



AERO SERVICES CREDIT UNION
COOPERATIVE SOCIETY LIMITED

34th AGM



GOING
FOR

GOAL



Understanding the Theme

Supportive and symbolic of our nation's achievement in qualifying for the 2006 World Cup in Germany, we have chosen the theme "Going for Goal". While our nation goes for "Gold" at the World Cup, we at Aero Services Credit Union (ASCU) will be going for our "Goal".

The Board of ASCU recently completed a three year Strategic Plan and has begun its journey towards achieving its 'goal'. This is depicted on the front cover of the Brochure as a football in flight as it heads towards goal.

The image takes the reader halfway down the field looking forward into the centrally aligned goal posts. The outlook is bright; the 'target' is clear and attainable. The money symbol (\$) underlines the financial objectives of ASCU and the movement given both the dollar sign and the football (bearing the ASCU logo) shows the ability, practicality and attainable objectives of this plan of action.





Our Mission

TO ENRICH THE QUALITY OF LIFE OF
OUR CUSTOMERS, BY PROVIDING
PROMPT, CUSTOMER-DRIVEN,
DIVERSIFIED FINANCIAL, SOCIAL
AND OTHER SERVICES, THROUGH
THE COMMITMENT AND DEDICATION
OF OUR VALUED EMPLOYEES, IN THE
COMMUNITIES WE SERVE.

Our Vision

TO BE A PREMIER CO-OPERATIVE
SERVICE PROVIDER IN THE CARIBBEAN
REGION.



THE NATIONAL ANTHEM

FORGED FROM THE LOVE OF LIBERTY
IN THE FIRES OF HOPE AND PRAYER
WITH BOUNDLESS FAITH IN OUR DESTINY
WE SOLEMNLY DECLARE.
SIDE BY SIDE WE STAND,
ISLANDS OF THE BLUE CARIBBEAN SEA,
THIS OUR NATIVE LAND
WE PLEDGE OUR LIVES TO THEE.
HERE EVERY CREED AND RACE
FIND AN EQUAL PLACE
AND MAY GOD BLESS OUR NATION
HERE EVERY CREED AND RACE
FIND AN EQUAL PLACE,
AND MAY GOD BLESS OUR NATION

PRAYER OF ST. FRANCIS OF ASSISI

LORD MAKE ME AN INSTRUMENT OF THY PEACE
WHERE THERE IS HATRED, LET ME SOW LOVE;
WHERE THERE IS INJURY, PARDON;
WHERE THERE IS DOUBT, FAITH;
WHERE THERE IS DESPAIR, HOPE;
WHERE THERE IS DARKNESS, LIGHT; AND
WHERE THERE IS SADNESS, JOY.
O DIVINE MASTER, GRANT THAT I MAY NOT
SO MUCH SEEK TO BE CONSOLED
AS TO CONSOLE;
TO BE UNDERSTOOD AS TO UNDERSTAND;
TO BE LOVED AS TO LOVE;
FOR IT IS IN GIVING THAT WE RECEIVE;
IT IS IN PARDONING THAT WE ARE PARDONED;
AND IT IS IN DYING THAT WE ARE BORN TO
ETERNAL LIFE.

AMEN.



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NOTICE

Notice is hereby given that the 34th Annual General Meeting of Aero Services Credit Union Co-operative Society Limited will be held on Saturday 18th March, 2006 at the Aero Services Credit Union Building, Conference Room, Corner Orange Grove Road and Priority Bus Route, Tacarigua at 1:00 pm.

AGENDA

- 1. Call to order - National Anthem - Credit Union Prayer**
- 2. Credential Committee's Report**
- 3. Notice of the Meeting**
- 4. President's Welcome Address**
- 5. Feature Address**
- 6. Minutes of the last Annual General Meeting**
- 7. Business Arising**
- 8. Reports 2005**
 - 8.1 *Board of Directors*
 - 8.2 *Credit Committee*
 - 8.3 *Supervisory Committee*
 - 8.4 *Education Committee*
 - 8.5 *Social & Cultural Committee*
 - 8.6 *Nomination Committee*
- 9. Auditor's Report**
- 10. Budget Proposals**
- 11. Resolutions/Recommendations**
- 12. Election of Officers**
 - 12.1 *Supervisory Committee*
 - 12.2 *Credit Committee*
 - 12.3 *Board of Directors*
- 13. General Business**
- 14. Vote of Thanks and Formal Closure**

By Order of the Board

Lyndon Byer (Mr.)

Hon. Secretary



STANDING ORDER

1. (a) A member shall stand when addressing the Chair and identify himself/herself.
(b) Speeches shall be clear and relevant to the subject before the meeting.
2. A member shall address the meeting when called upon by the Chairman to do so, after which, he/she shall immediately take his/her seat.
3. No member shall address the meeting except through the Chairman.
4. A member may not speak twice on the same subject, except:
 - (a) The mover of a motion – who has a right to reply
 - (b) He/she rises to object or to explain (with the permission of the Chair).
5. No speeches shall be made after the "Question" has been put and carried or negated.
6. The mover of a "Procedural Motion" – Adjournment, lay on the table, motion to Postpone – shall have no right to reply.
7. A member rising on a "point of order" shall state the point clearly and concisely. (A "Point of Order" must have relevance to the "Standing Orders").
8. (a) A member shall not "call" another member "to order" but may draw the attention of the Chair to a "breach of order".
(b) In no event can a member call the Chair "to order"
9. A " Question" shall not be put to the vote if a member desires to speak on it or move an amendment to it – except, that a Procedural Motion: "The Previous Question", "Proceed to the Next Business" or "the Closure": That the Question be "Now Put" – shall be moved at any time.
10. Only one amendment shall be before the meeting at one and the same time.
11. When a motion is withdrawn, any amendment to it fails.
12. The Chairman shall have the right to a "casting vote".
13. If there is equality of voting on an amendment, and if the Chairman does not exercise his casting vote, the Amendment is lost.
14. Provision shall be made for the protection by the Chairman from vilification (personal abuse).
15. No member shall impute improper motives against another member.



