244	64%
Total	**3,491,173**	**100%**	**2,995,996**	**100%**	**2,315,795**	**100%**	**2,542,774**	**100%**

Total loans payable stood at $3.5 billion as at March 31, 2024 when compared to the prior year's amount of $3.0 billion. Of the $3.5 billion loans payable, 56% or $1.9 billion is due within 12 months.

Stockholder's Equity



Stockholder's equity stands at $2.92 billion as at March 31, 2024 compared to $2.66 billion for the prior year; due to the current year's profitability.

Dividends & Shareholder's Return

KEY RATIOS AND PER STOCK UNIT DATA

	31-Mar-2024	31-Mar-2023	31-Mar-2022	31-Mar-2021	31-Mar-2020
Profitability Ratios					
Return on Average Equity	12.2%	11.6%	18.1%	12.2%	16.2%
Return on Average Total Asset	5.1%	5.1%	7.8%	4.7%	6.3%
Per Stock Unit Data					
Earnings per Share	$1.23	$1.09	$1.56	$0.97	$1.20
Dividends Paid	$0.36	$0.30	$0.65	$0.43	$0.49
Dividend payout ratio	29.1%	27.5%	41.7%	44.4%	40.8%
Dividend yield	1.6%	1.2%	3.2%	1.9%	2.0%
Book value	$10.64	$9.68	$9.25	$8.02	$7.91
Market price	$21.26	$25.55	$20.07	$22.16	$24.95
High	$29.47	$28.27	$29.24	J$28.56	J$48.00
Low	$19.84	$19.10	$16.20	J$19.00	J$17.65
Year end	$21.21	$25.55	$20.07	J$22.16	J$24.95
Price to Earnings Ratio	17.16	23.44	12.87	22.90	20.77

$0.36
DIVIDENDS PAID
PER SHARE

$21.21
YEAR END
SHARE PRICE

29%
DIVIDEND
PAY-OUT RATIO

Dividends paid for the financial year totaled $0.36 per share, compared to $0.30 per share in the prior year.

The dividend pay-out ratio for the financial year was 29% with a dividend yield of 1.64%. As at March 31, 2024 the share price of AFS shares on the Jamaica Stock Exchange was $21.21.

Risk Management Structure

Our risk management structure is directed by the Board of Directors, who defines the risk management framework and the processes to identify, measure and monitor risk by the Group.

Risk measuring, monitoring, and management

Management continues to manage risk along the quadrants of the Group's strategic, operational, financial and management objectives. The following risks inherent to our business activities have been identified and managed as follows:

Credit Risk

The Group is exposed to credit risk, which is the risk that its customers, clients or counterparties will cause financial loss by failing to discharge their contractual obligations.

Credit exposures arise principally from the Group's loans and advances and cash balances held with financial institutions. The Group mitigates risk associated with loans through a vigorous credit adjudication and administration policy, which ensures that loans and advances are made to customers with an appropriate credit history. Risk associated with cash and short-term deposits transactions in financial institutions are mitigated by ensuring that transactions are done with institutions of high credit quality as well limiting the exposure that the Company has to any one institution.

Liquidity Risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. The consequence may be the failure to fulfill commitments to lend. The Group's liquidity management process includes:

- Monitoring future cash flows and liquidity daily.
- The appropriate matching of assets and liabilities.
- Maintaining committed lines of credit.
- Optimising returns on investments.

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 risks mainly arise from changes in foreign currency exchange rates and interest rates. The Group manages currency risk by ensuring that the net exposure in foreign assets and liabilities is kept at an acceptable level by monitoring currency positions. The Group is exposed to price risk from the changes in available for sale equity investments. The Group does not have significant exposure in this regard, as it does not have significant holdings in securities.

Interest Rate Risk

The Group is exposed to interest rate risk arising from its variable rate borrowings. This is managed through the monitoring of rate exposure and taking into consideration the options of refinancing, renewal of existing positions and alternative financing.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems, or from external events. Some examples of operational risk are fiduciary or disclosure breaches, technology failure and environmental risk. The Group's management framework supports the mitigation of Operational Risk by establishing the standards for assessment, management, monitoring, and the provision of assurance that the risk and internal controls frameworks are operating as intended.

Reputational Risk

Reputational risk is the potential that negative publicity, whether true or false regarding the Group's business practices, action or inaction will or may cause a decline in the company's value, liquidity, or customer base and earning potential. The Board of Directors and the Senior Management team oversee the management of reputational risk.

People-Centred Growth

Training & Development

Putting people at the centre of the company's growth strategy remains the biggest driver of success at Access Financial Services (AFS). Through a range of programmes to drive performance and engagement, the management team has created an environment where its employees deliver against stretch targets and thrive in a competitive market. As an employer of choice within the microfinance sector, AFS has built a reputation for nurturing a dedicated team of professionals committed to the Group's core values. In the financial year 2024, there was specific focus on continuous improvement, fostering a caring environment and most importantly, putting the customer first.

Continuous Improvement

In 2024, training and talent management was a key focus area for the more than 190 employees deployed at AFS in Jamaica and at Embassy Loans in the US. A wide range of in-house and external learning sessions were organised and executed for staff to build capacity and optimise efficiency.

In-house Training Sessions:

- **Credit Assessment Skills Development, Risk Evaluation & Loan Structuring and Documentation** - provided for all Business Loans Officers over a two-day period, the programme was designed and conducted by subject matter experts from our Operations and Credit Department.
- **Access-Ability/Poverty Stoplight Training** - conducted in collaboration with Fundación Paraguaya, Business Loans Officers were trained to administer the Poverty Stoplight self-evaluation survey, which is designed, in part, to help identify individuals who can benefit from microfinance support.
- **Performance Management** - team members were trained on effective performance management practices, including self-assessments, objective formation, documentation, and monitoring.

External Training:

- **Anti-Money Laundering & Combating the Financing of Terrorism (AML/CFT)** – held in the third quarter of the year, this training helped to equip our staff with the knowledge and skills to identify and appropriately address potential signs of money laundering.
- **Data Protection Certification** - several team members successfully completed this certification programme which was conducted by the Jamaica Stock Exchange.
- **Executive Sales Leadership Programme** - all three Regional Branch Managers and a member of the Embassy Loans Management team participated in this extensive sales leadership development programme, commencing in October 2023.
- **Executive Cybersecurity Training** – provided sensitisation sessions for members of our Senior Management and extended management teams around cybersecurity risks and effective risk management strategies.
- **Sales Training for Credit Officers** - a tailored comprehensive sales training programme for all credit officers conducted by an external consultant.
- **Introduction to Line Management** - new supervisors and managers completed this certificate course, focused on coaching, mentoring, talent management, and effective communication.

Celebrating academic success! AFS team members pose proudly with the 2023 recipients of the company's Education Assistance Programme. (L-R) Front Row – AFS Vice President of Operations and Credit Catherine Thomas; student awardees Jaden Anderson, Jaheim Bright, Nadahlia Coleman, Javaughn Gray, and Jay-Deon Webber. Back Row – AFS Marketing and Communications Manager Nicholas Mundell; student awardees Darius Waysome, Paris Nash and Justin Hart; AFS Chief Executive Officer Hugh Campbell, and AFS Human Resource Manager Rion Rodgers.

Fostering a Caring Environment

Staff welfare and engagement remained among the key pillars of the people strategy throughout the financial year, with a robust suite of programmes that benefit staff and a range of activities designed to bring employees together across the organisation.

AFS employees took advantage of the many support programmes available to them. Among the most impactful was the AFS Education Assistance Programme through which the company provides cash awards and recognition for employees and their children who meet the criteria. Applications were submitted ahead of the 2023/2024 academic year and ten employees were successful. Awards were assigned across the following three categories:

P.E.P Awards

Employees received cash awards for their children going into high school who performed well in the P.E.P Examination.

Tertiary Grants

Employees with children who recently completed their secondary education and are matriculating into tertiary institutions.

Employee Tuition Refund

Employees who are enrolled in tertiary studies get a refund of a portion of their tuition costs.

Some of the other main welfare and support programmes included:

- **Employee Mental Wellness Programme (EMWP)** - counselling made available to any employee who requires it, made possible through a partnership between AFS and Family Life Ministries which conducts the sessions.
- **Laptop Assistance Programme** - some employees tapped into this facility for help to purchase laptops.
- **Back to School Programme** - AFS partnered with Sangster's Book Store to assist employees with the purchase of books for their children ahead of the new school year.

Led by the HR team, the organisation also rolled out a series of activities that served to engage employees around commemorative dates, special occasions, including Valentine's Day, Labour Day, Mother's Day and Father's Day as well as worthy causes that resonated with staff.

- **Jamaica Reach to Recovery Pink Run 2023:** AFS funded the entry of 14 team members who participated in this annual charity race. The Pink Run serves as the primary initiative through which Jamaica Reach to Recovery raises funds to provide crucial medical treatment to female cancer patients and survivors in Jamaica.
- **Awards Ceremony and Team Building Day:** Held on August 4, 2023, at Konoko Falls & Park in Ocho Rios, St. Ann, this event included the presentation of awards and the celebration of our most outstanding employees for the previous financial year. Several team-building activities designed to improve team spirit, interpersonal skills, and boost overall morale were executed.

Rallying the Troops! Access Financial Services Marketing & Communications Manager Nicholas Mundell (right) gives his team of employee volunteers a full briefing before they got down to business at the Sunbeam Boys Home in Old Harbour, St. Catherine on Labour Day in 2023. The team painted the dining hall and donated an industrial fan to provide some relief from the heat for the 42 wards of the state who call Sunbeam their home. Access also donated eight wall fans to cool the dorm rooms.

Putting Customers First

As the marketing team continued its 'Champion of Small Business' campaign through the financial year 2024, customers benefited from prime opportunities for visibility on the road with the team. Annual events such as Black River Day in St. Elizabeth provided a platform for AFS small business customers to which they would not otherwise have had access. There was also special focus on women business owners who make up more than two-thirds of the company's business loan customers. Three women business owners received the AFS Women in Business Award for 2024 for the work they have been doing in their respective communities. The recipients who each received a cash grant of $75,000 were livestock farmer Icilda Brown from Manchester, beauty salon owner Pauline Scott from Westmoreland, and grocery shop owner Charmaine Chambers who operates her business in St. James.

Shrimp vendor and AFS customer Beverley 'Miss Bev' Bailey (right) tends to a patron at the AFS booth on Black River Day in the breadbasket parish on July 28, 2023, while AFS Business Development Officer Ruth-Ann Oakley (centre) looks on. Miss Bev was one of two Access customers invited to showcase their business as part of the annual Black River Day festivities.

Small business owners and customers of Access Financial Services (AFS) celebrate their Women in Business Awards with the AFS management team, [from left]: Vice President of Finance & Chief Financial Officer Brian Salmon, beauty salon owner Pauline Scott, shop owner Charmaine Chambers, AFS Chief Executive Officer Hugh Campbell, livestock farmer Icilda Brown, and Vice President of Operations & Credit Catherine Thomas.

Financial Statements

KPMG
P.O. Box 436
6 Duke Street
Kingston
Jamaica, W.I.
+1 (876) 922 6640
firmmail@kpmg.com.jm

INDEPENDENT AUDITORS' REPORT

To the Members of
ACCESS FINANCIAL SERVICES LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Access Financial Services Limited ("the Company") comprising the separate financial statements of the Company and the consolidated financial statements of the Company and its subsidiary ("the Group"), set out on pages 56 to 115 which comprise the Group's and Company's statements of financial position as at March 31, 2024, the Group's and Company's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at March 31, 2024, and of the Group's and Company's financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by International Accounting Standards Board (IFRS Accounting Standards) and the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants including international 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.

