

CONDENSED FINANCIAL STATEMENTS
2024



April 25, 2025

CENTRALE BANK VAN ARUBA

CONTENT

1. CONDENSED BALANCE SHEET AS OF DECEMBER 31, 2024.....	3
2. CONDENSED PROFIT AND LOSS ACCOUNT FOR THE YEAR 2024..	5
3. CONDENSED CASH FLOW STATEMENT FOR THE YEAR 2024.....	6
4. NOTES TO THE CONDENSED BALANCE SHEET AS OF DECEMBER 31, 2024 AND THE CONDENSED PROFIT AND LOSS ACCOUNT FOR THE YEAR 2024	8
5. NOTES TO THE CONDENSED BALANCE SHEET AS OF DECEMBER 31, 2024	12
Gold (1)	12
Foreign currency assets (2).....	12
Other assets (3).....	14
Banknotes in circulation (1)	17
Deposits of residents (2).....	17
Deposits of nonresidents (3).....	18
Money in custody (4)	18
Payables and accrued expenses (5).....	18
Employee savings fund liability (6)	19
Revaluation account (7).....	19
Capital and reserves (8).....	20
6. NOTES TO THE CONDENSED PROFIT AND LOSS ACCOUNT FOR THE YEAR 2024.....	21
Net interest revenues (1).....	21
Other revenues (2).....	21
Personnel expenses (4)	22
Operating expenses (5).....	22
Depreciation expenses (6)	23
7. COMMITMENTS	23
8. CONTINGENCIES	23
9. SUSBEQUENT EVENTS AFTER THE BALANCE SHEET DATE.....	23

CENTRALE BANK VAN ARUBA

CONDENSED BALANCE SHEET
(before allocation of net result)
(Afl.)

	<i>As of</i> <u>December 31, 2024</u>	<i>As of</i> <u>December 31, 2023</u>
Assets		
1. Gold	520,124,543	410,864,224
2. Foreign currency assets		
2.1 Due from banks and other financial institutions	132,752,696	66,429,287
2.2 Government and other papers	2,782,659,659	2,177,504,396
2.3 Other	22,586,191	14,888,402
	2,937,998,546	2,258,822,085
3. Other assets		
3.1 Receivables	11,684,976	10,722,066
3.2 Stock of coins and printing costs banknotes	649,281	1,087,978
3.3 Due from local banks	1,044,000	640,140
3.4 Other fixed assets and premises	15,381,965	16,913,093
3.5 Projects in progress	3,404,412	2,606,433
	32,164,634	31,969,710
	<u>3,490,287,723</u>	<u>2,701,656,019</u>

CENTRALE BANK VAN ARUBA**CONDENSED BALANCE SHEET
(before allocation of net result)
(Afl.)***As of*
December 31, 2024*As of*
December 31, 2023***Liabilities and equity***

1. Banknotes in circulation	356,171,125	315,408,515
2. Deposits of residents		
2.1 Government	115,989,078	82,270,482
2.2 Commercial banks	2,260,774,141	1,861,460,794
2.3 Other	1,454,444	2,688,246
	2,378,217,663	1,946,419,522
3. Deposits of nonresidents	142,866,877	23,939,357
4. Money in custody	2,314,343	2,164,953
5. Payables and accrued expenses	11,214,994	16,394,137
6. Employee savings fund liability	874,007	578,941
7. Revaluation account	391,199,995	259,727,006
8. Capital and reserves		
8.1 Capital	10,000,000	10,000,000
8.2 General reserve	103,109,131	103,109,131
8.3 Undistributed earnings	23,914,457	-
	137,023,588	113,109,131
Net result for the year	70,405,131	23,914,457
	<u>3,490,287,723</u>	<u>2,701,656,019</u>

CENTRALE BANK VAN ARUBA

**CONDENSED PROFIT AND LOSS
ACCOUNT
(Afl.)**

	<u>2024</u>	<u>2023</u>
1. Net interest revenues	80,860,474	33,911,030
2. Other revenues	20,239,887	20,641,742
Total net income	101,100,361	54,552,772
3. Amortization of stock of banknotes	458,854	1,101,249
4. Personnel expenses	20,309,589	19,680,260
5. Operating expenses	6,896,443	6,292,978
6. Depreciation expenses	3,030,344	3,563,828
Total expenses	30,695,230	30,638,315
Net result	70,405,131	23,914,457