GUIDELINES

A member offering himself/herself for office in Aero Services Credit Union:

- Must not be bankrupt or an applicant for bankruptcy.
- Must be of sound mind.
- Must not be an employee of Aero Services Credit Union.

To avoid later embarrassment, a member who is delinquent in repaying his/her loan shall avoid offering himself/herself for election to office.

Additionally, if elected to office a member must be prepared to give generously of his/her time to:

- Attend Board or Committee Meetings;
- Attend other meetings and events of the Credit Union Movement;
- Attend seminars and training courses.

Regular Board of Directors Meetings are held on the third Saturday of every month from 1:00 pm.

Executive Committee meets once per month.

The Credit Committee meets once per week on Tuesdays.

The Supervisory Committee determines its meeting day and method of operations.



ELECTION PROCEDURES

- 1** Ballot papers for elections for the Board of Directors, Credit Committee and Supervisory Committee will be given to members at the time of election.
- 2** One of the items of business on the Agenda will be the nomination of persons to contest elections to the Board and Committees.
- 3** Persons nominated will assemble before the audience and give a brief resume of themselves.
- 4** A list of nominees will be posted in the meeting room.
- 5** There will be separate ballot boxes for the Board, Credit and Supervisory Committees.
- 6** The persons in charge of conducting the elections will declare when ballots should be cast.
- 7** On completion of the nomination process, members will cast their ballots at anytime during the meeting, up to the declared closing time of ballots.
- 8** The appointed persons will count the ballots while the meeting is in progress.

The results will be announced immediately on completion of the count.