KPMG

INDEPENDENT AUDITORS' REPORT

To the Members of
ACCESS FINANCIAL SERVICES LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of Expected Credit Losses

Key Audit Matter	*How the matter was addressed in our audit*
IFRS 9 *Financial Instruments*, is complex and requires the Group to recognise expected credit losses ('ECL') on financial assets. The determination of ECL is highly subjective and requires management to make significant judgement and estimates, particularly regarding significant increase in credit risk and forward-looking information. The identification of significant increases in credit risk is a key area of judgement as the criteria determine whether a 12-month or lifetime loss allowance is recorded in respect of a financial asset. Forward-looking information, reflects a range of possible future economic conditions, in measuring expected credit losses. Significant management judgement is used in determining the economic scenarios, the probability weightings and management overlay.	We performed the following procedures: • Obtained an understanding of the model used by management for the calculation of expected credit losses on investments and loans. • Assessing and testing the design and implementation of the Group's and Company's control over the determination of expected credit losses. • Tested the completeness and accuracy of the data used in the models to the underlying accounting records on a sample basis. • Involved our financial risk modelling specialists to evaluate the appropriateness of the Group's and Company's impairment methodologies, including the criteria used for determining significant increase in credit risk and independently assessed the assumptions for probabilities of default, loss given default and exposure at default. • Involved our financial risk modelling specialists to evaluate the appropriateness of the Group's and Company's methodology for determining forward-looking information.

KPMG

INDEPENDENT AUDITORS' REPORT

To the Members of
ACCESS FINANCIAL SERVICES LIMITED

Report on the Audit of the Financial Statements (Continued)

Key Audit Matters (Continued)

Measurement of Expected Credit Losses (continued)

Key Audit Matter	*How the matter was addressed in our audit*
We therefore determined that the estimates of impairment in respect of loans have a high degree of estimation uncertainty. *See notes 3(i), 6 and 24(a) of the financial statements.*	• Assessed the adequacy of the disclosures of the key assumptions and judgements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

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

KPMG

INDEPENDENT AUDITORS' REPORT

To the Members of
ACCESS FINANCIAL SERVICES LIMITED

Report on the Audit of the Financial Statements (Continued)

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

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

Those charged with governance are responsible for overseeing the Group's and Company's financial reporting processes.

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.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 54 to 55, forms part of our auditors' report.

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

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

The engagement partner on the audit resulting in this independent auditors' report is Nyssa Johnson.

KPMG

Chartered Accountants
Kingston, Jamaica

July 12, 2024

KPMG

INDEPENDENT AUDITORS' REPORT

To the Members of
ACCESS FINANCIAL SERVICES LIMITED

Appendix to Report on the Audit of the 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 Group's and Company's internal controls.

- 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 Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

KPMG

INDEPENDENT AUDITORS' REPORT

To the Members of
ACCESS FINANCIAL SERVICES LIMITED

Appendix to the Independent Auditors' report (continued)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Statements of Financial Position

March 31, 2024 *(Expressed in Jamaican dollars unless otherwise stated)*

	Notes	Group		Company	
		2024	2023	2024	2023
		$'000	$'000	$'000	$'000
Assets					
Cash and cash equivalents	4	505,380	666,737	302,253	402,723
Other accounts receivable	5	96,342	93,207	302,519	302,660
Loans and advances	6	5,732,883	4,753,540	5,386,508	4,442,558
Investment in subsidiary	7	-	-	857,541	857,541
Property, plant and equipment	8	61,348	63,182	50,749	53,298
Intangible assets and goodwill	9	445,465	443,898	28,639	38,980
Deferred tax assets	10	154,474	198,379	141,249	158,932
Right-of-use assets	13	140,787	71,828	122,044	56,877
Total assets		7,136,679	6,290,771	7,191,502	6,313,569
Liabilities and equity					
Liabilities					
Payables	11	435,681	436,543	395,690	392,858
Loans payable	12	3,491,173	2,995,996	3,645,085	3,146,435
Lease liabilities	13	152,369	77,211	131,556	61,183
Taxation payable		136,123	122,976	136,113	122,977
Total liabilities		4,215,346	3,632,726	4,308,444	3,723,453
Stockholder's equity					
Share capital	14	96,051	96,051	96,051	96,051
Translation reserve	15	195,085	173,157	-	-
Retained earnings		2,630,197	2,388,837	2,787,007	2,494,065
Total equity		2,921,333	2,658,045	2,883,058	2,590,116
Total liabilities and equity		7,136,679	6,290,771	7,191,502	6,313,569

The financial statements on pages 56 to 115 were approved for issue by the Board of Directors on July 12, 2024, and signed on its behalf by:

______________________________ Executive Chairman
Marcus James

______________________________ Director
Charmaine Boyd-Walker

Year ended March 31, 2024 *(Expressed in Jamaican dollars unless otherwise stated)*

	Notes	Group 2024 $'000	Group 2023 $'000	Company 2024 $'000	Company 2023 $'000
Operating income					
Interest income from loans	3(k)	2,234,257	1,877,607	2,187,929	1,823,943
Interest income from securities		2,522	10,322	2,522	10,322
Total interest income, calculated on the effective interest method		2,236,779	1,887,929	2,190,451	1,834,265
Interest expense	16	(356,095)	(282,781)	(353,498)	(279,391)
Net interest income		1,880,684	1,605,148	1,836,953	1,554,874
Fees and commissions on loans		297,756	309,035	33,761	29,911
		2,178,440	1,914,183	1,870,714	1,584,785
Other operating income:					
Money services fees and commission		1,190	1,345	1,190	1,344
Foreign exchange gains/(losses)		1,384	(438)	1,384	(438)
Other income	18(a)	159,769	169,327	99,271	97,634
		162,343	170,234	101,845	98,540
		2,340,783	2,084,417	1,972,559	1,683,325
Operating expenses					
Staff costs	17	644,247	710,922	558,701	512,506
Allowance for credit losses	6(b)	480,787	396,114	376,887	291,238
Depreciation and amortisation	8,9,13	106,546	104,395	83,704	73,787
Other operating expenses	18(b)	538,100	456,010	358,013	305,803
		1,769,680	1,667,441	1,377,305	1,183,334
Profit before taxation		571,103	416,976	595,254	499,991
Taxation	19	(230,920)	(115,927)	(203,489)	(127,649)
Profit for the year		340,183	301,049	391,765	372,342
Other comprehensive income:					
Items that may be reclassified to profit/loss:					
Foreign currency translation gain/(loss) on overseas subsidiary		21,928	(17,416)	-	-
Total other comprehensive income/(loss)		21,928	(17,416)	-	-
Total comprehensive income		362,111	283,633	391,765	372,342
Earnings per stock unit	20	1.23	1.09	1.42	1.35

Group Statement of Changes in Shareholders' Equity

Year ended March 31, 2024 *(Expressed in Jamaican dollars unless otherwise stated)*

	Share capital (note 14) $'000	Translation reserve (note 15) $'000	Retained earnings $'000	Total $'000
Balances at March 31, 2022	96,051	190,573	2,252,494	2,539,118
Total comprehensive income for 2023				
Profit for the year	-	-	301,049	301,049
Other comprehensive income	-	(17,416)	-	(17,416)
	-	(17,416)	301,049	283,633
Transaction with owners				
Dividends paid (note 21)	-	-	(164,706)	(164,706)
Balances at March 31, 2023	96,051	173,157	2,388,837	2,658,045
Total comprehensive income for 2023				
Profit for the year	-	-	340,183	340,183
Other comprehensive income	-	21,928	-	21,928
	-	21,928	340,183	362,111
Transaction with owners				
Dividends paid (note 21)	-	-	(98,823)	(98,823)
Balances at March 31, 2024	96,051	195,085	2,630,197	2,921,333

Company Statement of Changes in Shareholders' Equity

Year ended March 31, 2024 *(Expressed in Jamaican dollars unless otherwise stated)*

	Share capital (note 14) $'000	Retained earnings $'000	Total $'000
Balances at March 31, 2022	96,051	2,286,429	2,382,480
Total comprehensive income for 2023			
Profit for the year	-	372,342	372,342
Transaction with owners			
Dividends paid (note 21)	-	(164,706)	(164,706)
Balances at March 31, 2023	96,051	2,494,065	2,590,116
Total comprehensive income for 2024			
Profit for the year	-	391,765	391,765
Transaction with owners			
Dividends paid (note 21)	-	(98,823)	(98,823)
Balances at March 31, 2024	96,051	2,787,007	2,883,058

Group Statement of Cash Flow

Year ended March 31, 2024 *(Expressed in Jamaican dollars unless otherwise stated)*

	Notes	2024 $'000	2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		340,183	301,049
Items not affecting cash resources:			
Exchange (gain)/loss on foreign balances		(1,384)	438
Depreciation and amortisation	8,9	28,131	35,149
Depreciation of right-of-use asset	13(a)	78,415	69,246
Gain on disposal of property, plant and equipment		(4,512)	(399)
Interest income		(2,236,779)	(1,887,929)
Lease interest expense	13(e)	16,397	10,000
Interest expense	16	339,698	272,781
Increase in allowance for loan losses	6(b)	480,787	396,114
Impairment of intangible assets	9	-	9,074
Income tax	19(a)	187,015	168,378
Deferred tax	19(a)	43,905	(51,662)
		(728,144)	(677,761)
Changes in operating assets and liabilities:			
Other accounts receivable		8,865	(51,734)
Payables		(1,196)	63,921
Loans and advances		(1,447,955)	(810,740)
		(2,168,430)	(1,476,314)
Interest received		2,236,779	1,887,929
Lease interest paid	13(e)	(16,397)	(10,000)
Interest paid		(339,364)	(272,786)
Taxation paid		(171,450)	(108,810)
Cash (used)/ generated by operating activities		(458,862)	20,019
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant & equipment and intangible assets	8,9	(18,445)	(25,252)
Proceeds from disposal of property, plant & equipment		4,846	1,362
Net cash used by investing activities		(13,599)	(23,890)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings	24(b)	1,311,764	3,146,170
Repayment of borrowings	24(b)	(828,587)	(2,465,969)
Lease payments	13(d)	(71,943)	(75,381)
Dividends paid	21	(98,823)	(164,706)
Net cash generated by financing activities		312,411	440,114
(Decrease)/increase in cash and cash equivalents		(160,050)	436,242
Effect of exchange rate fluctuations on cash and cash equivalents		(1,307)	(121,383)
Cash and cash equivalents at beginning of year		666,737	351,878
Cash and cash equivalents at end of year (note 4)		505,380	666,737

Year ended March 31, 2024 *(Expressed in Jamaican dollars unless otherwise stated)*

	Notes	2024 $'000	2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year		391,765	372,342
Items not affecting cash resources:			
Exchange (gain)/loss on foreign balances		(1,384)	438
Depreciation and amortisation	8,9	25,917	25,233
Depreciation of right-of-use asset	13(a)	57,787	48,554
Gain on disposal of property, plant and equipment		(4,512)	(399)
Interest income		(2,190,451)	(1,834,265)
Lease interest expense	13(e)	13,800	6,605
Interest expense	16	339,698	272,786
Increase in allowance for loan losses	6(b)	376,887	291,238
Impairment of intangible assets	9	-	-
Income tax	19(a)	185,806	168,378
Deferred tax	19(a)	17,683	(40,729)
		(787,004)	(689,819)
Changes in operating assets and liabilities:			
Other accounts receivable		12,141	(105,481)
Payables		2,498	1,785
Loans and advances		(1,321,853)	(865,722)
		(2,094,218)	(1,659,237)
Interest received		2,190,451	1,834,265
Lease interest paid	13(e)	(13,800)	(6,605)
Interest paid		(339,364)	(245,591)
Taxation paid		(172,670)	(111,282)
Net cash used by operating activities		(429,601)	(188,450)
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant & equipment and intangible assets	8,9	(13,361)	(16,535)
Proceeds from disposal of property, plant and equipment		4,846	1,362
Net cash used by investing activities		(8,515)	(15,173)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings	24(b)	1,311,764	3,146,170
Repayment of borrowings	24(b)	(825,114)	(2,468,836)
Lease payment	13(d)	(52,158)	(55,120)
Dividends paid	21	(98,823)	(164,706)
Net cash generated by financing activities		335,669	457,508
(Decrease)/increase in cash and cash equivalents		(102,447)	253,885
Effect of exchange rate fluctuations on cash and cash equivalents		1,977	(2,829)
Cash and cash equivalents at beginning of year		402,723	151,667
Cash and cash equivalents at end of year (note 4)		302,253	402,723

The accompanying notes form an integral part of the financial statements

1. Identification and principal activities

Access Financial Services Limited (the Company) is incorporated and domiciled in Jamaica and its registered office is situated at 41B Half Way Tree Road, Kingston 5, Jamaica W.I. The Company is listed on the Junior Market of the Jamaica Stock Exchange.

The Company acquired a 100% shareholding in its subsidiary, Embassy Loans Inc., on December 15, 2018, which is domiciled in the United States of America.