CENTRALE BANK VAN ARUBA**CONDENSED CASH FLOW STATEMENT
(Afl.)**

	<u>2024</u>	<u>2023</u>
Operating activities		
Net result	70,405,131	23,914,457
<u>Adjustments for</u>		
Depreciation expenses	3,030,344	3,563,828
Amortization expenses printing costs of banknotes	458,854	1,101,249
	3,489,198	4,665,077
<u>Changes in working capital</u>		
(Increase)/decrease in receivables	(962,910)	563,755
(Increase) in stock of coins	(20,157)	(23,291)
Increase in banknotes in circulation	40,762,610	17,618,000
Net increase/(decrease) in deposits of residents and nonresidents	550,725,661	(306,330,349)
Increase in money in custody	149,390	1,090
(Decrease)/increase in payables and accrued expenses	(5,179,143)	11,913,046
Increase in employee savings fund liability	295,066	578,941
	585,770,517	(275,678,808)
Total cash flow (used in)/from operating activities	659,664,846	(247,099,274)
Investment activities		
Net investments in other fixed assets, premises, and projects in progress	(2,297,195)	(2,760,543)
Net investments in government and other papers	(582,798,219)	179,095,004
Net change in interest receivables from foreign currency assets	(7,762,657)	(5,450,406)
Total cash flow from/(used in) investment activities	(592,858,071)	170,884,055
Financing activities		
Profit distribution	-	(10,000,000)
Total cash flow (used in) financing activities	-	(10,000,000)

CENTRALE BANK VAN ARUBA

**CONDENSED CASH FLOW STATEMENT
(Cont'd)
(Afl.)**

	<u>2024</u>	<u>2023</u>
Total net increase/(decrease) in cash and cash equivalents	66,806,775	(86,215,219)
Cash and cash equivalents as of January 1	67,366,224	153,615,582
Effects of exchange rate changes on the balance of cash held in foreign currencies	(144,374)	(34,139)
Cash and cash equivalents as of December 31	134,028,625	67,366,224
Cash and cash equivalents comprise:		
Due from banks and other financial institutions as of December 31	133,796,696	67,069,427
Banknotes as of December 31	231,929	296,797
	<u>134,028,625</u>	<u>67,366,224</u>

4. NOTES TO THE CONDENSED BALANCE SHEET AS OF DECEMBER 31, 2024 AND THE CONDENSED PROFIT AND LOSS ACCOUNT FOR THE YEAR 2024

1. GENERAL

For publication purposes, the Centrale Bank van Aruba (CBA) prepared the 2024 condensed financial statements derived from the CBA's audited financial statements 2024, which have been drawn up pursuant to article 31, paragraphs 1 and 3 of the Central Bank Ordinance (CBO) (AB 1991 no. GT 32).

The external auditor expressed an unmodified opinion on the CBA's financial statements for the year 2024 in its report dated February 28, 2025. The CBO does not mandate publication requirements. However, for transparency purposes, yearly the CBA publishes its condensed financial statements.

2. ACCOUNTING POLICIES

Form and presentation of the financial statements

The condensed financial statements are prepared by the Executive Committee and follow the same accounting policies as applied by the CBA in the financial statements and disclose extracts derived from the audited financial statements. The CBA adheres to the relevant articles for the preparation of the financial statements as stated in the CBO. In addition, the financial statements are prepared according to the Guideline (EU) 2019/2217 on the legal framework for accounting and financial reporting in the European System of Central Banks (ECB/2019/34) (ESCB Guidelines), as issued by the Governing Council of the European Central Bank, except for the following deviation by virtue of the CBO.

The accounting policy in the CBO that deviates from the ESCB Guidelines is stated in article 31 sub 2, which stipulates that the changes that occurred during a financial year in the value of the gold and foreign exchange reserves and the business assets of the CBA, except those relating to the assets in which the capital and reserves have been invested, are recorded on the liability side of the balance sheet, and shall not be included in the compilation of the profit and loss account. The CBA, therefore, records these changes in the revaluation account. This accounting policy deviates from the ESCB Guidelines, as this guideline states that, in contrast to the CBO, unrealized losses that exceed any unrealized gains recorded in the revaluation account, are to be recorded in the profit and loss account.

The CBA's financial year equals the calendar year. The financial statements are presented in Aruban florin (Afl.), and all values are rounded up to the nearest florin, except when otherwise indicated.

Accounting principles

The following accounting principles have been applied: transparency, prudence, recognition and disclosure of post-balance-sheet events, materiality, going concern, the accruals principle, consistency, and comparability.

Recognition of assets and liabilities

An asset or liability is only recognized in the balance sheet when it is probable that any associated future economic benefits will flow to or from the CBA, substantially all of the associated risks and rewards have been transferred to or from the CBA, and the cost or value of the asset or the amount of the obligation can be measured reliably.