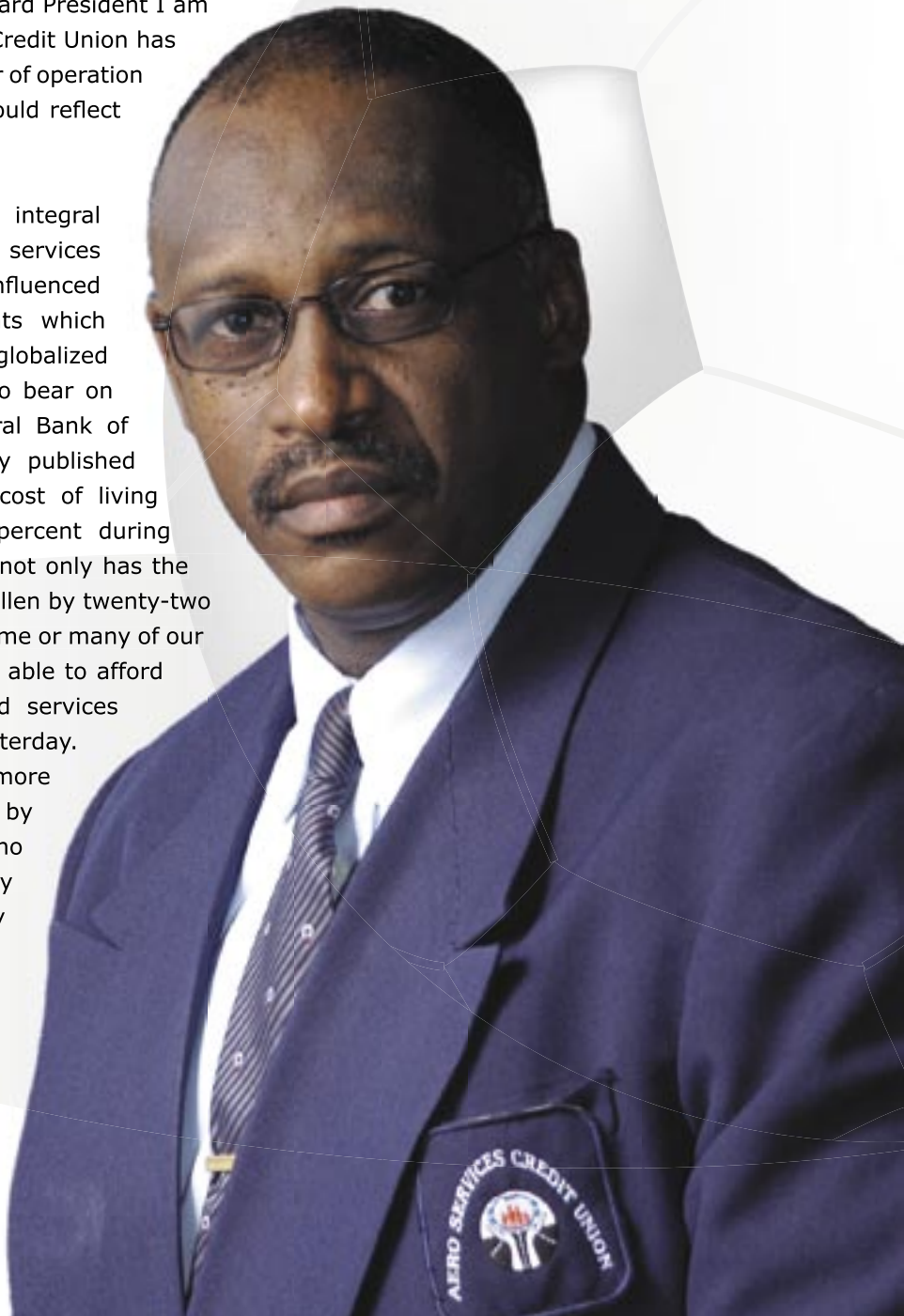
PRESIDENT'S REVIEW

My Fellow Co-operators,

We come together once more to discuss the performance of our Credit Union and to effect the necessary decisions in pursuit of its continued growth and development as indicative of our expectations as owners and shareholders. As Board President I am indeed pleased to advise, that our Credit Union has achieved yet another successful year of operation as the contents of this brochure would reflect particularly in the financial arena.

Aero Services' performance an integral part of the Country's financial services sector is closely hinged to and influenced by the constantly changing events which occur therein as an increasingly globalized environment brings its attributes to bear on the national economy. The Central Bank of Trinidad and Tobago in a recently published report stated that the Country's cost of living increased by twenty-two (22%) percent during 2005 which in fact says to us that not only has the purchasing power of the currency fallen by twenty-two (22%) percent but more notably, some or many of our Country's Citizens will no longer be able to afford tomorrow some of the goods and services they were able to purchase yesterday. These circumstances render even more compelling, the support provided by Aero Services to its members who themselves have been affected by these challenging events. May I say as President that our Credit Union stands ready and willing to embrace this task as it has been doing over the past five (5) decades.

The Board actively continues to pilot the search for new investment opportunities in the market place and in this regard it is significant to note the Credit Union's recent acquisition of the Coral Ridge



KESTER HUSBANDS, PRESIDENT



PRESIDENT'S REVIEW

Studio Apartments in the sister isle of Tobago. This investment initiative in essence offers a different dimension of service to our members as well as the public at large. Despite the fiercely competitive tourism sector in the Sister Isle coupled with Aero Services recent entry, the potential for growth and positive returns remain robust and positive over time as Tobago continues to be a strong point of international focus as a holiday destination. As the Credit Union continues to shift its revenue dependency away from the traditional enclave of "Loans to Members" the equity and mutual fund markets continue to be vital components in this thrust. While the vagaries of the local economy continue to impact upon the equity market this investment option, remains an integral facet of Aero Services' revenue streams for re-distribution to you its members.

As the Co-operative Movement continues to treat with its internal challenges particularly in the area of governance, prudent standards and practice, as word has come from the Governor of the Central Bank that appropriate legislation to regulate Credit Unions is currently in draft form and will soon be introduced to our Country's Parliament for passage into Law. The draft document however, will be the subject of collaborative discussions among all stakeholders as a precursor to its upliftment to the Parliament. This exercise is of profound and critical importance to us all as statements made by the Governor suggest that some members of the Co-operative family will be seriously challenged to remain in this cherished household of the "Small Man". While such a development will statutorily trigger a paradigm shift in the way we all do business, there exist those entities whose balance sheets and governance structure would lend to less discomfort in making the transition pursuant to compliance with the new legislative regime. The Board of Directors

and more so the Organization, stand ready to engage this new dispensation successfully for and on your behalf.

As we continue to navigate our way forward through the thicket of a globalized financial environment our search for excellence compels us as an Organization to strengthen and make even more efficient our internal competencies. The Board eternally recognizes that the cutting edge component of an Organization such as the one we collectively own resides in superlative customer service delivery of products and services, ongoing training of Staff and the continuous refinement of internal controls and processes. Our recently developed three (3) year strategic plan 2006 – 2008 pays robust attention to these factors as we proceed to engage its execution

In closing, permit me to thank our Credit Union's Members of Staff and Management whose tireless and dedicated efforts continue to form the cornerstone of Aero Services progress and success. As well, I wish to acknowledge with a sense of gratitude, our host entity BWIA whose existence facilitated the genesis of our beloved Organization and continues to support the Credit Union with unwavering loyalty. Finally, to you the Members, I convey my sincere thanks and appreciation for your continued confidence and support to this financial haven Aero Services which we collectively own.

Let us all have and enjoy a successful Annual General Meeting.

Co-operatively Yours,

KESTER HUSBANDS
PRESIDENT

BOARD OF DIRECTORS



Kester Husbands
President



Brian Matthew
Vice President



Lyndon Byer
Secretary



Michael Halls
Treasurer



Faye Husbands
Assistant Secretary



Augustine Cox
Assistant Treasurer

BOARD OF DIRECTORS



Courtney Demming
Director



Gregory Aqui
Director



Alec Clarke
Director



Theo Oliver
1st Alternate



Evin Andrews
2nd Alternate



MINUTES

MINUTES OF THE 33rd ANNUAL GENERAL MEETING

OF AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED HELD ON SATURDAY 19TH MARCH 2005, AT THE CREDIT UNION'S COMPLEX, CORNER ORANGE GROVE ROAD AND PRIORITY BUS ROUTE, TACARIGUA.