The Company and its subsidiary are collectively referred to as "the Group" in these financial statements.

The principal activity of the Group is retail lending to the micro enterprise sector for personal and business purposes. Funding is provided by financial institutions, government entities and non-governmental organisations. The Group also operates a money services division and offers bill payment services.

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS).

New and amended standards and interpretations that became effective during the year:

Certain new and amended standards came into effect during the current financial year. The Group has assessed them and adopted those which are relevant to its financial statements. Effective April 1, 2023, the company adopted the amendments to IAS 1, which resulted in the company disclosing material accounting policies, rather than significant accounting policies.

New and amended standards and interpretations that are not yet effective:

At the date of authorisation of these financial statements, certain new and amended standards and interpretations have been issued which were not effective for the current year and which the Group has not early-adopted. The Group has assessed them with respect to its operations and has determined that the following are relevant:

- Amendments to IAS 1 *Presentation of Financial Statements*, will apply retrospectively for annual reporting periods beginning on or after 1 January 2024. The amendments promote consistency in application and clarify the requirements on determining if a liability is current or non-current.

2. Statement of compliance and basis of preparation (continued)

(a) Statement of compliance (continued):

New and amended standards and interpretations that are not yet effective (continued):

- Amendments to IAS 1 *Presentation of Financial Statements* (continued)

  Under existing IAS 1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. As part of its amendments, the requirement for a right to be unconditional has been removed and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period. A company classifies a liability as non-current if it has a right to defer settlement for at least twelve months after the reporting period. It has now been clarified that a right to defer exists only if the company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date. With the amendments, convertible instruments may become current. In light of this, the amendments clarify how a company classifies a liability that includes a counterparty conversion option, which could be recognised as either equity or a liability separately from the liability component under IAS 32. Generally, if a liability has any conversion options that involve a transfer of the company's own equity instruments, these would affect its classification as current or non-current. It has now been clarified that a company can ignore only those conversion options that are recognised as equity when classifying liabilities as current or non-current.

  The Group does not expect the amendment to have a significant impact on its financial statements.

- IFRS 18 *Presentation and Disclosure in Financial Statements,* is effective for annual reporting periods beginning on or after January 1, 2027. Under current IFRS Accounting Standards, companies use different formats to present their results, making it difficult for investors to compare financial performance across companies. IFRS 18 promotes a more structured income statement. In particular, it introduces a newly defined 'operating profit' subtotal and a requirement for all income and expenses to be allocated between three new distinct categories (Operating, Investing and Financing) based on a company's main business activities.

  All companies are required to report the newly defined 'operating profit' subtotal – an important measure for investors' understanding of a company's operating results – i.e. investing and financing activities are specifically excluded. This means that the results of equity-accounted investees are no longer part of operating profit and are presented in the 'investing' category.

2. Statement of compliance and basis of preparation (continued)

(a) Statement of compliance (continued):

New and amended standards and interpretations that are not yet effective (continued):

- IFRS 18 *Presentation and Disclosure in Financial Statements(cont'd)*

  IFRS 18 also requires companies to analyse their operating expenses directly on the face of the income statement – either by nature, by function or using a mixed presentation. Under the new standard, this presentation provides a 'useful structured summary' of those expenses. If any items are presented by function on the face of the income statement (e.g. cost of sales), then a company provides more detailed disclosures about their nature.

  IFRS 18 requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for management performance measures(MPMs), requiring them to be a subtotal of income and expenses, used in public communications outside the financial statements and reflective of management's view of financial performance. For each MPM presented, companies will need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

  Companies are discouraged from labelling items as 'other' and will now be required to disclose more information if they continue to do so.

  The Group does not expect the amendment to have a significant impact on its financial statements.

(b) Basis of preparation:

The financial statements are prepared under the historical cost basis.

(c) Functional and presentation currency:

These financial statements are presented in thousands of Jamaica dollars ($'000), which is the Company's functional currency, unless otherwise indicated. The financial statements of the subsidiary, which has a different functional currency, (United States Dollar), are translated into the presentation currency in the manner described in note 3(g)(ii).

2. Statement of compliance and basis of preparation (continued)

(d) Use of estimates and judgements:

The preparation of the financial statements to conform to IFRS requires management to make estimates and judgements that affect the selection of accounting policies and the reported amounts of, and disclosures relating to, assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income, expenses, gains and losses for the year then ended. Actual amounts could differ from those estimates.

The estimates and the assumptions underlying them, are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Judgements that have a significant effect on the amounts recognised in the financial statements and estimates that can cause a significant adjustment to the carrying amounts of assets and liabilities in the next financial year include the following:

(i) Key sources of estimation uncertainty

(i) Impairment of financial assets

The measurement of the expected credit loss allowance measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour. (e.g. the likelihood of customers defaulting and the resulting losses). Management also estimates the likely amount of cash flows recoverable on the financial assets in determining loss given default. The use of assumptions make uncertainty inherent in such an estimate. Explanations of the inputs, assumptions and estimation techniques used in measuring ECL is further detailed in note 24(a)(iv), which also sets out key sensitivities of the ECL to changes in these elements.

(ii) Critical accounting judgements in applying the Company's accounting policies

For the purpose of these financial statements prepared in accordance with IFRS, judgement refers to the informed identification and analysis of reasonable alternatives, considering all relevant facts and circumstances, and the well-reasoned, objective and unbiased choice of the alternative that is most consistent with the agreed principles set out in IFRS.

The Company's accounting policies provide scope for financial assets and liabilities to be designated on inception into different accounting categories in certain circumstances, and the Company exercises judgement in carrying out such designation.

The assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest (SPPI) on the principal amount outstanding [see note 3(b)(i)] requires management to make certain judgements on its business operations.

3. Material accounting policies

The Group's and the Company's accounting policies set out below have been applied consistently to all periods presented in these financial statements and comply in all material respects with IFRS.

(a) Basis of consolidation:

(i) Subsidiaries

Subsidiaries are all entities controlled by the Group. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Transactions eliminated on consolidation

Balances and transactions between companies within the Group, and any unrealised gains arising from those transactions, are eliminated in preparing the consolidated financial statements.

(b) Financial instruments – Classification, recognition and de-recognition, and measurement:

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity. In these financial statements, financial assets comprise cash and cash equivalents, other accounts receivable, and loans and advances. Financial liabilities comprise accounts payable and loans payable.

Financial assets

(i) Classification of financial assets

In applying IFRS 9, the Group classified its financial assets measurement category as amortised cost.

Business model assessment

The business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

3. Material accounting policies (continued)

(b) Financial instruments – Classification, recognition and de-recognition, and measurement (continued):

Financial assets (continued)

(i) Classification of financial assets (continued)

Business model assessment (continued)

Factors considered by the Group in determining the business model for a group of assets include:

1. Past experience on how the cash flows for these assets were collected;
2. How the asset's performance is evaluated and reported to key management personnel;
3. How risks are assessed and managed; and
4. How managers are compensated.

For example, securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in the 'other' business model and measured at FVTPL.

Solely payments of principal and interest (SPPI):

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test').

In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement, i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

The Group reclassifies debt investments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

3. Material accounting policies (continued)

(b) Financial instruments – Classification, recognition and de-recognition, and measurement (continued):

Financial liabilities

The Group's financial liabilities, comprising loans and accounts payable, are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position only when the Group has a legal right to set off the recognised amounts and it intends to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Amortised cost

Amortised cost is calculated using the effective interest method. Premiums, discounts and initial transaction costs are included in the carrying amount of the related instruments and amortised based on the effective interest rates.

(c) Financial instruments – Other:

(i) Cash and cash equivalents

Cash comprises cash in hand and demand and call deposits and are measured at amortised cost. Cash equivalents are short-term, highly liquid financial assets that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments, rather than for investment or other purposes. These include certificates of deposit where the maturities do not exceed three months from the date of acquisition.

(ii) Other accounts receivable

Other accounts receivable are measured at amortised cost less impairment losses

(iii) Loans and advances and provision for credit losses

Loans and advance are non-derivative financial assets with fixed or determinable payments, that are not quoted in an active market, and that the Group and Company does not intend to sell immediately or in the near term.

3. Material accounting policies (continued)

(c) Financial instruments – Other (continued):

(iii) Loans and advances and provision for credit losses (continued)

Loans are recognised when cash is advanced to borrowers. They are initially recorded at amortised cost, which is the cash given to originate the loan, including any origination fees and transaction costs, and subsequently measured at amortised cost using the effective interest method, less impairment allowances.

(iv) Payables

Payables are measured at amortised cost.

(v) Interest-bearing borrowings

Interest-bearing borrowings, are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are measured at amortised cost, with any difference between cost and redemption being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(d) Property, plant and equipment:

(i) Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(ii) Depreciation is recognised in the income statement on the straight-line basis, over the estimated useful lives of property, plant and equipment. The depreciation rates are as follows:

Right-of -use	
Furniture and fixtures	10%
Leasehold improvement	10%
Computer equipment	20%
Motor vehicle	25%

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(iii) Work in progress is recognised under property, plant and equipment as a separate caption once the cost is incurred by the group. This is transferred to respective property, plant and equipment caption once construction is completed and available for use.

3. Material accounting policies (continued)

(e) Intangible assets:

(i) Intangible assets which represents computer software is deemed to have a finite useful life of five years and is measured at cost, less accumulated amortisation and accumulated impairment losses, if any. The depreciation rate for computer software is 20%.

(ii) Customer relationship and non-compete agreements that are acquired by the Company are deemed to have a finite useful lives of eight years and are measured at cost less accumulated amortisation and accumulated impairment losses, if any. The depreciation rate for customer relationship is 12.5%.

(iii) Trade name and trademark have indefinite useful lives and are carried at cost less accumulated impairment losses. The useful lives of such assets are reviewed at each reporting date to determine whether events and circumstances continue to support an indefinite useful life assessment for those assets. A change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate.

(iv) Goodwill represents the excess of cost of the acquisition over the Company's interest in the net fair value of the identifiable assets of the acquiree. Goodwill is measured at cost less accumulated impairment losses and is assessed for impairment annually.

(v) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred. Expenses incurred but projects not completed classify as work in progress and this will transferred to respective intangible assets once project completed.

(f) Impairment of non-financial assets:

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset, or group of operating assets, exceeds its recoverable amount. Impairment losses are recognised in profit or loss.

(g) Foreign currency translation:

(i) Transactions and balances

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. These rates represent the weighted average rates at which the Group trades in foreign currency.

3. Material accounting policies (continued)

(g) Foreign currency translation (continued):

(i) Transactions and balances (continued)

Changes in the fair value of monetary securities denominated in foreign currency classified as fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in profit or loss. Other changes in the carrying amount are recognised in other comprehensive income and presented in fair value reserve.

(ii) Foreign operations

The assets and liabilities of foreign operations are translated into Jamaica dollar at the spot exchange rate at the reporting date. The income and expenses of the foreign operations are translated into Jamaica dollar at the average exchange rates for the period. Foreign currency differences on the translation of foreign operations are recognised in other comprehensive income and included in translation reserve.

(h) Income tax:

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised accordingly.

(i) Current income tax

Current income tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the reporting date, and any adjustment to income tax payable in respect of previous years.

(ii) Deferred income tax

Deferred income tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3. Material accounting policies (continued)

(i) Impairment of financial assets:

The Group recognises loss allowances for expected credit losses (ECL) on the financial instruments measured at amortised cost and debt instruments at FVOCI. No impairment loss is recognised on equity instruments.

Framework

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Group.

- If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. See below for a description of how the Group determines when a significant increase in credit risk has occurred.

  A financial asset is credit impaired ('Stage 3') when one or more events that has a detrimental impact on the estimated future cash flows of the financial asset have occurred.

- Financial instruments in Stage 1 have their ECL measured at an amount equal to the expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 and 3 have their ECL measured based on expected credit losses on a lifetime basis. See below and note 24(a) for a description of inputs, assumptions and estimation techniques used in measuring the ECL.

- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information. See note 24(a) for an explanation of how the Group has incorporated this in its ECL models.

- Purchased or originated credit-impaired financial assets (POCI) are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired ('Stage 3'). Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;

- a breach of contract such as a default or past due event;

3. Material accounting policies (continued)

(i) Impairment of financial assets (continued):

Credit-impaired financial assets (continued)

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired (‘Stage 3’). Evidence that a financial asset is credit-impaired includes the following observable data (continued):

- the restructuring of a loan or advance by the Group on terms that it would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

In addition, a loan that is overdue for 30 days or more is considered credit-impaired even when the regulatory definition of default is different.