Basis of accounting

The condensed financial statements have been prepared on a historical cost basis, modified to include the market valuation of gold, marketable securities, and on-balance sheet claims and liabilities denominated in foreign currency. Transactions related to financial assets and liabilities are reflected in the accounts on the basis of the date on which they are settled.

Conversion of foreign currency

Assets and liabilities denominated in foreign currency are converted into Aruban florin (Afl.) at the rate of exchange (middle rate) prevailing on the balance sheet date. During the reporting period, transactions in foreign currency are converted into Afl. at the exchange rate prevailing on the date of settlement. The exchange rate for one U.S. dollar (USD) is fixed at Afl. 1.79, in accordance with the State Decree Value of the Aruban florin (AB 1992 No. GT 6). The exchange rate for transfers in Netherlands Antillean guilder (ANG) is also fixed at Afl. 1.00 as established by the CBA.

Comparison with previous year/Changes in accounting policies

The principles of valuation and determination of results remained unchanged in the year 2024.

Gold, marketable securities, and on-balance sheet claims and liabilities denominated in foreign currency

Gold, marketable securities, and on-balance sheet claims and liabilities denominated in foreign currency are valued at market prices prevailing on the last working day of the period under review.

Changes in the market value of gold, marketable securities, and on-balance-sheet claims and liabilities denominated in foreign currency are recognized in the revaluation account, which is included on the liabilities side of the balance sheet.

The accounting policies of the ECB and ESCB prescribe that unrealized losses should be recorded in the profit and loss account, when exceeding previous revaluation gains registered in the corresponding revaluation account. This accounting treatment is not in conformity with article 31, sub 2 of the CBO, which requires that changes in the valuation of the gold and foreign exchange reserves and business assets of the CBA occurring during the financial year should be reported on the liabilities side of the balance sheet. Therefore, in the (condensed) financial statements, unrealized losses are charged to the revaluation account.

Foreign currency assets and receivables

Foreign currency assets and receivables are recognized at their nominal value, less provision for impairment if considered necessary.

Stock of coins

The stock of coins comprises commemorative coins available for sale. The stock of coins is valued at the selling price of the coins.

Due from local banks

The due from local banks is recognized at amortized cost, less provision for impairment if considered necessary. It comprises accounts held at the local banks in the name of the CBA, for its own account and on behalf of its employees.

Printing costs banknotes

Printing costs banknotes consist of the printing costs related to the 2019 series of Aruban florin banknotes that should cover the supply of banknotes for the upcoming years. These printing costs were amortized over a period of 5 years, starting from June 2019, which is the month in which the 2019 series banknotes were brought into circulation by the CBA replacing the 2003 series banknotes.

Other fixed assets and premises

Other fixed assets and premises are valued at historical cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on a straight-line basis over the expected useful life of the assets, beginning from the moment of use. The useful life applied for the main asset classes is as follows:

- Other fixed assets, comprising:
 - computer hardware and software 3 to 5 years
 - office equipment and furniture & fixtures 2 to 10 years
 - motor vehicles 4 years
 - security equipment 3 to 10 years
- Premises, comprising:
 - the CBA's building, remodeling/renovations, and parking lot and landscaping 5 to 40 years, with a residual value of 30 percent

Projects in progress

The projects in progress are valued at historical cost and include several projects still in the process of being executed as of December 31, 2024. When completed, the acquired assets are transferred to their respective capital asset accounts. Subsequently, the depreciation of these assets starts.

Banknotes in circulation

The CBA issues Aruban florin banknotes. Banknotes in circulation are recognized at their nominal value.

Other liabilities (comprising deposits of residents and nonresidents, money in custody, and payables and accrued expenses)

Other liabilities are recognized at their nominal value.

Employee savings fund liability

The employee savings fund liability is recognized at amortized cost.

Post-balance-sheet events

The values of assets and liabilities are adjusted for events that occur between the balance sheet date and the date on which the Executive Committee authorizes the submission of the CBA's financial statements to the BoSD for approval, if such events materially affect the condition of assets and liabilities at the balance sheet date. Important post-balance-sheet events that do not materially affect the condition of assets and liabilities at the balance sheet date are disclosed in the notes, if considered necessary.