1. Call to Order

The President/Chairman Mr. Kester Husbands called the meeting to order at 1.18 p.m. He invited Ms. Gillian Benjamin to lead in the singing of the National Anthem. He then led the meeting in the recitation of the Credit Union Prayer.

2. Credential Report

The Supervisory Committee reported that a total of fifty members were present and therefore the meeting was properly constituted.

3. Welcome

The Chairman welcomed all members and specially invited guests in attendance to the 33rd Annual General Meeting of Aero Services Credit Union.

4. The President's Review

The President expressed that the year just passed had proven to be yet another successful one for the Society as the Board of Directors continued to execute its mandate in accordance with the Organization's mission and vision. His address focused on the growth of the organization and the need for continuous vigilance which could not be solely exercised by the Board of Directors but by all members of the Society.

This growth included among other things a 13% increase in assets and the investment in a parcel of real estate property in Tobago. Inclusive of the real estate investment was an eight (8) apartment Guest House which presented some very exciting prospects in the sphere of an alternative business endeavour and servicing of the needs of the members along the lines of leisure and relaxation.

He concluded by applauding the efforts made by the staff, and in particular the former Manager Mr. Evin Andrews. He also expressed his appreciation for the support that he received from his colleagues on the Board.

5. Feature Address

The Chairman invited the Assistant Secretary, Ms. Faye Husbands to introduce the Feature Speaker – Senator, the Honourable Conrad Enill, Junior Minister in the Ministry of Finance. Senator Conrad Enill's address focused on the challenges faced by the Credit Union as a result of the recent contractions within the workforce of the airline industry due to the terrorist attack in 2001; the changing world events since 2001 including the threat of terrorist attack, and the cost inherent with same, viz-a-viz the high cost of airline fuel. These continue to



MINUTES *cont'd*

add pressure on an already strained airline industry which may cause further separation of employment. He encouraged the audience to view this time as one of opportunity and not of despair.

He admitted that our Credit Union appeared to be one whose history showed a sense of resilience in times of challenges and suggested that the Credit Union can assist the retrenched workers by providing some measure of training for them to become self-employed; for as the economy improves, wealth would reside in one's personal skills and enterprise rather than employment income solely. As this is understood, training and re-training become a necessity inclusive of a paradigm shift in one's personal vision. He mentioned that Trinidad and Tobago was faced with recruitment challenges in that there were many positions and opportunities available but no one to seize them, therefore the government had no other option but to import skilled personnel.

He added that the focus of the Credit Union should be to work to ensure that its members possess the aptitude to become successful entrepreneurs and he encouraged the Credit Union to support those who seize entrepreneurial opportunities. He commended the Board of Directors and Management on their performance in 2004 and in inviting the audience to show their appreciation, he cautioned all not to talk the Society out of its success by aligning negative comments to those who brought the Society to this point.

The Junior Minister then proceeded to outline the government's change of policy regarding the assessment of Co-operatives, that is, a move away from the criteria based on asset size to one based on prudential risk. Furthermore, the Movement will be governed by two regulatory bodies namely the Central Bank (to deal with good governance and financial issues) and the Co-operative Division (to deal with organizational and developmental issues). This move was to ensure that stricter supervision and protection of members' funds by way of regulations was implemented given that the Movement comprised 129 Units with an asset base of \$5.2B TTD. He urged the Society to remain technologically and operationally relevant in the face of globalization and to choose their leaders wisely and hold them accountable for their actions.

He indicated that the Movement partnering with the government to develop people was key to societal growth and well being. Thus the challenge for the Movement was to become wider, more involved in the communities they serve, to understand what was happening, and to try to reverse societal ills.

In conclusion, he posed this challenge to officers of Aero Services that at the end of their term they must leave the organization a better place than when they entered; so that those who are to come after would see what was achieved, build on that achievement and not face similar difficulties. For if one can build on what is being discussed today and see more growth, development and results in twelve months time, then the purpose for which Credit Unions were in fact established – to impact in a very positive way the lives of people by collectively coming together and dealing with challenges – would have been served.



MINUTES *cont'd*

6. Acknowledgments

The Chairman welcomed and acknowledged the presence of the following guests

Ms. Andrea Marcano	-	Co-operative Development Division
Mr. Hyder Ali	-	Co-operative Development Division
Ms. Angela Ramkissoon	-	Co-operative Development Division
Ms. Avalon Perry	-	Co-operative Development Division
Ms. Esme Raphael	-	Central Finance Facility
Mr. Wayne Estrada	-	CUNA
Mr. Virgil Patrick	-	Co-operative Credit Union League
Mrs. Julia Squires-Allard	-	Co-operative Credit Union League
Ms. Jill Thompson	-	UWI Credit Union
Ms. Carla Joseph	-	Panell Kerr Foster
Ms. Ava George	-	North East Regional Chapter
Mr. Lennox Boyce	-	North East Regional Chapter

7. AGM Brochure

A motion for the acceptance of the Brochure was moved by Mr. Austin Wilson and seconded by Ms. Sharon Lee Sing Barnes.

8. Notice of the Meeting

A motion for the adoption of the Guidelines and Election Procedures was moved by Mr. Curtis John and seconded by Mr. Joseph Mann.

9. Standing Orders

A motion for the confirmation of the standing orders was moved by Mr. Heston Mitchell and seconded by Ms. Margaret Aqui.

10. Minutes of the 32nd Annual General Meeting

There being no errors and omissions, a motion for the acceptance of the Minutes of the 32nd Annual General Meeting was moved by Ms. Gillian Benjamin and seconded by Mr. Keith Weekes.