Measurement of ECL

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival (i.e., the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The lifetime PD is developed by applying a maturity profile to the current 12-month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band. This is supported by historical analysis.

3. Material accounting policies (continued)

(i) Impairment of financial assets (continued):

Measurement of ECL (continued)

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn and the cash flows that the Group expects to receive;
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expects to recover; and

Presentation of allowance for ECL in the statement of financial position

Allowances for ECL are presented in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.
- loan commitments and financial guarantee contracts: generally, as a provision.

(j) Employee benefits:

Employee benefits are all forms of consideration given by the Group in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, NIS contributions, annual vacation leave, and non-monetary benefits such as medical care; post-employment benefits such as pensions; and other long-term employee benefits such as termination benefits.

Contributions to defined contribution pension plans are charged to profit or loss in the year to which they relate. The pension scheme is administered by Employee Benefits Administrator Limited.

Short-term employee benefits are charged as expense. The expected cost of vacation leave that accumulates is recognised over the period that the employee becomes entitled to the leave.

3. Material accounting policies (continued)

(k) Revenue recognition:

(i) Interest income and expense

Interest income and expense are recognised in profit or loss for using the effective interest method. The "effective interest rate" is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instruments to its gross carrying amount.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and interest expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset. In calculating interest income, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired). The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that have become credit-impaired on initial recognition, interest income is calculated by applying the credit adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to the gross basis even if the credit risk of the asset improves.

Presentation

Interest income calculated using the effective interest method presented in the statement of profit or loss and other comprehensive income, includes interest on financial assets measured at amortised cost and interest on debt instruments measured at FVOCI.

Interest expense presented in the statement of profit or loss and other comprehensive income includes financial liabilities measured at amortised cost.

Interest income is recognised on the accrual basis, by reference to the principal outstanding and the interest rate applicable to produce the effective interest over the life of the loan.

3. Material accounting policies (continued)

(k) Revenue recognition (continued)

(ii) Fee and commission income

Fee and commission income are recognised on the accrual basis when service has been provided. Fees and commissions arising from negotiating or participating in the negotiation of a transaction for a third party are recognised on completion of the underlying transaction.

(l) Leases:

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Rate for the depreciation for right-of-use assets range 20%-50%.

The lease liability is initially measured at the present value of the scheduled lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

3. Material accounting policies (continued)

(l) Leases (continued):

As a lessee (continued)

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(m) Segment reporting:

The Group operates in two geographical areas namely Jamaica and United States. These two has been identified as reporting segments in these financial statements (see note 23). Operations in both geographical areas are same. There are no difference in recording transactions, assets and liabilities between these reporting segments.

3. Material accounting policies (continued)

(n) Segment reporting (continued):

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segment and assesses its performance; and for which discrete financial information is available.

(o) Dividend distribution:

Dividend distribution to the Company's stockholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

(p) Other income:

Loan and advances balances previously written off and subsequently recovered are accounted for in other income.

(q) Determination of fair value:

Fair value amounts represent estimates of the arm's length consideration that would be currently agreed between knowledgeable, willing parties who are under no compulsion to act and is best evidenced by a quoted market price, if one exists.

4. Cash and cash equivalents

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Short term deposits	-	100,000	-	100,000
Cash at bank*	505,380	566,737	302,253	302,723
	505,380	666,737	302,253	402,723

* Included in cash at bank are amounts held as collaterals on loans that are repayable to customers at the end of the loan period (note 11)

5. Other accounts receivable

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Taxation recoverable	6,099	7,995	4,417	6,351
Due from Proven Wealth Limited	12,000	-	12,000	-
Prepayments and deposits	38,256	40,884	27,393	34,418
Interest receivable [note 22(b)]	-	-	246,217	240,660
Other	39,987	44,328	12,492	21,231
	96,342	93,207	302,519	302,660

6. Loans and advances

(a) Loans and advances are comprised of, and mature as follows:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Due within 1 month	85,920	48,373	82,561	43,638
1 to 3 months	591,590	79,139	553,938	42,893
3 to 12 months	315,369	804,444	50,732	539,286
Over 12 months	5,544,327	4,497,445	5,458,483	4,449,963
Gross loans and advances	6,537,206	5,429,401	6,145,714	5,075,780
Less: Allowance for impairment [note 24(a)]	(594,824)	(513,865)	(549,707)	(471,226)
	5,942,382	4,915,536	5,596,007	4,604,554
Less loan fees:				
At the beginning of the year	161,996	129,218	161,996	129,218
Additions during the year	143,104	115,557	143,104	115,557
Amortisation during the year	(95,601)	(82,779)	(95,601)	(82,779)
	209,499	161,996	209,499	161,996
Balance at the end of the year	5,732,883	4,753,540	5,386,508	4,442,558

(b) Allowances for loan losses:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Balance at beginning of year	513,865	456,964	471,226	404,123
Allowance made during the year	480,787	396,114	376,887	291,238
Translation adjustment	(63,334)	113,511	-	-
Loans written off	(336,494)	(452,724)	(298,406)	(224,135)
Balance at the end of the year	594,824	513,865	549,707	471,226

6. Loans and advances (continued)

(c) Analysis of loans by class of business and sector are as follows:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Personal loans	6,040,973	5,028,309	5,649,481	4,674,659
Business loans:				
Agriculture	83,442	64,696	83,442	64,725
Services	135,520	95,163	135,520	95,163
Trading	265,424	230,052	265,424	230,052
Manufacturing	11,847	11,181	11,847	11,181
	496,233	401,092	496,233	401,121
	6,537,206	5,429,401	6,145,714	5,075,780

7. Investment in subsidiary

	Company	
	2024	2023
	$'000	$'000
Embassy Loans Inc., at cost	857,541	857,541

8. Property, plant and equipment:

	Group					
	Leasehold improvement $'000	Computer equipment $'000	Furnitures and fixtures $'000	Motor vehicles $'000	Work in progress $'000	Total $'000
Cost						
March 31, 2022	67,491	122,825	47,437	32,459	2,014	272,226
Additions	-	12,924	4,985	-	2,755	20,664
Disposal	(1,150)	(5,483)	(3,196)	-	-	(9,829)
Transfers	1,576	2,718	-	-	(4,294)	-
Translation adjustment	708	5,435	318	-	-	6,461
March 31, 2023	68,625	138,419	49,544	32,459	475	289,522
Additions	1,608	2,005	4,170	-	10,662	18,445
Disposal	-	(26,514)	(4,328)	(12,499)	-	(43,341)
Transfers	-	3,985	121	-	(4,106)	-
Translation adjustment	3,010	(14,518)	2,531	(2,631)	(438)	(12,046)
March 31, 2024	73,243	103,377	52,038	17,329	6,593	252,580
Depreciation						
March 31, 2022	57,098	101,629	30,716	21,300	-	210,743
Charge for the year	1,916	8,956	2,993	4,378	-	18,243
Eliminated on disposal	(813)	(5,443)	(2,865)	-	-	(9,121)
Translation adjustment	707	5,450	318	-	-	6,475
March 31, 2023	58,908	110,592	31,162	25,678	-	226,340
Charge for the year	2,735	8,649	3,393	3,013	-	17,790
Eliminated on disposal		(26,179)	(4,328)	(12,500)	-	(43,007)
Translation adjustment	(607)	(8,832)	2,179	(2,631)	-	(9,891)
March 31, 2024	61,036	84,230	32,406	13,560	-	191,232
Net book values						
March 31, 2024	12,207	19,147	19,632	3,769	6,593	61,348
March 31, 2023	9,717	27,827	18,382	6,781	475	63,182

8. Property, plant and equipment (continued)

	Company					
	Leasehold improvement $'000	Computer equipment $'000	Furnitures and fixtures $'000	Motor vehicles $'000	Work in progress $'000	Total $'000
Cost						
March 31, 2022	61,636	77,811	47,437	29,828	2,014	218,726
Additions	-	4,207	4,985	-	2,755	11,947
Disposal	(1,150)	(5,483)	(3,196)	-	-	(9,829)
Transfers	1,576	2,718	-	-	(4,294)	-
Adjustments	-	-	-	-	(438)	(438)
March 31, 2023	62,062	79,253	49,226	29,828	37	220,406
Additions	-	2,158	2,165	-	9,038	13,361
Disposal	-	(26,514)	(4,328)	(12,499)	-	(43,341)
Transfers	-	3,985	121	-	(4,106)	-
March 31, 2024	62,062	58,882	47,184	17,329	4,969	190,426
Depreciation						
March 31, 2022	51,242	58,883	30,716	18,669	-	159,510
Charge for the year	1,916	7,432	2,993	4,378	-	16,719
Eliminated on disposal	(813)	(5,443)	(2,865)	-	-	(9,121)
March 31, 2023	52,345	60,872	30,844	23,047	-	167,108
Charge for the year	1,860	7,416	3,287	3,013	-	15,576
Eliminated on disposal	-	(26,179)	(4,328)	(12,500)	-	(43,007)
March 31, 2024	54,205	42,109	29,803	13,560	-	139,677
Net book values						
March 31, 2024	7,857	16,773	17,382	3,768	4,969	50,749
March 31, 2023	9,717	18,381	18,382	6,781	37	53,298

9. Intangible assets and goodwill

	Group					
	Computer software $'000	Customer relationship $'000	Trademark and tradename $'000	Goodwill $'000	Work in progress $'000	Total $'000
Cost						
March 31, 2022	91,765	86,987	29,131	419,807	27,769	655,459
Additions	857	-	-	-	3,731	4,588
Disposal	(6,912)	-	-	-	-	(6,912)
Adjustments	-	-	-	-	(742)	(742)
Transfers	28,257	-	-	-	(28,257)	-
Translation adjustment	(860)	-	(717)	(10,920)	-	(12,497)
March 31, 2023	113,107	86,987	28,414	408,887	2,501	639,896
Transfers	1,153	-	-	-	(1,153)	-
Translation adjustment	-	1,042	868	9,998	-	11,908
March 31, 2024	114,260	88,029	29,282	418,885	1,348	651,804
Amortisation and impairment						
March 31,2022	75,633	86,987	9,229	4,623	-	176,472
Charge for the year	16,906	-	-	-	-	16,906
Disposal	(6,657)	-	-	-	-	(6,657)
Impairment for the year	9,074	-	-	-	-	9,074
Translation adjustment	203	-	-	-	-	203
March 31, 2023	95,159	86,987	9,229	4,623	-	195,998
Charge for the year	10,341	-	-	-	-	10,341
March 31, 2024	105,500	86,987	9,229	4,623	-	206,339
Net book values						
March 31, 2024	8,760	1,042	20,053	414,262	1,348	445,465
March 31, 2023	17,948	-	19,185	404,264	2,501	443,898

	Company					
	Computer software $'000	Customer relationship $'000	Trademark and tradename $'000	Goodwill $'000	Work in progress $'000	Total $'000
Cost						
March 31,2022	91,765	27,600	4,200	4,623	27,769	155,957
Additions	857	-	-	-	3,731	4,588
Disposals	(6,912)	-	-	-	-	(6,912)
Transfers	28,257	-	-	-	(28,257)	-
Adjustments	-	-	-	-	(740)	(740)
March 31, 2023	113,967	27,600	4,200	4,623	2,503	152,893
Transfers	1,153	-	-	-	(1,153)	-
March 31,2024	115,120	27,600	4,200	4,623	1,350	152,893
Amortisation and impairment						
March 31,2022	75,633	27,600	4,200	4,623	-	112,056
Charge for the year	8,514	-	-	-	-	8,514
Disposal	(6,657)	-	-	-	-	(6,657)
March 31, 2023	77,490	27,600	4,200	4,623	-	113,913
Charge for the year	10,341	-	-	-	-	10,341
March 31,2024	87,831	27,600	4,200	4,623	-	124,254
Net book values						
March 31, 2024	27,289	-	-	-	1,350	28,639
March 31, 2023	36,477	-	-	-	2,503	38,980

Year ended March 31, 2024 (Expressed in Jamaican dollars unless otherwise stated)

9. Intangible assets and goodwill (continued)

Impairment testing for Goodwill

The recoverable amount of the Goodwill for the Group is based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The CGU (Embassy Loans) is a consumer finance company and offers auto title loans to customers in need of emergency funds. On 15th December 2018, the company became a subsidiary of Access Financial Services Limited, and all of the goodwill is allocated to it. The recoverable amount of the CGU was determined to be higher than the carrying value amount of $357,077,000 (2023: $407,824,000), therefore no impairment charge recognised during the year (2023: $Nil).