Revenue recognition

Revenues consist of the following categories:

- Revenues, comprising mostly interest income and realized gains and losses from the investment portfolios. These revenues are recognized in the period in which they are earned.
- Other revenues – foreign exchange, being the net transaction profits resulting from the margin between the buying and selling rates of foreign exchange applied by the CBA. These revenues are recognized in the period in which they are earned.
- Other revenues – coins, being the difference between the face value and the cost of minting of the coins ('seignorage'). Pursuant to article 12, paragraph 1 of the State Ordinance Governing the Monetary System (AB 1991 no. GT 34), coins are minted exclusively for the account of the Government of Aruba, whereas in conformity with article 7 of the CBO, the CBA is entrusted with the issuing of these coins. These revenues are recognized in the period in which they are earned.
- Other revenues – exchange rate margin compensation, being the amounts obtained by the CBA from the foreign exchange banks, following the introduction of the State Ordinance Exchange Rate Margin Compensation Centrale Bank van Aruba (AB 2014 no. 57) (SOERMC) as of April 1, 2015. The foreign exchange banks owe the CBA a (net) exchange rate margin compensation comprising 3/8 percent of the counter value in Aruban florin of all foreign exchange sale transactions to the public, minus 1/8 percent of the counter value in Aruban florin of all foreign exchange purchase transactions from the public. These revenues are recognized on a monthly basis based on an estimate by the CBA, which is subsequently compared to the actual monthly payment received, taking into account any subsequent amendments and/or adjustments by the foreign exchange banks and/or the CBA.
- Other revenues – various, include a number of smaller revenue items that are recognized in the period in which they are earned. This category comprises revenues related to the passing on of (part of) the supervision costs to the sectors supervised by the CBA and certain fees that are charged to the banking sector. It also contains administrative fines that are recognized as revenue once these fines have become irrevocable. This stage in the legal process is reached when all the rights of appeal of the parties involved have been exhausted. Until this stage in the legal process is reached, all payments collected by the CBA from administrative fines imposed are recorded as an 'advance payment' on the liability side of the CBA's balance sheet.

Expenses

Expenses are recognized in the period in which they are incurred by the CBA.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise due from banks and banknotes. Exchange differences affecting cash items are shown separately in the cash flow statement. Transactions not resulting in inflow or outflow of cash are adjusted for in the cash flow statement.

5. NOTES TO THE CONDENSED BALANCE SHEET AS OF DECEMBER 31, 2024

Assets

The number in parentheses following the account description refers to the corresponding items in the condensed balance sheet.

Gold (1)

Effective December 31, 2001, the gold of the CBA is valued on a quarterly basis at the prevailing market price for gold. At December 31, 2024, the market price for gold per fine troy ounce was USD 2,610.85 or Afl. 4,673.42 (December 31, 2023: USD 2,062.40 or Afl. 3,691.70).

The following tables provide the quantity and the value, as well as the changes in the gold of the CBA as of December 31, 2024, when compared to the previous period.

	<u>Fine troy ounces</u>		<u>Value (Afl.)</u>	
	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>December 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>
Gold	111,294.165	111,294.165	520,124,543	410,864,224
			December 31, 2024	December 31, 2023
			Afl.	Afl.
Gold as of beginning balance			410,864,224	361,050,124
Net change in the value of gold			109,260,319	49,814,100
Gold as of ending balance			520,124,543	410,864,224

Foreign currency assets (2)

Foreign currency assets are mostly held in U.S. dollars, while relatively small amounts are held in ANG, euros, and British pounds.

- *Due from banks and other financial institutions (2.1)*

Comprises current accounts held at De Nederlandsche Bank (DNB), the Bank of England (BOE), the Federal Reserve Bank of New York (FRNY), the Centrale Bank van Curaçao en St. Maarten (CBCS), and other financial institutions in the U.S.A., and time deposits held at a financial institution in Colombia. In order to minimize foreign exchange risk, total non-U.S. dollar holdings are limited to a maximum amount, while in some exceptional cases a larger amount can be held. Current accounts and other money market instruments (such as short-term funds with maturities ranging from overnight to 1 year, e.g., certificates of deposit, as well as time deposits) are limited to a minimum credit rating of Standard & Poor's (S&P) A-1 or Moody's P-1 or Fitch F1.

During 2024, the balance sheet item 'Due from banks and other financial institutions' increased by Afl. 66,323,409 (99.8 percent) to Afl. 132,752,696 as of December 31, 2024, when compared to December 31, 2023 (Afl. 66,429,287). This increase was largely the result of a rise in the CBA's current account held at FRNY (Afl. 42,923,706), as well as the CBA's time deposits held at a financial institution in Colombia (Afl. 17,900,000).