10.1 Matters Arising

Mr. Ramesh Lutchmedial commented that the Society should be cognizant of the uncertainty of the fate of BWIA (our core business) and be so guided especially if the Society were to embark upon any major capital projects. The Chairman thanked him for his contribution.

11. Minutes of the Special General Meeting

There being no errors and omissions, a motion for the acceptance of the Minutes of the Special General Meeting was moved by Mr. Ramesh Lutchmedial and seconded by Mr. Damien Edwin.



MINUTES *cont'd*

11.1 Matters Arising

Mr. Ramesh Lutchmedial requested an update on the Real Estate Investment in Tobago.

The Chairman gave an overview on the matter and stated that the entire process had not been completed.

12. Board of Directors' Report

The Chairman highlighted an error – Page 28 Item 8 Assets ... Change \$1.1M to read \$9.0M. There being no further errors or omissions, a motion for the acceptance of the Board of Directors Report was moved by Mrs. Ann Joseph and seconded by Mr. Andrew Thomas.

12.1 Matters Arising

Mr. Ramesh Lutchmedial commended the Board for the timeliness in distribution of the Brochures and its high quality. He expressed his concern on the high turnover of management staff in the Society which he believes affects the operations of the organization. He suggested that the Board give the Manager the room to manage and if that individual did not perform then that individual should be removed. He further commented that from what he has seen so far, the present Manager was doing a good job.

The Chairman indicated that there would be times when the Board may have to interact with the Manager on some issues, but it was not the Board's intention to stifle or micro-manage the organization. He however thanked Mr. Lutchmedial for his observation.

13. Acknowledgement of Staff Members

The Chairman guided the meeting to page 31 of the Brochure and acknowledged the Management and staff for their contributions and dedication which enabled the Society to enjoy a high level of success. He asked the meeting to applaud their contribution.

14. The Credit Committee Report

The Chairman highlighted an error – Page 32 Name under Photo ... Change C. Joseph to A. Landeau. There being no further errors or omissions, a motion for the acceptance of the Credit Committee Report was moved by Mr. Damien Edwin and seconded by Mr. Ramlochan Singh.

14.1 Matters Arising

There were no matters arising.

15. The Supervisory Committee Report

There being no errors or omissions a motion for the acceptance of the Supervisory Committee Report was moved by Mr. Austin Wilson and seconded by Ms. Gillian Benjamin.

15.1 Matters Arising

The Chairman thanked the Committee for the very cordial and professional manner they conducted their relationship with the Board during their tenure.



MINUTES *cont'd*

16. The Education Committee Report

There being no errors or omissions a motion for the acceptance of the Education Committee Report was moved by Ms. Sharon Lee Sing-Barnes and seconded by Ms. Jemma La Borde.

16.1 Matters Arising

Mr. Ramesh Lutchmedial enquired as to whether the staff had on-going training given that with continuous changes in the environment it was important to have staff equipped to meet those challenges.

The Chairman indicated that continuous training would be pursued as the future of the Society successfully unfolds.

17. Acknowledgement of Our 2004 SEA / HEI Awardees

The Chairman guided the meeting to page 38 of the Brochure and hailed the Awardees as the future leaders of Aero Services Credit Union.

18. The Social and Cultural Committee Report

There being no errors or omissions a motion for the acceptance of the Social and Cultural Committee Report was moved by Mrs. Ann Joseph and seconded by Ms. Paula Wellington.

18.1 Matters Arising

The Chairman thanked the Committee for the work they had done in bringing the membership together in the variety of social forum namely football, cricket, All Fours, etc.

19. The Nominations Committee Report

There being no errors or omissions a motion for the acceptance of the Nominations Committee Report was moved by Mr. Keith Weekes and seconded by Ms. Ann-Marie Aleong.

19.1 Matters Arising

There were no matters arising.

20. The Auditors' Report

The Chairman invited the representative from Panell Kerr Forster, Ms. Carla Joseph, to present the Auditors' Report

Ms. Carla Joseph read the report and also thanked the staff for all their assistance during the conducting of the audit.

21. Financial Statements

The Chairman invited the Treasurer, Mr. Augustine Cox, to take the meeting through the Statements.

The Treasurer guided the meeting to Financial Statements on Pages 44-56 of the Brochure and invited questions and comments.



MINUTES *cont'd*

Mr. Ramesh Lutchmedial requested explanations for the increase in certain costs of Expenditure as shown on Page 45.

The Treasurer gave explanations for the increase in the following items:

- Annual General Meeting – As a result of the costs of the tokens for adult and junior members.
- Salaries and Staff Benefits – Due to a combination of an increase in salaries and the employment of a Recoveries Officer and an Operations Officer.
- Utilities – With the employment of a Recoveries Officer delinquent members were being contacted to honour the repayment of their loans.

Mr. Lutchmedial enquired if the purchase of the vehicle provisioned for in the last budget was made.

The Chairman indicated that the provision for a vehicle was made in the event that one was needed, given that there was then a marketing thrust on the horizon and to facilitate any increase in the operations which would render the need for such an item. The plans intended for the year did not materialize and as such there was not the need to purchase a vehicle.

Ms. Sandra Jackman enquired as to what percentage of the membership was delinquent and what was being put in place to avoid that level of delinquency.