The key assumptions used in the estimation of value in use were as follows:

	2024	2023
Discount rate	15.0%	14.0%
Revenue growth rate	7.8%	7.6%
Terminal value growth rate	2.0%	2.0%

The estimated recoverable amount of the CGU exceeds carrying amount by approximately $292,587,000_(2023: $379,433,000). Management has estimated that a reasonable change in two key assumptions would cause the recoverable amount to remain in excess of the carrying amount.

Sensitivity Analysis

The following table shows the amount by which these two assumptions would need to change individually for the estimated recoverable amount to be equal to the carrying amount.

	Change required for carrying amount to equal recoverable amount	
	2024	2023
Discount rate	+51.8%	+55.6%
Loan growth rate	-60.7%	-41.0%

Sensitivity Analysis

The discount rate was a pre-tax measure based on the rate of 20-year United States Government Treasury bonds and in the same currency as the cash flows , adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Ten years of cash flows were included in the discounted cash flow model. The use of ten years is driven by projected growth in income at higher rates during the first seven years of the projected period which was attributed in part to the unsecured loans to be offered in future years. The discrete period was therefore projected to cover ten years followed by the terminal period .

9. Intangible assets and goodwill (continued)

Sensitivity Analysis (continued)

A long-term growth rate into perpetuity and the long-term compound annual loan growth rate estimated by management based on the expectations of future outcomes taking into account past experience, adjusted for anticipated revenue growth. Revenue growth was projected taking into account the average growth levels experienced over the past 3 years and the estimated loan disbursements for the next 10 years.

10. Deferred tax assets

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 33 1/3% (2023: 33 1/3%).

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities.

Deferred tax is due to the following temporary differences:

	Group				
	March 31, 2022	Recognised in profit or loss (note 19)	March 31, 2023	Recognised in profit or loss (note 19)	March 31, 2024
	$'000	$'000	$'000	$'000	$'000
Accounts payable	8,562	11,552	20,114	(332)	19,782
Property, plant & equipment	14,047	3,246	17,293	(160)	17,133
Loans receivable	161,849	77,558	239,407	(44,491)	194,916
Leases	3,294	(1,859)	1,435	1,736	3,171
Interest receivable	(41,035)	(38,835)	(79,870)	(658)	(80,528)
	146,717	51,662	198,379	(43,905)	154,474

	Company				
	March 31, 2022	Recognised in profit or loss (note 19)	March 31, 2023	Recognised in profit or loss (note 19)	March 31, 2024
	$'000	$'000	$'000	$'000	$'000
Accounts payable	8,562	11,552	20,114	(332)	19,782
Property, plant & equipment	14,047	3,246	17,293	(160)	17,133
Leases	3,294	(1,859)	1,435	1,736	3,171
Loans receivable	133,335	66,960	200,295	(17,060)	183,235
Interest receivable	(41,035)	(39,170)	(80,205)	(1,867)	(82,072)
	118,203	40,729	158,932	(17,683)	141,249

11. Payables

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Accounts payables	65,634	80,844	25,643	37,161
Interest payable	38,858	38,524	38,858	38,524
Cash collateral held	125,827	125,540	125,827	125,540
Other payables	205,362	191,635	205,362	191,633
	435,681	436,543	395,690	392,858

12. Loans payable

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Corporate bond-holders (i)	2,028,024	2,018,842	2,028,024	2,018,842
Corporate bond-holders (ii)	285,900	-	285,900	-
JMMB Bank Limited (iii)	246,297	60,297	246,297	60,297
Development Bank of Jamaica Limited (iv)	930,952	916,857	930,952	916,857
Embassy loans (v)	-	-	153,912	150,439
	3,491,173	2,995,996	3,645,085	3,146,435
The loans mature as follows:				
1 to 3 months	681,066	113,797	681,066	113,797
3 to 12 months	1,242,006	689,319	1,091,567	538,880
	1,923,072	803,116	1,772,633	652,677
Over 12 months	1,568,101	2,192,880	1,872,452	2,493,758
	3,491,173	2,995,996	3,645,085	3,146,435

(i) This represents five year fixed to floating and variable rate bond notes due in 2027 and 2024, arranged by Proven Wealth Limited and registered with JCSD Trustee Services Limited, as Trustee. Interest is payable every quarter and the fixed rate to floating bond interest rate is 11% for two years and and variable thereafter. The variable rate bond interest rate is 3.25% per annum for eighteen months. The applicable variable rate will be 250 basis points above the prevailing Government of Jamaica three-months weighted average treasury bill yield occurring one month before the interest payment date. The notes are unsecured.

12. Loans payable (continued)

(ii) This represents fixed rate bond notes due in 2025 arranged by Proven Wealth Limited and registered with JCSD Trustee Services Limited, as Trustee. Interest is payable at maturity and the interest rate is 11.50%.

(iii) This represents two loans due in 2024 and 2026 at interest rates of 12.5% and 11.1% respectively (2023:8.85%) .The loans are secured by assignment of personal loans receivables to be registered and stamped to cover $$300m and the subordination . directors', shareholders', and related party debts to the credit facility.

(iv) These loans bear interest averaging 8.25% (2023: 8.7%) and are repayable monthly and quarterly over 24 months. These loans are unsecured.

(v) The loan represents deferred consideration on the purchase of Embassy Loans Inc. This attracts interest of 20% (2023:20%) per annum and payable on demand. See note 22(b). This loan is unsecured.

13. Leases

The Group leases property mainly for the operations of its branches. For the Head Office located at 41A and 41B Half Way Tree Road, the lease term is for a five years commencing March 2023. For the other properties located in Spanish Town, Montego Bay, Mandeville, Ochi Rios, May Pen, Savannah la Mar, Santa Cruz, Linstead, Brown Town, Junction, Black River, Christiana and Portland, the leases typically run for 1 to 5 years, with renewal options. Some leases may have options for periodic rate adjustments to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices.

Information about leases for which the Group is a lessee is presented below.

(a) Right-of-use assets

	Group		Company	
	Land and building 2024 $'000	Land and building 2023 $'000	Land and building 2024 $'000	Land and building 2023 $'000
Balance at beginning of the year	71,828	109,461	56,877	76,447
Additions	146,806	31,841	122,954	28,984
Depreciation charge for the year	(78,415)	(69,246)	(57,787)	(48,554)
Exchange adjustments	568	(228)	-	-
Balance at end of year	140,787	71,828	122,044	56,877

13. Leases (continued

(b) Lease liabilities

	Group		Company	
	Land and building 2024	Land and building 2023	Land and building 2024	Land and building 2023
Maturity analysis – contractual undiscounted cash flows:				
Less than one year	67,456	59,185	56,816	39,092
One to five years	108,211	33,957	93,644	33,957
	175,667	93,142	150,460	73,049
Less: future interest	(23,298)	(15,931)	(18,904)	(11,866)
Total discounted lease liabilities as at March 31	152,369	77,211	131,556	61,183
Less: current portion	(55,343)	(19,197)	(47,378)	(35,224)
Non-current	97,026	58,014	84,178	25,959

(c) Amounts recognised in profit or loss:

	Group		Company	
	Land and building 2024 $'000	Land and building 2023 $'000	Land and building 2024 $'000	Land and building 2023 $'000
Expense relating to leases of low value assets	1,464	2,462	1,464	2,462
Depreciation charge for the year	78,415	62,324	57,787	41,632
Interest on lease liabilities	16,397	10,000	13,800	6,605

(d) Amounts recognised in the statement of cash flows:

	Group		Company	
	Land and building 2024 $'000	Land and building 2023 $'000	Land and building 2024 $'000	Land and building 2023 $'000
Total cash outflow for leases	71,943	75,381	52,158	61,725

(e) Reconciliation of movements of lease obligations to cash flow arising from financing activities.

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Balance at beginning of the year	77,211	129,539	61,183	89,622
Additions	146,806	23,053	122,954	26,681
Lease payments	(88,340)	(85,381)	(65,958)	(61,725)
Lease interest expense	16,397	10,000	13,800	6,605
Effect of movement in exchange rates during the year	295	-	(423)	-
Balance at end of year	152,369	77,211	131,556	61,183

14. Share capital

	2024 $'000	2023 $'000
Authorised share capital		
350,000,000 (2023:350,000,000) ordinary shares of no-par value		
Stated capital, issued and fully paid:		
274,509,840 (2023: 274,509,840) ordinary shares of no par value	96,051	96,051

The rights attaching to the ordinary stock units include the following:

1. Entitlement of dividends as declared from time to time.
2. Entitlement to one vote per stock units at meetings of the Company.
3. Entitlement to the residual assets.

15. Translation reserves

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of the foreign subsidiary.

16. Interest expense

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Interest expense on leases	16,397	10,000	13,800	6,605
Interest expense on bonds	227,023	188,359	227,023	188,364
Interest expense on bank loans	21,899	13,241	21,899	13,241
Interest expense on funding agency	90,552	71,076	90,552	71,076
Interest expense on others	224	105	224	105
	339,698	272,781	339,698	272,786
	356,095	282,781	353,498	279,391

17. Staff costs

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Wages, salaries and statutory contributions	494,852	592,333	425,190	418,133
Pension contributions	17,218	19,034	14,124	13,999
Bonus and incentives	86,867	48,346	86,867	48,346
Medical	21,292	25,997	12,590	13,079
Other staff benefits	24,018	25,212	19,930	18,951
	644,247	710,922	558,701	512,508

18. Other income and other operating expenses

(a) Other income:

This comprises mainly of loans previously written off, now recovered and gains from disposal of property, plant and equipment..

(b) Other operating expenses:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Advertising	89,096	40,549	30,138	22,815
Agency fees	20,367	18,181	20,367	18,181
Audit fees	43,843	30,888	34,820	21,997
Bank charges	21,327	17,539	2,508	2,129
Cleaning and sanitation	5,777	6,097	3,155	3,811
Courier and collection services	6,992	6,555	6,044	6,555
Directors' fees [note 22(a)]	5,211	6,301	3,939	6,301
Fee expenses+	43,618	47,472	-	-
Insurance	3,313	3,093	3,313	3,093
Impairment of intangibles	-	9,074	-	-
Irrecoverable GCT	40,226	41,020	40,226	41,020
IT maintenance cost	40,037	31,078	17,983	11,071
Legal and professional fees	39,375	31,737	31,847	23,221
Motor vehicle expenses	1,899	2,123	1,899	2,123
Printing and stationery	14,352	10,818	13,734	10,818
Rent	2,335	3,467	1,243	2,462
Repairs and maintenance	13,654	9,713	12,060	9,713
Security	15,215	7,832	14,666	7,620
Subscriptions & donations	19,268	15,846	19,268	15,846
Travel and entertainment	4,945	7,347	4,945	7,347
Utilities	59,802	55,283	49,705	45,633
Other taxes	9,293	22	9,293	22
Other expenses*	38,155	53,975	36,860	44,025
	538,100	456,010	358,013	305,803

+ This mainly include repossession expenses.
*This consists mainly of AGM expenses, baliff fees and office expenses

19. Taxation

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
(a) Taxation for the yearcomprises:				
Current tax expense	196,866	168,378	196,866	168,378
Translation adjustment	1,209	(789)	-	-
Prior year tax adjustment	(11,060)	-	(11,060)	-
	187,015	167,589	185,806	168,378
Deferred tax arising from temporary differences	43,905	(51,662)	17,683	(40,729)
	230,920	115,927	203,489	127,649

(b) Reconciliation of actual taxexpense

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Profit before tax	571,103	416,976	595,254	499,991
Expected tax expense at (331/3%) (2023: 331/3% &25%)	190,368	104,244	198,418	124,998
Adjusted for:				
Effect of different tax rate in foreign jurisdiction	1,631	(1,245)	-	-
Non-deductible income and expenses for tax purposes	54,859	43,748	21,778	10,667
Prior year tax adjustment	(11,060)	-	(11,060)	-
Other adjustments	(4,878)	(30,820)	(5,647)	(8,016)
	230,920	115,927	203,489	127,649

20. Earnings per stock unit

Earnings per stock unit is calculated by dividing the net profit attributable to stockholders by the number of ordinary stock units in issue at year end.