- **Government and other papers (2.2)**

Consist of investments through CBA's external asset managers, based on the investment guidelines, in:

1. U.S. government and U.S. agencies securities;
2. Securities issued by qualifying supranational financial institutions;
3. Asset-backed securities issued by qualifying institutions;
4. Mortgage-Backed securities issued by qualifying institutions;
5. Money market instruments, comprising mostly certificates of deposit, time deposits, and treasury bills; and
6. Corporate bonds issued by the financial services industry, specifically banks and other financial institutions, and the industrial sector.

The investment guidelines of the asset managers, based on conservative parameters, stipulate, amongst other, the investment objectives, benchmarks, average duration, and eligible investment instruments, which must be denominated in U.S. dollar per investment portfolio. Investments in U.S. Treasury securities and securities directly or not directly guaranteed by the U.S. government and U.S. agency securities are limited to AA-rated markets or equivalent, and all credits are limited to AAA-rated markets or equivalent. For money market instruments (excluding U.S. Treasury bills) the minimum investment grade is S&P A-1, Moody's P-1 or Fitch F-1. Moreover, the mortgage-backed securities are limited to U.S. agency mortgages only, and the credit quality of asset-backed securities and corporate bonds is limited to a minimum rating of AAA or equivalent and A- or equivalent, respectively. For securities with split ratings, the highest rating is applied.

During 2024, the government and other papers held by the CBA increased by Afl. 605,155,263 (+ 27.8 percent) to Afl. 2,782,659,659 as of December 31, 2024 (December 31, 2023: Afl. 2,177,504,396). This rise was mainly attributed to net U.S. dollar cash transfers equivalent to Afl. 510,150,000 from the CBA's current account held at a financial institution in the U.S.A. to the investment portfolio, resulting from larger purchases of U.S. dollars from the commercial banks stemming from high tourism receipts during 2024, as well as proceeds of foreign loans acquired by the Government of Aruba. In addition, government and other papers were positively impacted by interest income received (Afl. 99,559,411), as well as the net change in the market value of the CBA's investment portfolio (revaluation account) (Afl. 22,357,044). The effect of these changes was partly offset by a net realized capital loss of Afl. 26,911,192, caused mainly by the restructuring operation of the investment portfolio at end-January 2024. This was done to further mitigate the interest rate risk, while aiming to improve the income generating capacity of the portfolio for the coming years.

- **Other (2.3)**

This foreign currency assets item consists of interest receivable on the CBA's investment portfolio and time deposits placed at a financial institution in Colombia, as well as banknotes held by the CBA in foreign currencies. The increase in this item related mainly to an increase in the interest receivables of Afl. 7,762,657 (53.2 percent) to Afl. 22,354,262 as of December 31, 2024 (December 31, 2023: Afl. 14,591,605). This was mainly caused by several replenishments of the investment portfolio in 2024, totaling Afl. 510,150,000, as well as the reinvestment of the proceeds of the aforementioned restructuring operation in securities with much higher coupon rates.

Other assets (3)

- ***Receivables (3.1)***

Receivables include mainly mortgage and personal loans granted to the CBA's personnel, prepaid expenses, receivables for passed on supervision costs, receivables relating to the exchange rate margin compensation, and other receivables.

The following table provides a specification of the item 'Receivables' as of December 31, 2024 and December 31, 2023.

	December 31, 2024 Afl.	December 31, 2023 Afl.
Loans, mortgages and advances to personnel	7,867,710	7,517,908
Prepaid expenses	945,782	465,429
Receivable passed on supervision costs	631,207	919,328
Receivable (net) related to the exchange rate margin compensation	1,288,376	1,177,282
Prepayments on behalf of the Government of Aruba	855,443	341,562
Receivables relating to administrative fines imposed on supervised institutions	15,000	245,222
Receivable usage clearing system fee	32,536	-
Various	48,922	55,335
	11,684,975	10,722,066

- ***Stock of coins and printing cost banknotes (3.2)***

This item consists of commemorative coins available for sale, as well as the printing costs related to the 2019 series Aruban florin banknotes. As of December 31, 2024, the balance of this items comprises only the value of commemorative coins available for sale, since the printing costs related to the 2019 series Aruban florin banknotes has been fully depreciated as of May 31, 2024.

- ***Due from local banks (3.3)***

Due from local banks consists of a corporate collective savings account and two current accounts held at local commercial banks. Withdrawals from the corporate collective savings account are restricted for the first 48 months, unless a withdrawal qualifies as a special circumstance. After the restricted term of 48 months, employees can withdraw funds only once per year. There are no restrictions on the balances held in the current accounts.