The General Manager indicated that out of a membership of 2,600 members, approximately 200 members were delinquent upwards of 300 days. Although not comparatively bad, the General Manager felt that it was important to keep delinquency to a minimal level. She explained the process with dealing with delinquent members and informed the audience that the Society was a member of the A.V. Knowles network.

Mr. Lutchmedial asked if there was any way we could assist those members who really are unable to meet their financial commitment even if it was just to allow them to repay only the principal.

The Chairman indicated that it was a breach of law to give to any member of the Society an interest free loan however the organization was always willing and ready to renegotiate the repayment terms with its members even for a much longer period. He added that with the last retrenchment a moratorium of some months was given to the affected members.

There being no further questions or comments a motion for the acceptance of the Financial Statements was moved by Mr. Mikki Martinez and seconded by Mr. Ramesh Lutchmedial.



MINUTES *cont'd*

22. Highlights of the Financial Performance for 2004

A Power Point presentation highlighting the financial performance for 2004, was delivered by the Assistant Treasurer, Mr. Michael Halls.

23. The Budget Proposal

A Power Point presentation highlighting the Budget Proposal for 2005 was delivered by the Assistant Treasurer.

Mr. Andrew Thomas enquired about the status on the property at Factory Road, Piarco.

The Chairman indicated that to develop that property would take a considerable amount of our financial resources. He reiterated that the purchase of that property was a long term investment and although there was no development at this stage, the development of the Trincity area had caused the properties in that vicinity to appreciate significantly. He however assured that the Board will continue to keep this investment in its focus.

Mr. Ralph Kalipersad enquired as to the projected loan loss expense for 2005.

The Treasurer responded that a provision of \$10,000 per month was made which totalled \$120,000 for the year.

Mr. Lutchmedial commented that he did not appreciate not having the materials on the budget to study beforehand so that meaningful comparisons could have been made to have a better understanding of what was just presented. He went on further to ask for more details on some of the Revenue and Expenses presented.

The Chairman indicated that an organization's Budget was a very sensitive document and it was not one to be laid in the public domain before it was approved by the membership. That was the sole purpose for its exclusion from the Brochure and its submission to the membership on AGM Day.

The Treasurer gave explanations on the following items in the Budget:

- Building Improvements (\$1M) – This figure included re-designing of the office and the expansion of the conference facilities.
- Coral Ridge Furniture and Equipment (\$224,100) – This included the purchase of television sets, upgrading of air-condition units, additional small beds and any other contingencies.
- The Apparent Deficit in the Budget – Capital Expenditure was not to be considered in the context of the Surplus. There was a lot of liquidity in the organization and some of it was converted into Fixed Assets with the hope of generating future surpluses for the membership.

Mr. Alison Richins enquired as to the criteria and percentage that the Society had to contribute to the Stabilization Fund; and requested an explanation on what an Investment Re-measurement Reserve was.



MINUTES *cont'd*

The Chairman explained that 0.5% of the Society total Shares and Deposits was paid to the Stabilization Fund. The Treasurer gave an explanation on the Investment Re-measurement Reserve which was based on IAS 39.

Ms. Gardie Jagdeo enquired as to the staffing of the Property in Tobago.

The Chairman indicated that the necessary human resource was already in place however negotiations were ongoing.

Ms. Denise Zephryne expressed her concerns pertaining to the operations of the Guest House. They were all ably answered by the Chairman.

Mr. Carlos Joseph suggested that there should be a decrease in loan interest which would assist in putting back some money into the hands of its members especially present BWIA employees who had not received an increase in salary for the past seven years.

There being no further questions and comments a motion for the acceptance of the Budget Proposal 2005 was moved by Ms. Gillian Benjamin and seconded by Mr. Angel Landeau.

The Chairman called for a vote on the Budget Proposals resulting in an unanimous favourable response.

24. Resolutions & Recommendations

The Chairman invited the Vice President to move the resolutions.

The following resolutions were moved by the Vice President Mr. Brian Matthew.

1) Auditors

Be it resolved that the firm Pannell Kerr Forster (formerly Mark, Castillo, Toney and Company) be retained as Auditors for the 2005 term.

The resolution was seconded by Mr. Gregory Aqui and was unanimously accepted.

2) Distribution of Surplus

Be it resolved that the Annual General Meeting approves the following:

2.1. A dividend of eight percent (8%) on each member's shareholding to be credited as follows:

2.2 The disbursement of six percent (6%) according to the member's request and

2.3 The additional two percent (2%) to be credited to each member's share account.



MINUTES *cont'd*

The resolution was seconded by Mrs. Ann Joseph and was unanimously accepted.

3) Loan Interest

3.1 Be it resolved a rebate of 3% on loan interest for the year 2004 be applied first towards any arrears in interest payment, then towards reducing the loan principal if at the time the member had not repaid his loan in full. Otherwise, it would have been credited to the deposit account of the member.

3.2 The residue to be carried forward to the succeeding year

The resolution was seconded by Mr. Austin Wilson and was unanimously accepted.

4) Ex Gratia Payment

Be it resolved that the sum of seven thousand dollars (\$7000) be allocated to the Education Committee and another seven thousand dollars (\$7,000) be allocated to the Social and Cultural Committee.

The resolution was seconded by Ms. Sharon Lee Sing-Barnes and was unanimously accepted.

5) Loan Write Off

Be it resolved that the sum of Six thousand five hundred and seventy-nine dollars and thirty-five cents (\$6,579.35) in uncollectible loans be written off.