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Net profit attributable to stockholders ($'000)	340,183	301,049	391,765	372,342
Number of ordinary stock units ('000)	274,510	274,510	274,510	274,510
Earnings per stock unit ($)	1.23	1.09	1.42	1.35

21. Dividends

	Company	
	2024 $'000	2023 $'000
In respect of 2023	-	164,706
In respect of 2024	98,823	-
	98,823	164,706

At meetings of The Board of Directors held on 10 August 2023, 26 October 2023, 25 January 2024 dividend payments of $0.12, $0.12, $0.12 per share respectively were approved by the Board of Directors.

After the reporting date, no dividends were proposed by the Board of Directors at a meeting held on June 27,2024.

22. Related party transactions and balances

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial or operational decisions. The following transactions were carried out with related parties.

(a) The statement of profit or loss and other comprehensive income includes the following transactions with related parties in the ordinary course of business.

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Key management compensation (included in staff costs note 17)				
Key management includes director and senior managers:				
Salaries and other short-term employee benefits	65,984	112,905	59,467	78,544
Post-employment benefits	3,938	6,401	3,696	6,401
Directors' emoluments				
Fees [note 18(b)]	5,211	6,301	3,939	6,301
Management remuneration	17,567	21,482	10,807	10,193

22. Related party transactions and balances (continued)

(a) (Continued)

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Lease payments				
Renew Limited	24,786	24,786	24,786	24,786
Aeric Investments Limited	6,237	6,237	6,237	6,237
Loan interest income- subsidiary:				
Embassy Loans Inc.	-	-	246,217	240,660
Loan interest expense– (significant influence):				
Proven Investments Limited	-	2,416	-	2,416

The company is an associated company of Proven Investments Limited which has significant influence over the operations of the company.

(b) The statement of financial position includes balances arising in the ordinary course of business with related parties as follows:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Interest receivable due from subsidiary:				
Embassy Loans Inc. (note 5)	-	-	246,217	240,660
Due from related company:				
Proven Wealth Limited. (note 5)	12,000	-	12,000	-

These balances are unsecured and are to be repaid upon demand and bears no interest. ECL on these balances were immaterial.

Balances due to subsidiary:				
Embassy Loans Inc. [note 12(v)]	-	-	153,912	150,439

The balance is unsecured and is to be repaid upon demand and bears no interest.

23. Segment information

	2024			
	Jamaica $'000	United States $'000	Eliminations $'000	Group $'000
Interest income	2,190,451	124,126	(77,798)	2,236,779
Segment results	595,254	(24,151)	-	571,103
Taxation				(230,920)
Profit for the year				340,183
Interest expense	(353,498)	(80,395)	77,798	(356,095)
Allowance for credit losses	(376,887)	(103,900)	-	480,787
Depreciation and amortisation	(83,704)	(22,842)	-	106,546
Total segment assets	7,191,502	1,149,025	(1,203,848)	7,136,679
Total segment liabilities	(4,308,444)	(691,900)	(784,998)	(4,215,346)

	2023			
	Jamaica $'000	United States $'000	Eliminations $'000	Group $'000
Interest income	1,834,264	130,560	(76,895)	1,887,929
Segment results	499,991	(83,015)	-	416,976
Taxation				(115,927)
Profit for the year				301,049
Interest expense	(279,391)	(80,285)	76,895	(282,781)
Allowance for credit losses	(290,385)	9,418	-	(280,967)
Depreciation and amortisation	(73,787)	(30,608)	-	(104,395)
Total segment assets	6,313,570	1,075,402	(1,098,201)	6,290,771
Total segment liabilities	(3,723,452)	(676,466)	767,197	(3,632,726)

24. Financial instruments – risk management

The Group has exposure to financial instruments risks such as credit, liquidity and market risks from its use of financial instruments, as well as operational risk.

The Group has documented strategies, polices, procedures, processes and authority delegated throughout the organization to manage its risk and monitor compliance.

The Board of directors has overall responsibility for the determination of the company's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the company's finance function. The Board provides policies for overall risk management, as well as policies covering specific areas, such as credit risk, foreign exchange risk, interest rate risk, and investments of excess liquidity.

24. Financial instruments – risk management (continued)

The risk management policies and procedures are established to identify, evaluate and analyse the risks faced by the Group, to set appropriate controls and to monitor adherence to standards set. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered and to ensure prudential and regulatory compliance.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

(i) Exposure to credit risk

Credit risk exposure is the amount of loss that the Group would suffer if all counterparties to which the Group was exposed were to default at once. There are no financial assets not recognised; accordingly, this exposure is represented substantially by the carrying amount of financial assets recognised in the statement of financial position, without taking account of the value of any collateral held. At the reporting date, the maximum exposure to credit risk on financial assets, without taking account of the value of any collateral held, was the same as the carrying amounts in the statement of financial position.

The maximum exposure to credit risk is equal to the carrying amount of loans and advances, interest receivable, deposits and cash and cash equivalents in the statement of financial position.

- Concentration of risk – Loans and advances

  The following table summarises the Group's credit exposure for loans and advances at their carrying amounts, as categorised by the customer sector:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Personal loans	6,040,973	5,028,280	5,649,481	4,674,659
Business loans	496,233	401,121	496,233	401,121
	6,537,206	5,429,401	6,145,714	5,075,780
Less: Provision for credit losses	(594,824)	(513,865)	(549,707)	(471,226)
	5,942,382	4,915,536	5,596,007	4,604,554

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(ii) Credit quality analysis

Loan commitment for the Group and the company amounted to $39.6 (2023: $37.8m) on which ECL is immaterial. The loan commitment falls in stage 1.

- Loans receivable at amortised cost:

	Group			
	2024			
	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Ageing of loans receivable				
Current	5,487,859	133	509	5,488,501
Past due 1-30 days	480,404	18,034	764	499,202
Past due 31-60 days	18,747	157,178	2,613	178,538
Past due 60-90 days	7,709	68,076	6,028	81,813
Over 90 days	-	-	289,152	289,152
Total	5,994,719	243,421	299,066	6,537,206
Loss allowance	(294,898)	(32,293)	(267,633)	(594,824)
	5,699,821	211,128	31,433	5,942,382

	Group			
	2023			
	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Ageing of loans receivable				
Current	4,249,231	-	-	4,249,231
Past due 1-30 days	456,244	10,327	3,344	469,915
Past due 31-60 days	-	390,939	769	391,708
Past due 60-90 days	-	50,078	57,588	107,666
Over 90 days	-	-	210,881	210,881
Total	4,705,475	451,344	272,582	5,429,401
Loss allowance	(264,141)	(24,226)	(225,498)	(513,865)
	4,441,334	427,118	47,084	4,915,536

	Company			
	2024			
	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Ageing of loans receivable				
Current	5,259,518	133	509	5,260,160
Past due 1-30 days	343,709	18,034	764	361,507
Past due 31-60 days	-	157,178	2,613	159,791
Past due 60-90 days	-	68,076	6,028	74,104
Over 90 days	-	-	289,152	289,152
Total	5,603,227	243,421	299,066	6,145,714
Loss allowance	(249,781)	(32,293)	(267,633)	(549,707)
	5,353,446	211,128	31,433	5,596,007

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(ii) Credit quality analysis (continued)

- Loans receivable at amortised cost (continued):

	Company			
	2023			
	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Ageing of loans receivable				
Current	4,244,496	-	-	4,244,496
Past due 1-30 days	418,546	11,346	3,777	433,669
Past due 31-60 days	-	125,751	799	126,550
Past due 60-90 days	-	40,078	20,106	60,184
Over 90 days	-	-	210,881	210,881
Total	4,663,042	177,175	235,563	5,075,780
Loss allowance	(220,050)	(25,245)	(225,931)	(471,226)
	4,442,992	151,930	9,632	4,604,554

(iii) Management of credit risk

The way in which the company manages the credit risk to which it is exposed on the financial assets it holds is set out below.

(1) Loans and advances

The estimation of credit exposure for risk management purposes is complex and requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of defaults occurring, the associated loss ratios and the default correlations between counterparties.

The Group uses ECL models developed by independent service providers to determine the ECL allowances for its loans receivable. The models measure credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD).

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(iii) Management of credit risk (continued)

The way in which the company manages the credit risk to which it is exposed on the financial assets it holds is set out below (continued).

(1) Loans and advances (continued)

The increase in inflation rate, interest rates, unemployment rate and decrease in gross domestic products have resulted in an increase in the credit risk of loans and advances. The maximum contractual period extends to the date at which the Group has the right to require repayment of an advance or terminate a loan commitment or guarantee.

(2) Cash and cash equivalents

The Group limits its exposure to risk on cash and cash equivalents by holding balances with reputable financial institutions.

(3) Other receivables

Other receivables mainly consists of interest receivable from subsidiary and these amounts are considered recoverable as the subsidiary has the intention and ability to pay.

(iv) Impairment

Inputs, assumptions and techniques used for estimating impairment

See accounting policy at note 3(i).

Significant increase in credit risk

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

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

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

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(iv) Impairment (continued)

Significant increase in credit risk (continued)

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

- quantitative test based on movement in probability of default (PD).
- qualitative indicators; and
- a backstop of 30 days past due.

The Company measures its probability of default based on its historic default experience across a full credit cycle.

Loans are placed in Stage 1 at origination and shall remain in this stage providing that such loans have not experienced a significant increase in credit risk. Loans shall be transitioned to Stage 2 when there is evidence that such loans have experienced a significant increase in credit risk, these are normally past due for a period of 31 to 89 days. Loans shall be transitioned into Stage 3 if there is evidence that these loans are impaired or are at a default stage. Loans that are past due for a period of 90 days or more are deemed to have defaulted.

Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different stage. The monitoring typically involves use of the following data:

- Information obtained during periodic review of customer files – e.g. financial statements, management accounts, budgets and projections.
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities.
- External data from credit reference agencies, including industry-standard credit scores.
- Payment record – this includes overdue status as well as a range of variables about payment ratios.

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(iv) Impairment (continued)

Significant increase in credit risk (continued)

Determining whether credit risk has been increased significantly

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

Credit risk is deemed to have increased significantly based on the days past due of the loan repayments. In addition, the Group considers degradation of credit risk drivers an additional indicator of credit risk increase. These are qualitative indicators of credit quality and include such factors such as the borrower's employment arrangements, payment method, industry or personal conditions.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL.

When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

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

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

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition.

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Group.

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(iv) Impairment (continued)

Significant increase in credit risk (continued)

Determining whether credit risk has been increased significantly (continued)

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

If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.

Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.

Purchased or originated credit-impaired (POCI) financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

Definition of default:

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the company to actions such as realising security (if any is held);
- the borrower is more than 30 days past due on any material credit obligation to the company.
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

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

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

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

Year ended March 31, 2024 (Expressed in Jamaican dollars unless otherwise stated)

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(iv) Impairment (continued)

Incorporation of forward-looking information

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio.

The Group uses a forward-looking score card model to estimate the potential of future economic conditions. It formulates three economic scenarios: a stable case, which is the median scenario assigned a 50% probability of occurring, and two less likely scenarios, one positive and one negative, each assigned a 20% and 30% probability of occurring, respectively. Each scenario considers the expected impact of interest rates, unemployment rates, gross domestic product (GDP) and inflation. The base case is aligned with information used by the Group for other purposes such as strategic planning and budgeting. External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in Jamaica, supranational organisations and selected private-sector forecasters.

The impact of these economic variables on the PD, EAD and LGD has been determined by performing a trend analysis and compared historical information with forecast macro-economic data to determine whether the indicator describes a positive, negative or stable trend and to understand the impact changes in these variables have had historically on default rates and on the components of LGD and EAD. The macroeconomic assumptions used in the stable, positive and negative scenarios are as follows:

	2024		
	Negative	Stable	Positive
Gross Domestic Product	-9 to -0.25%	-0.25 to 0.5%	0.5 to 9.0%
Inflation	1.0 to 9.0%	-1.0 to 1.0%	-9.0 to -1.0%
Unemployment	1.0 to 9.0%	-1.0 to 1.0%	-9.0 to -1.0%
Interest rate	1.0 to 9.0%	-1.0 to 1.0%	-9.0 to -1.0%

	2023		
	Negative	Stable	Positive
Gross Domestic Product	-9 to -0.25%	-0.25 to 0.5%	0.5 to 9.0%
Inflation	-9.0 to -1%	-1.0 to 1.0%	1 to 9.0%
Unemployment	-9.0 to -1%	-1.0 to 1.0%	1 to 9.0%
Interest rate	-9.0 to -1%	-1.0 to 1.0%	1 to 9.0%

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(iv) Impairment (continued)

Incorporation of forward-looking information (continued)

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes and has analysed the non-linearities and asymmetries within the Group's different portfolios to establish that the chosen scenarios are appropriately representative of the range of possible scenarios.