- *Other fixed assets and premises (3.4)*

Other fixed assets and premises include the CBA's building at J.E Irausquin Boulevard 8, terrain, renovations, parking space, landscaping, computer hardware & software, as well as other assets comprising office equipment, furniture and fixtures, security equipment, and motor vehicles.

In Afl. thousands	Building, renovations, parking space and landscaping Afl.	Computer hardware & software Afl.	Other assets Afl.	Total Afl.
<u>As of January 1, 2024</u>				
Cost	16,334	18,713	11,757	46,804
Accumulated depreciation	(8,430)	(11,383)	(10,078)	(29,891)
Book value as of January 1, 2024	7,904	7,330	1,679	16,913
<u>Changes during the year:</u>				
Additions	176	805	549	1,530
Disposals	(103)	(379)	-	(482)
Depreciation expenses	(183)	(2,226)	(621)	(3,030)
Depreciation on disposals	72	379	-	451
Net changes during the year	(38)	(1,421)	(72)	(1,531)
<u>As of December 31, 2024</u>				
Cost	16,407	19,139	12,306	47,852
Accumulated depreciation	(8,541)	(13,230)	(10,699)	(32,470)
Book value as of December 31, 2024	7,866	5,909	1,607	15,382

- ***Projects in progress (3.5)***

The following table provides the changes in the ongoing projects on the balance sheet of the CBA in 2024.

	Project in progress
In Afl. thousands	Afl.
<u>As of January 1, 2024</u>	
Beginning balance	<u>2,606</u>
<u>Changes during the year</u>	
Additions	2,328
Reclassification to capital asset accounts	<u>(1,530)</u>
Net changes during the year	<u>798</u>
<u>As of December 31, 2024</u>	
Ending balance	<u>3,404</u>

The projects in progress amounted to Afl. 3,404,412 as of December 31, 2024 (December 31, 2023: Afl. 2,606,433). When completed, the acquired assets are transferred to their respective capital asset accounts within the category 'Other fixed assets' or 'Premises', and, subsequently, the depreciation of these assets will initiate.

Liabilities

Banknotes in circulation (1)

Banknotes are issued pursuant to article 7, paragraph 1, of the CBO.

Afl. Denomination	Value	
	December 31, 2024	December 31, 2023
	Afl.	Afl.
10.00	10,224,350	9,581,340
25.00	24,543,375	22,612,375
50.00	18,847,500	18,649,500
100.00	290,635,900	253,645,300
200.00	11,252,000	10,243,000
500.00	668,000	677,000
	356,171,125	315,408,515

As at December 31, 2024, the banknotes in circulation consisted of both the 2003 series florin banknotes (4.3 percent) and the 2019 series florin banknotes (95.7 percent).

Deposits of residents (2)

- *Government (2.1)*

This item consists of deposits of the Government of Aruba held at the CBA.

- *Commercial banks (2.2)*

This item comprises:

	December 31, 2024	December 31, 2023
	Afl.	Afl.
Current accounts	546,576,141	657,607,794
Reserve requirement	824,198,000	1,103,853,000
Time deposits	890,000,000	100,000,000
	2,260,774,141	1,861,460,794

Current accounts of the commercial banks are primarily held for transaction purposes. The reserve requirement comprises mandatory unremunerated deposits held by the commercial banks in accordance with the monetary policy requirements of the CBA. These mandatory deposits are not accessible to the commercial banks.

As per end-December 2024, the reserve requirement ratio stood at 15.5 percent, down from 22.0 percent as per end-December 2023.

Furthermore, the CBA continued to gradually increase the interest rate on its time deposits in 2024. On May 27, 2024, the interest rates were raised to a range from 0.575 to 0.775. Subsequently, the rates were increased again on July 1, 2024, ranging from 0.800 percent to 1.000 percent. Commercial banks responded by expanding their time deposits held at the CBA from Afl. 100 million as of end-December 2023 to Afl. 890 million as of end-December 2024.

- ***Other (2.3)***

This item consists of deposits of public nonfinancial corporations and other institutions held at the CBA.

Deposits of nonresidents (3)

This item consists of Aruban florin deposits of nonresident banks held at the CBA.

Money in custody (4)

This item comprises funds received in custody from third parties in conformity with the State Ordinance on Consignment of Money (AB 1991 GT 66).

Payables and accrued expenses (5)

The following table provides a specification of the item 'Payables and accrued expenses' of the CBA as of December 31, 2024 and December 31, 2023.