The resolution was seconded by Mr. Mervyn Forde and was unanimously accepted.

25. Elections of Officers

Ms. Andrea Marcano of the Co-operative Division was invited to conduct the elections and she presided as the Returning Officer. She gave a credential report at 4.15pm advising that there were one hundred and ninety-two (192) members, eleven (11) Board members, eight (8) members of staff and thirteen (13) guests present. Persons recommended by the Nominations Committee to be elected to the Board of Directors, Supervisory and Credit Committees were presented to the membership. Ms. Marcano subsequently invited nominations from the floor.

The election results were as follows:

Supervisory Committee

Mr. Damien Edwin	131	
Mr. Avery Brown	129	
Ms. Jerrilyn Plowden	107	
Mr. Anand Mahase	75	(1st Alternate)
Mr. Mikki Martinez	48	(2nd Alternate)
Ms. Paula Wellington	35	
Mr. Risha Bedasie	09	



MINUTES *cont'd*

Credit Committee

Mr. Anthony Grant	159	
Mr. Angel Landeau	158	
Ms. Mavis Edwards	158	
Mr. Keith Weekes	151	
Ms. Sharon Lee Sing Barnes	148	
Mr. Heston Mitchell	108	(1st Alternate)

Board of Directors

Ms. Faye Husbands	120	
Mr. Michael Halls	107	
Mr. Gregory Aqui	85	
Mr. Theo Oliver	75	(1st Alternate)
Mr. Evin Andrews	45	(2nd Alternate)
Mr. Anthony Grant	34	
Mr. Curtis John	27	
Mr. Keith Weekes	20	
Ms. Sherril Peters	15	
Ms. Jacqueline O'Neal-Lewis	09	

26. Disbursement of Door Prizes

Several door prizes were randomly distributed based on a "lottery type" draw. The Society thanked the sponsors of the door prizes for their generous donations.

27. The Destruction of Ballots

A motion for the destruction of the ballots was moved by Ms. Jemma La Borde and seconded by Mr. Ralph Kalipersad.

28. Other Business

There was no other business.

29. The Vote of Thanks/Closure

The Chairman thanked everyone for their attendance. He then brought the meeting to a close at 5.45pm.

Lyndon Byer
Hon. Secretary



BOARD OF DIRECTORS REPORT

1. INTRODUCTION

It is indeed an honour and a privilege for the Board of Directors to report to you on the overall performance of Aero Services Credit Union Co-operative Society Limited, with particular emphasis on our achievements for the year 2005.

2. COMPOSITION OF THE BOARD OF DIRECTORS

The inaugural meeting of the Board for the new term was held on Tuesday 22nd March 2005. The following comprised the Board of Directors:

Mr. Kester Husbands	-	President
Mr. Brian Matthew	-	Vice-President
Mr. Lyndon Byer	-	Secretary
Mr. Michael Halls	-	Treasurer
Ms. Faye Husbands	-	Asst. Secretary
Mr. Augustine Cox	-	Asst. Treasurer
Mr. Courney Demming	-	Director
Mr. Alec Clarke	-	Director
Mr. Gregory Aqui	-	Director
Mr. Theo Oliver	-	1 st Alternate
Mr. Evin Andrews	-	2 nd Alternate



BOARD OF DIRECTORS REPORT *cont'd*

THE EXECUTIVE COMMITTEE

The Executive Committee constituted of the following elected Officers of the Board of Directors:

Mr. Kester Husbands	-	President
Mr. Brian Matthew	-	Vice-President
Mr. Lyndon Byer	-	Secretary
Mr. Michael Halls	-	Treasurer
Ms. Faye Husbands	-	Alternate
Mr. Augustine Cox	-	Alternate

3. SUB COMMITTEES

As part of its mandate, the Board of Directors has appointed several of its Directors to committees, which have been formed mainly to support key strategic areas of the Credit Union Operations. The committees are listed hereunder:

- IT Committee
- Human Resource Committee
- Building Committee
- Investment Committee
- Transition Committee (Coral Ridge Studio Apartments)

4. OUTGOING BOARD MEMBERS

Mr. Brian Matthew, Mr. Lyndon Byer and Mr. Courtney Demming are the outgoing Directors who are eligible for re-election and have indicated their willingness to serve.

Additionally, Mr. Theo Oliver and Mr. Evin Andrews, outgoing Alternates, are eligible for re-election and have also indicated their willingness to serve.

The Board of Directors wishes to sincerely thank all outgoing Directors and Alternates for their selfless contribution towards the success of Aero Services

5. ACHIEVEMENTS

During the year under review, your Board of Directors realized the following accomplishments:

- The Coral Ridge Studio Apartments** was purchased in April of 2005 and is



BOARD OF DIRECTORS REPORT

strategically located in Crown Point Tobago. Four apartments are located on both ground and upper floors and are self contained which include cable televisions, microwave ovens, refridgerators etc. Presently, the Board of Directors has engaged the services of Caribbean Holidays to manage this facility as an initial support during the period of our transition into the hospitality industry. As members of the Credit Union, you enjoy a special rate. Several of our members have capitalized on this by having visited and enjoyed the ambiance of this new real estate acquisition. We have printed brochures to ensure the successful marketing of this initiative.

b) The upgrading and redesign of our Website. We are pleased to inform you that significant upgrading of our Website has taken place. We encourage you to visit and take advantage of the technology by going on-line. Members can now access several electronic forms on-line including Membership and Loans applications. Credit Union updates are done as they become available.