Measurement of ECL

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

- probability of default (PD);
- loss given default (LGD); and
- exposure at default (EAD).

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

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. For loans without collateral, LGD is estimated on the basis of the average recovery rate for these loans.

EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Group measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the company considers a longer period. The loan portfolio is mainly unsecured, with only .04% held as collaterals.

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(iv) Impairment (continued)

Measurement of ECL (continued)

The Group issues mainly loans that are not supported by securities, thus resulting in, increased credit risks. There was an increase in the gross carrying amounts of loans which also reflected the increase in ECL.

The loss allowance recognised in the period is impacted by the following factors:

- Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" (or "step down") between 12-month and Lifetime ECL;

- Additional allowances for new financial instruments recognised during the year, as well as releases for financial instruments de-recognised in the period;

- Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;

- Impacts on the measurement of ECL due to changes made to models and assumptions;

- Discount unwind within ECL due to the passage of time, as ECL is measured on a present value basis;

- Foreign exchange retranslations for assets denominated in foreign currencies and other movements; and

- Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

The following tables show reconciliations from the opening to the closing balance of the ECL allowance for loans receivable.

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(v) Impairment (continued)

Measurement of ECL (continued)

	Group			
	2024			
	Stage 1	Stage 2	Stage 3	Total
	$'000	$'000	$'000	$'000
	Stage 1	Stage 2	Stage 3	Total
	$'000	$'000	$'000	$'000
Loans receivable:				
Balance at April 1, 2023	264,141	24,226	225,498	513,865
Net remeasurement of loss allowance	75,863	17,979	162,050	255,892
Translation adjustments	(40,648)	(1,335)	(21,351)	(63,334)
Loans written-off	(4,458)	(8,577)	(98,564)	(111,599)
Balance at March 31, 2024	294,898	32,293	267,633	594,824

	Group			
	2023			
	Stage 1	Stage 2	Stage 3	Total
	$'000	$'000	$'000	$'000
Loans receivable:				
Balance at April 1, 2022	266,046	20,212	170,706	456,964
Net remeasurement of loss allowance	(59,796)	(1,662)	342,425	280,967
Translation adjustments	57,891	5,676	49,944	113,511
Loans written off	-	-	(337,577)	(337,577)
Balance at March 31, 2023	264,141	24,226	225,498	513,865

	Company			
	2024			
	Stage 1	Stage 2	Stage 3	Total
	$'000	$'000	$'000	$'000
Loans receivable:				
Balance at April 1, 2023	220,050	25,245	225,931	471,226
Net remeasurement of loss allowance	34,189	15,625	140,266	190,080
Loan written off	(4,458)	(8,577)	(98,564)	(111,599)
Balance at March 31, 2024	249,781	32,293	267,633	549,707

	Company			
	2023			
	Stage 1	Stage 2	Stage 3	Total
	$'000	$'000	$'000	$'000
Loans receivable:				
Balance at April 1, 2022	213,205	20,212	170,706	404,123
Net remeasurement of loss allowance	11,203	79,595	153,789	244,587
Loan written off	(4,358)	(74,562)	(98,564)	(177,484)
Balance at March 31, 2023	220,050	25,245	225,931	471,226

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(iv) Impairment (continued)

Measurement of ECL (continued)

	Group 2024			
	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Allowance at the beginning of the year	264,141	24,226	225,498	513,865
Transfers:				
Transfer from stage 1	(14,268)	8,040	6,228	-
Transfer from stage 2	5,723	(11,861)	6,138	-
Transfer from stage 3	5,168	1,812	(6,980)	-
New financial assets originated or purchased	(49,959)	10,631	109,437	70,109
Financial assets derecognised during the period	129,199	9,357	47,227	185,783
Loans written-off	(4,458)	(8,577)	(98,564)	(111,599)
Translation adjustments	(40,648)	(1,335)	(21,351)	(63,334)
Allowance at the end of the year	294,898	32,293	267,633	594,824

	Group 2023			
	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Allowance at the beginning of the year	266,046	20,212	170,706	456,964
Transfers:				
Transfer from stage 1	(378,916)	41,000	337,916	-
Transfer from stage 2	767	(25,956)	25,189	-
Transfer from stage 3	66	51	(117)	-
New financial assets originated or purchased	442,639	-	-	442,639
Financial assets derecognised during the period	(124,352)	(16,757)	(20,563)	(161,672)
Loans written-off	-	-	(337,577)	(337,577)
Translation adjustments	57,891	5,676	49,944	113,511
Allowance at the end of the year	264,141	24,226	225,498	513,865

	Company 2024			
	Stage 1 $'000	Stage 2 $'000	Stage 3 $'000	Total $'000
Loans receivable:				
Allowance at the beginning of the year	220,050	25,245	225,931	471,226
Transfers:				
Transfer from stage 1	(14,268)	8,040	6,228	-
Transfer from stage 2	5,723	(11,861)	6,138	-
Transfer from stage 3	5,168	1,812	(6,980)	-
Net remeasurement of loss allowance	(50,983)	9,612	109,002	67,631
New financial assets originated or purchased	129,199	9,357	47,227	185,783
Loan written off	(4,458)	(8,577)	(98,564)	(111,599)
Financial assets derecognised during the period	(40,648)	(1,335)	(21,351)	(63,334)
Allowance at the end of the year	249,783	32,293	267,631	549,707

24. Financial instruments – risk management (continued)

(a) Credit risk (continued)

(iv) Impairment (continued)

Measurement of ECL (continued)

	Company			
	2023			
	Stage 1	Stage 2	Stage 3	Total
	$'000	$'000	$'000	$'000
Loans receivable:				
Allowance at the beginning of the year	213,205	20,212	170,706	404,123
Transfers:				
Transfer from stage 1	(19,316)	9,801	6,228	(3,287)
Transfer from stage 2	5,227	6,293	6,138	17,658
Transfer from stage 3	2,892	(4,302)	(6,980)	(8,390)
Net remeasurement of loss allowance	(34,972)	61,715	122,527	149,270
New financial assets originated or purchased	112,809	27,545	47,227	187,581
Loan written off	(4,358)	(74,562)	(98,564)	(177,484)
Financial assets derecognised during the period	(55,437)	(21,457)	(21,351)	(98,245)
Allowance at the end of the year	220,050	25,245	225,931	471,226

(b) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting obligations from its financial liabilities. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. The company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due under both normal or stressed conditions. Prudent liquidity risk management procedures which the company uses include maintaining sufficient cash and marketable securities and monitoring future cash flows and liquidity on a daily basis.

Liquidity risk management process

The company's liquidity management process, as carried out within the company and monitored by the Finance Department, includes:

(i) Monitoring future cash flows and liquidity on a daily basis.
(ii) Maintaining a portfolio of short-term deposit balances that can easily be liquidated as protection against any unforeseen interruption to cash flow.
(iii) Maintaining committed lines of credit.
(iv) Optimising cash returns on investments.
(v) Managing the concentration and profile of debt maturities. Monitoring and reporting take the form of cash flow measurement and projections for the next day, week and month, as these are key periods for liquidity management. The starting point for those projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

24. Financial instruments – risk management (continued)

(b) Liquidity risk

The table below present the undiscounted cash flows (both interest and principal cash flows) of the company's financial liabilities based on contractual rights and obligations as well as expected maturity.

	Group 2024					
	Less than 3 months $'000	3 to 12 months $'000	1 to 2 years $'000	2 to 5 years $'000	Contractual cash flows $'000	Carrying Amount $'000
Assets						
Cash and cash equivalents	505,380	-	-	-	505,380	505,380
Other receivables	12,000	84,432	-	-	96,432	96,432
Loans receivable	993,369	2,817,580	2,404,579	4,789,463	11,004,991	5,732,883
Total financial assets	1,510,749	2,902,012	2,404,579	4,789,463	11,606,803	6,334,695

	Group 2024					
	Less than 3 months $'000	3 to 12 months $'000	1 to 2 years $'000	2 to 5 years $'000	Contractual cash flows $'000	Carrying Amount $'000
Liabilities						
Payables	300,106	19,573	116,002	-	435,681	435,681
Loans payable	755,687	1,281,284	687,222	1,775,599	4,499,792	3,491,173
Lease liabilities	18,999	48,457	84,856	23,355	175,667	152,369
Total financial Liabilities	1,074,792	1,349,314	888,080	1,798,954	5,111,140	4,079,223
Total liquidity gap	435,957	1,552,698	1,516,499	2,990,509	6,495,663	2,255,472
Cumulative liquidity gap	435,957	1,988,655	3,505,154	6,495,663		

	Group 2023					
	Less than 3 months $'000	3 to 12 months $'000	1 to 2 years $'000	2 to 5 years $'000	Contractual cash flows $'000	Carrying Amount $'000
Assets						
Cash and cash equivalents	666,737	-	-	-	666,737	666,737
Other receivables	-	86,741	6,466	-	93,207	93,207
Loans receivable	389,593	3,080,744	3,394,266	531,061	7,395,664	4,753,540
Total financial assets	1,056,330	3,167,485	3,400,732	531,061	8,155,608	5,513,484

	Group 2023					
	Less than 3 months $'000	3 to 12 months $'000	1 to 2 years $'000	2 to 5 years $'000	Contractual cash flows $'000	Carrying Amount $'000
Liabilities						
Payables	119,368	180,854	136,321	-	436,543	436,543
Loans payable	179,157	1,257,704	979,091	1,973,108	4,389,060	2,995,996
Lease liabilities	14,507	44,679	22,292	11,664	93,142	77,211
Total financial liabilities	313,032	1,483,237	1,137,704	1,984,772	4,918,745	3,509,750
Total liquidity gap	743,298	1,684,248	2,263,028	(1,453,711)	3,236,863	3,528,712
Cumulative liquidity gap	743,298	2,427,546	4,690,574	3,236,863		

24. Financial instruments – risk management (continued)

(b) Liquidity risk (continued)

Cash flows of financial assets and liabilities (continued)

	Company 2024					
	Less than 3 months $'000	3 to 12 months $'000	1 to 2 years $'000	2 to 5 years $'000	Contractual cash flows $'000	Carrying Amount $'000
Assets						
Cash and cash equivalents	302,253	-	-	-	302,253	302,253
Other receivables	12,000	290,519	-	-	302,519	302,519
Loans receivable	974,726	2,419,780	2,302,498	4,789,191	10,486,195	5,386,508
Total financial assets	1,288,979	2,710,299	2,302,498	4,789,191	11,090,967	5,991,280

	Company 2024					
	Less than 3 months $'000	3 to 12 months $'000	1 to 2 years $'000	2 to 5 years $'000	Contractual cash flows $'000	Carrying Amount $'000
Liabilities						
Payables	264,846	14,842	116,002	-	395,690	395,690
Loans payable	755,687	1,301,284	687,222	1,929,511	4,673,704	3,645,085
Lease liabilities	15,037	41,779	70,289	23,355	150,460	131,556
Total financial liabilities	1,035,570	1,357,905	873,513	1,952,866	5,219,854	4,172,331
Total liquidity gap	253,409	1,352,394	1,428,985	2,836,325	5,871,113	1,818,949
Cumulative liquidity gap	253,409	1,605,803	3,034,788	5,871,113		

	Company 2023					
	Less than 3 months $'000	3 to 12 months $'000	1 to 2 years $'000	2 to 5 years $'000	Contractual cash flows $'000	Carrying Amount $'000
Assets						
Cash and cash equivalents	402,723	-	-	-	402,723	402,723
Other receivables	-	302,660	-	-	302,660	302,660
Loans receivable	318,114	2,761,625	3,343,240	531,061	6,954,040	4,442,558
Total financial assets	720,837	3,064,285	3,343,240	531,061	7,659,423	5,147,941
Liabilities						
Payables	75,685	180,852	136,321	-	392,858	392,858
Loans payable	179,157	1,257,704	979,091	2,123,546	4,539,498	3,146,435
Lease liabilities	7,329	31,763	22,293	11,664	73,049	61,183
Total financial liabilities	262,171	1,470,319	1,137,705	2,135,210	5,005,405	3,600,476
Total liquidity gap	458,666	1,593,966	2,205,535	(1,604,149)	2,654,018	1,547,465
Cumulative liquidity gap	458,666	2,052,632	4,258,167	2,654,018		

24. Financial instruments – risk management (continued)

(b) Liquidity risk (continued)

Cash flows of financial assets and liabilities (continued)

There was no change to the Group's approach to managing liquidity risk during the year.