	December 31, 2024 Afl.	December 31, 2023 Afl.
Profit payable to the Government of Aruba	-	9,368,853
Unclaimed principal/ coupons of Aruban government securities	347,483	200,000
Foreign exchange commission collected and due to the Government of Aruba	435,749	286,683
Wages, wage tax, social premiums, and pension contributions withheld	703,130	662,142
Accrual for asset management and custodian fees	1,262,235	132,942
Payable usage clearing system fee	-	20,330
Accrual vacation allowance	443,160	420,000
Advance payments related to administrative fines imposed	6,572,472	3,570,150
Accounts payable and accrued expenses	1,047,164	1,608,352
Other payables	403,601	124,685
	11,214,994	16,394,137

Employee savings fund liability (6)

The balance of the Employee Savings Fund (ESF) liability represents the amount owed to its employees for their contributions, as well as the CBA's contributions and any interest earned on the ESF.

Revaluation account (7)

Pursuant to article 31, paragraph 2 of the CBO, revaluation changes in gold, securities, and foreign exchange holdings are included in the revaluation account.

The following tables provide a specification of the 'Revaluation account' of the CBA, as well as a detailed overview of this balance sheet item as of December 31, 2024 and December 31, 2023.

	December 31, 2024 Afl.	December 31, 2023 Afl.
Revaluation account as of beginning balance	259,727,006	129,833,734
Net changes in the market value of gold	109,260,319	49,814,100
Net changes in the market value of foreign currencies	(144,374)	(34,139)
Net changes in the market value of securities	22,357,044	80,113,311
Revaluation account as of ending balance	391,199,995	259,727,006

	December 31, 2024 Afl.	December 31, 2023 Afl.
Gold	411,181,443	301,921,123
Foreign currencies	(427,138)	(282,763)
Securities	(19,554,310)	(41,911,354)
	391,199,995	259,727,006

During 2024, the revaluation account expanded by Afl. 131,472,990 (50.6 percent) to Afl. 391,199,995, compared to December 31, 2023 (Afl. 259,727,006). This rise was mainly due to an increase in the market value of gold amounting to Afl. 109.3 million, as well as a rise of Afl. 22.4 million in the market value of securities in the investment portfolio.

Capital and reserves (8)

- Capital (8.1)

Pursuant to article 3, paragraph 1 of the CBO, the capital amounted to Afl.10,000,000 as of December 31, 2024

- General reserve (8.2)

This item comprises:

	December 31, 2024 Afl.	December 31, 2023 Afl.
Beginning balance	103,109,131	101,289,844
Retained earnings	-	1,819,287
Ending balance	103,109,131	103,109,131

- Undistributed earnings (8.3)

The undistributed profit related to the year 2023 amounted to Afl. 23,914,457. In the month of January 2025, an amount of Afl. 20,318,147.70 was approved by the Minister of Finance as profit distribution to the Government of Aruba. In accordance with the agreement with the Prime Minister and Minister of Finance several items that were prepaid by the CBA for the Government of Aruba were settled with the profit distribution over the year 2023. Upon instruction from the Minister of Finance, the net amount of Afl. 20,000,000 was paid out on January 30, 2025. The Minister of Finance also agreed to add Afl. 3,596,309, being the remaining amount of the undistributed earnings pertaining to the year 2023, to the general reserves of the CBA.

With respect to the profit related to the year 2022, the Minister of Finance approved a net disbursement of Afl. 9,368,853, which was paid out on January 4, 2024. This net disbursement consisted of a profit distribution of Afl. 10,000,000 and a deduction of Afl. 631,147 related to expenses prepaid by the CBA on behalf of the Government of Aruba. Furthermore, the Minister of Finance approved an addition to the general reserves of the CBA amounting to Afl. 1,819,287, stemming from the remaining amount of the undistributed earnings pertaining to the year 2022.

6. NOTES TO THE CONDENSED PROFIT AND LOSS ACCOUNT FOR THE YEAR 2024

The number in parentheses following the account description refers to the corresponding items in the condensed profit and loss account.

Net interest revenues (1)

The net interest revenues consist mostly of interest income from the investment portfolio, including realized gains and losses, as well as management fees and charges for custodian services.

The following table provides a specification of the net interest revenues realized by the CBA during the year 2024 and 2023.

	2024	2023
	Afl.	Afl.
Revenues (net of expenses)	84,134,904	34,107,374
Interest expenses	(3,274,430)	(196,344)
Net interest revenues	80,860,474	33,911,030

Other revenues (2)

The other revenues consist of foreign exchange revenues, coins revenues, revenues from exchange rate margin compensation, and other revenues.