Reconciliation of movements of liabilities to cash flow from financing activities

	Group		Company	
	2024 $'000	2023 $'000	2024 $'000	2023 $'000
Balance at beginning of year	2,995,996	2,315,795	3,146,435	2,469,101
Proceeds from borrowing	1,311,764	3,146,170	1,311,764	3,146,170
Repayment of borrowing	(828,587)	(2,465,969)	(825,114)	(2,468,836)
Balance at the end of the year	3,479,173	2,995,996	3,633,085	3,146,435

See note 12 for details of loans payable.

Reconciliation of movements of dividends paid to cash flow arising from financing activities

	Group 2024 $'000	Company 2024 $'000
Balance as at April 1, 2023		
Dividend declared	98,823	98,823
Dividend paid	(98,823)	(98,823)
Balance as at March 31, 2024	-	-
	2023 $'000	2023 $'000
Balance as at April 1, 2022		
Dividend declared	164,706	164,706
Dividend paid	(164,706)	(164,706)
Balance as at March 31, 2023	-	-

(c) Market risk

(i) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk arises from US$ loans and advances receivable and foreign currency and cash and bank balances. The Group manages this risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The company further manages this risk by maximising foreign currency earnings and holding net foreign currency assets.

24. Financial instruments – risk management (continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Concentration of currency risk

The Group is exposed to foreign currency risk in respect of US dollar payables, US dollar receivables and foreign currency cash and bank balances as follows:

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Assets				
Cash and bank balances	216,570	272,384	2,934	8,370
Balances from Embassy Loans Inc	-	-	246,217	240,660
Receivables (loan and advances)	427,114	379,374	-	-
	643,684	651,758	249,151	249,030

	Group		Company	
	2024	2023	2024	2023
	$'000	$'000	$'000	$'000
Liabilities				
Balances to Embassy Loans Inc.	-	-	153,912	150,439
Lease liabilities	121,348	42,435	100,535	26,407
	121,348	42,435	254,447	176,846

Foreign currency sensitivity

The following table indicates the sensitivity of profit before taxation to changes in foreign exchange rates. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated cash and bank balances, accounts receivable balance and payables balance, and adjusts their translation at the year-end for 6% (2023: 8%) depreciation and a 2% (2023: 2%) appreciation of the Jamaican dollar against the US dollar. The changes below would have no impact on other components of equity.

	Group		Company	
	2024		2024	
	% change in currency rate	Effect on profit $'000	% change in currency rate	Effect on profit $'000
USD	-6	(781)	-6	(781)
USD	2	260	2	260

24. Financial instruments – risk management (continued)

(c) Market risk (continued)

(i) Currency risk (continued)

Foreign currency sensitivity

	Group		Company	
	2023		2023	
	% change in currency rate	Effect on profit $'000	% change in currency rate	Effect on profit $'000
USD	-6	(781)	-6	(781)
USD	2	260	2	260

(ii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Group is exposed to equity securities price risk arising from its holding iof fair value through OCI investments. As the Group does not have a significant exposure, market price fluctuations are not expected to have a material effect on the net results or stockholders' equity.

(iii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Cash flow and fair value interest rate risk

Floating rate instruments expose the company to cash flow interest rate risk, whereas fixed rate instruments expose the company to fair value interest rate risk.

The Group is primarily exposed to cash flow interest rate risk on its variable rate borrowings. The Group analyses its interest rate exposure arising from borrowings on an ongoing basis, taking into consideration the options of refinancing, renewal of existing positions and alternative financing.

Short term deposits, loans and advances and borrowings are the only interest bearing assets and liabilities respectively, within the Group. The Group's short-term deposits are reinvested at current market rates, loans and receivables are at fixed rates and most of the borrowings are at fixed rates.

Interest rate sensitivity

There is no significant exposure to interest rate risk on short term deposits, as these deposits have a short term to maturity and are constantly reinvested at current market rates.

There is no significant exposure to interest rate risk on borrowings and loans and advances as most are at fixed rates and the one at variable rate is not considered significant.

24. Financial instruments – risk management (continued)

(d) Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, loans and advances, payables and loans payable.

Due to their short-term nature, the carrying value of cash and cash equivalents, and payables approximates their fair value.

The fair value of fixed rate loans and advances are estimated by comparing market interest rates when the loans were granted with current market rates offered on similar loans. Changes in the credit quality of loans within the portfolio are not taken into account in determining gross fair value. Management has determined that the carrying value and fair value of loans and notes are as follows.

	Group		Group	
	2024	2024	2023	2023
	$'000	$'000	$'000	$'000
	Carrying value	Fair value	Carrying value	Fair value
Loan and advances	6,537,206	10,159,979	5,429,401	8,145,360

	Company		Company	
	2024	2024	2023	2023
	$'000	$'000	$'000	$'000
	Carrying value	Fair value	Carrying value	Fair value
Loan and advances	6,145,714	9,718,770	5,075,780	7,762,720

(e) Financial instruments measured at fairvalue

Definition and measurement of fair values

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. In measuring fair value of an asset or liability, where a quoted market price is available, fair value is computed by the Company using the quoted bid price at the reporting date, without any deduction for transaction costs or other adjustments. Where a quoted market price is not available, fair value is computed using alternative techniques making use of observable data as far as possible. Fair values are categorised into different levels in a three-level fair value hierarchy, based on the degree to which the inputs used in the valuation techniques are observable.

24. Financial instruments – risk management (continued)

(e) Financial instruments measured at fairvalue(continued)

The different levels in the hierarchy have been defined as follows:

Level 1 refers to financial assets and financial liabilities that are measured by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2 refers to financial assets and financial liabilities that are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions, and for which pricing is obtained via pricing services, but where prices have not been determined in an active market. This includes financial assets with fair values based on broker quotes, investments in funds with fair values obtained via fund managers, and assets that are valued using a model whereby the majority of assumptions are market observable.

Level 3 refers to financial assets and financial liabilities that are measured using non-market observable inputs. This means that fair values are determined in whole or in part using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Group				
		2024				
		Carrying amount	**Fair value**			
	Note	Amortised cost $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets						
Cash	4	505,380	-	505,380	-	505,380
Loans and advances	6	5,732,883	-	-	10,159,979	10,159,979
		6,238,263	-	505,380	10,159,979	10,665,359
Financial liabilities						
Payables	11	435,681	-	-	435,681	435,681
Loans payable	12	3,491,173	-	-	3,491,173	3,491,173
Lease liabilities	13	152,369	-	-	152,369	152,369
		4,079,223	-	-	4,079,223	4,079,223

24. Financial instruments – risk management (continued)

(e) Financial instruments measured at fairvalue(continued)

Accounting classifications and fair values (continued)

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value (continued)

		Group 2023					
		Carrying amount		Fair value			
	Note	Amortised cost $'000		Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets							
Cash	4	666,737	-	666,737	-	666,737	
Loans and advances	6	4,753,540		-	-	8,145,360	8,145,360
		6,238,263		-	666,737	8,145,360	8,812,097
Financial liabilities							
Payables	11	436,543	-	-	436,543	436,543	
Loans payable	12	2,995,996		-	-	2,995,996	2,995,996
Lease liabilities	13	77,211		-	-	77,211	77,211
		3,509,750		-	-	3,509,750	3,509,750

		Company 2024				
		Carrying amount	Fair value			
	Note	Amortised cost $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets						
Cash	4	302,253	-	302,253	-	302,253
Loans and advances	6	5,386,508	-	-	9,718,770	9,178,770
		5,688,761	-	302,253	9,718,770	10,021,023
Financial liabilities						
Payables	11	395,690	-	-	395,690	395.690
Loans payable	12	3,645,085	-	-	3,645,085	3,645,085
Lease liabilities	13	131,556	-	-	131,556	131,556
		4,172,331	-	-	5,112,467	5,112,467

		Company 2023				
		Carrying amount	Fair value			
	Note	Amortised cost $'000	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Financial assets						
Cash	4	402,723	-	402,723	-	402,723
Loans and advances	6	4,442,558	-	-	7,762,720	7,762,720
		4,845,281	-	402,723	7,762,720	8,165,443
Financial liabilities						
Payables	11	392,858	-	-	392,858	392,858
Loans payable	12	3,146,435	-	-	3,146,435	3,146,435
Lease liabilities	13	61,183	-	-	61,183	61,183
		3,600,476	-	-	3,600,498	3,600,476

24. Financial instruments – risk management (continued)

(f) Capital management

The Company manages capital adequacy by retaining earnings from past profits and by managing the returns on borrowed funds to protect against losses on its core business, so as to be able to generate an adequate level of return for its shareholders. The Company is required to meet the capital requirement of at least $50,000,000 for listing on the Jamaica Stock Exchange Junior Market. There was no other externally imposed capital requirements and no change during the year in the Group's management process.

Form of Proxy

Affix $100 Stamp here and cancel

I/WE ______________________________ of ______________________________________
(Name of Shareholder) (Address of Shareholder)

being a member(s) of **Access Financial Services Limited** HEREBY APPOINT the Chairman of the meeting or failing him ______________________ of ________________________________
as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the Courtleigh Hotel, 85 Knutsford Boulevard, Kingston 5, Saint Andrew on Thursday, the 19th day of September 2024 at 11:00 a.m. and at any adjournment thereof.

Please indicate with an 'X' in the spaces below how you wish your Proxy to vote on the below mentioned.

RESOLUTION	DETAILS	FOR	AGAINST
Resolution No. 1 Directors and Auditors Reports, and Audited Financial Statements	**BE IT RESOLVED THAT** the Audited Financial Statements of the Company for the year ended 31st March 2024 and the Reports of the Directors and Auditors thereon be hereby adopted.		
Resolution No. 2 Declare Interim Dividend Payments as Final	**BE IT RESOLVED THAT** on the recommendation of the Directors, the interim dividends paid by the Company on September 8, 2023; December 1, 2023; and February 23, 2024 be and are hereby declared as final for the 2024 financial year.		
Resolution No. 3 Re-Election of Director	**BE IT RESOLVED THAT** Mr. Neville James, a Director retiring by rotation, be re-elected a Director of the Company.		
Resolution No. 4 Re-Appointment of Auditors	**BE IT RESOLVED THAT** KPMG, Chartered Accountants of 6 Duke Street, Kingston, having consented to continue as Auditors of the Company, be re-appointed to office until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be authorised to fix their remuneration.		
Resolution No. 5 Directors' Remuneration	**RESOLVED THAT** the amount shown in the Audited Financial Statements of the Company for the year ended 31st March 2024 as remuneration paid to the Directors for their services as Directors be and is hereby approved.		

Signed this ______ day of ___________________ 2024

SIGNATURE(S): _________________________ ______________________________

Notes:

1. To be valid, this form must be completed and lodged at the offices of the Company's Registrar and Transfer Agents, Jamaica Central Securities Depository Limited, 40 Harbour Street, Kingston, not less than forty-eight (48) hours before the time appointed for holding the meeting.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote in his stead. If such an appointment is made, delete the words 'the Chairman of the meeting" and insert the name of the person appointed in the space provided.
3. If the appointer is a company, this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf.
4. In the case of joint holders, the signature of any one holder is sufficient but the names of all the joint holders should be stated.
5. If the form is returned without any indication as to how the person appointed proxy shall vote, the proxy shall exercise his discretion as to how he votes or whether to abstain from voting.
6. A proxy need not be a member of the Company.

ACCESS
FINANCIAL SERVICES LTD.

888-GET-ACCESS (888-438-2223)
accessfinanceonline.com
@AccessFinanceJA