The following table provides a specification of the other revenues realized by the CBA during the year 2024 and 2023.

	2024	2023
	Afl.	Afl.
Foreign exchange revenues	4,552,839	3,041,849
Coins revenues	1,935,621	1,128,389
Exchange rate margin compensation	11,273,139	11,870,874
Various revenues	2,478,288	4,600,630
Total	20,239,887	20,641,742

The following table provides a specification of the ‘various’ revenues realized by the CBA during the year 2024 and 2023.

	2024	2023
	Afl.	Afl.
Passed on supervision costs	2,053,440	2,097,540
Administrative fines	326,250	2,345,611
Other income (net)	98,598	157,479
Various revenues	2,478,288	4,600,630

Personnel expenses (4)

The following table provides a specification of the personnel expenses incurred by the CBA during the year 2024 and 2023.

	2024	2023
	Afl.	Afl.
Salaries and social security expenses	18,508,066	18,331,674
Courses, seminars, conferences and education expenses	925,221	562,710
Other personnel expenses	876,302	785,876
	20,309,589	19,680,260

At December 31, 2024, the CBA employed 112 persons full-time (December 31, 2023: 108 persons).

Operating expenses (5)

The following table provides a specification of the operating expenses incurred by the CBA during the year 2024 and 2023.

	2024	2023
	Afl.	Afl.
Utilities	527,890	524,272
Cleaning and maintenance	685,563	631,683
License and maintenance computers	1,890,373	1,719,607
Fire insurance and property tax	251,217	244,178
Telephone	169,365	168,643
Office and canteen supplies	153,360	82,060
Corporate social responsibility	112,592	23,369
Legal	529,910	594,053
Other consultancy services	1,331,288	1,185,574
Literature, subscription, and membership contributions	196,568	284,040
Seminars organized/hosted by the CBA	189,386	116,256
Other expenses	858,931	719,243
Total	6,896,443	6,292,978

Depreciation expenses (6)

	2024	2023
	Afl.	Afl.
Depreciation other fixed assets	2,847,428	3,422,045
Depreciation CBA premises	182,916	141,784
	3,030,344	3,563,828

7. COMMITMENTS

As of December 31, 2024, the CBA had the following capital commitments outstanding larger than Afl. 100,000, which are not reflected in the current financial statements:

- Commitment for the purchase and implementation of the scheduling and data collection platform, amounting to Afl. 243,440.
- Commitment for the purchase of prefab containers, amounting to Afl. 144,863.30.

8. CONTINGENCIES

As of December 31, 2024, the CBA was not involved in any legal proceedings or other business activities for which a contingent liability or a contingent asset may arise.

9. SUBSEQUENT EVENTS AFTER THE BALANCE SHEET DATE

There are no events after the reporting period that could have a (significant) effect on the financial statements as of December 31, 2024, except as noted elsewhere in these financial statements.

Independent auditors report on the condensed financial statements

To the Executive Committee and Board of Supervisory Directors of the Centrale Bank van Aruba

Opinion

The condensed financial statements 2024 of the Centrale Bank van Aruba ("the CBA"), which comprise the condensed balance sheet as at December 31, 2024, and the condensed profit and loss account and the condensed cash flow statement for the year then ended, and the notes to the condensed balance sheet as of December 31, 2024 and the condensed profit and loss account for the year 2024, are derived from the audited financial statements of the CBA for the year ended December 31, 2024.

In our opinion, the accompanying condensed financial statements 2024 are consistent, in all material respects, with the audited financial statements, on the basis described in the notes to the condensed balance sheet as of December 31, 2024, and the condensed profit and loss account for the year 2024.

Condensed financial statements

The condensed financial statements 2024 do not contain all the disclosures required by Guideline (EU) 2019/2217 on the legal framework for accounting and financial reporting in the European System of Central Banks (ECB/2019/34) as issued by the Governing Council of the European Central Bank. Reading the condensed financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements 2024 of the CBA and the auditor's report thereon.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements 2024 of the CBA in our report dated February 28, 2025. The audited financial statements 2024 and the condensed financial statements 2024 do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements 2024.

Responsibilities of the Executive Committee for the condensed financial statements

The Executive Committee is responsible for the preparation of the condensed financial statements 2024 in accordance with the notes to the condensed balance sheet as of December 31, 2024, and the condensed profit and loss account for the year 2024.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the condensed financial statements 2024 are consistent, in all material respects, with the audited financial statements 2024 based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

Aruba, April 25, 2025
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for Ernst & Young

(Sgd.) Garrick de Cuba, MSc, RA
Partner