c) Finalized three-year Strategic Plan 2006-2008. In order to ensure contributions from all levels, a Stakeholders' Retreat was held as a precursor to the Strategic Planning Retreat. It consisted of all members of the Board, Elected and Appointed Committees, Management and Staff and became the basis upon which the Strategic Plan was developed. As a result, the Society adopted the Balance Scorecard Model as its Organizational Performance Measurement and Management tool for monitoring of the Operational Plan for the year 2006, and by extension, the three year Strategic Plan.

d) Increase in our presence in Tobago. Marketing Visits to Crown Point, Tobago were conducted consistently every quarter by our dedicated staff which realized new members from Service Air, Airport Authority and Piarco Air Services. This initiative was done to enhance the relationship between our Members in Tobago and the Credit Union and to increase our Membership base.

Additionally, visits were made to airline affiliated companies in Trinidad who, in some cases, invited the Credit Union to promote its Products and Services and this resulted in several of their employees becoming part of the ASCU family.

e) Continued Performance. Our Society continues to perform remarkably well and has been able to consistently provide substantial returns to our shareholders. This is a major achievement considering the aggressive marketing strategies of our major competitors in the financial services sector, compounded with low interest rates and increases in expenditure. Despite these constraints, prudent management of all our resources, ensured that maximum returns were realized consistently.



BOARD OF DIRECTORS REPORT *cont'd*

6. PERFORMANCE HIGHLIGHTS

- **ASSETS**

The Society's asset base showed an increase \$10.5M over that of 2004.

- **SHARES**

Share capital increased by \$8.4M as compared to 2004 results.

- **LOANS**

The loan portfolio recorded an increase of \$9.6M over the results of 2004.

- **REVENUE**

Gross revenue showed a modest increase of 12% over 2004.

- **EXPENDITURE**

This category recorded an increase of 7% over 2004.

- **MEMBERSHIP**

There was a net growth of 11% when compared with 2004.

7. THE HOST COMPANY

The Government's position on the fate of the host company BWIA West Indies Airways Limited was finally made known in October 2005. This disclosure provided some initial comfort to employees. The pending date of transition from the old entity to its new business structure is being met with a significant degree of apprehension. We wish to assure you, our shareholders, that as we have done in the past, we shall continue to stand by your side as the national airline again recreates itself.

8. OPERATIONS

With a compliment of eight staff members serving a membership of just below 3,000 persons, streamlining of our operations has become inevitable. There has been and continue to be review of our systems and controls to ensure that the highest proficiency and efficiency of our operations are maintained. Among other things, we have had to revise our opening hours to ensure that the daily routine tasks were completed at the end of each day and not transferred to the following day.

9. MEETINGS, SEMINARS AND CONFERENCES

- **MEETINGS**

The Credit Union maintained its presence at a National level at several AGM's, Seminars and Presidents' Breakfast Meeting hosted by the following:

- Co-operative Credit Union League of Trinidad and Tobago Ltd
- T & T Stabilization Fund
- CUNA Caribbean Insurance Society Ltd.
- Tobago Regional Chapter
- Central Finance Facility



BOARD OF DIRECTORS REPORT *cont'd*

CONFERENCES

A. CARIBBEAN CONFERENCE OF CREDIT UNIONS (CCCU)

Directors Brian Matthew, Courtney Demming and Alec Clarke attended the Annual Caribbean Conference of Credit Unions, held in St. Kitts in July 2005. Directors who attended were exposed to several workshops as well as networking with fellow directors from the Caribbean Community of Credit Unions.

B. LEADERSHIP CONFERENCES

Directors Kester Husbands, Augustine Cox, Michael Halls and the General Manager, Mrs. Michele Constantine attended this conference which was held in Curacao. The Theme for the Conference was "Branding the Credit Union Difference".

IN THE CO-OPERATIVE COMMUNITY

The Board of Directors wishes to acknowledge the sterling contribution made to the Co-operative Community by some of its Directors, namely: **Mr. Kester Husbands** (Audit Committee – Trinidad and Tobago Stabilization Fund), **Mr. Brian Matthew** (ASCU Representative on the Board of Central Finance Facility), **Mr. Michael Halls** (Chairman – Supervisory Committee of the Trinidad and Tobago Credit Union League) and **Mr. Theo Oliver** (Alternate on the Board of the Stabilization Fund).

The Society was again elected to the Board of Directors of the Central Finance Facility for the 2005/2006 term and represented by Vice President Brian Matthew. Additionally, President Mr. Kester Husbands was elected to a second term on the Audit Committee of the Stabilization Fund.

10. CONDOLENCES

The Board of Directors wishes to convey its sincere and deepest condolences to the families of the following members who passed away in the last year: Bharathal Kisson (January 2005), Chadel Boodramsingh (March 2005), Arthur Franklin (May 2005), Hollingston Herbert (August 2005) and Sandra Luke (November 2005). "May their souls rest in peace".

11. CONCLUSION

The Board of Directors of Aero Services Credit Union Cooperative Society Limited endorses the philosophy of strategic management and is committed to making this Society of ours not only the premier financial institution of choice, but also that shining star of the Co-operative Movement. As a consequence, we continue to engage in the implementation of the necessary infrastructure, morals and values, to support and nurture this mandate.



BOARD OF DIRECTORS REPORT *cont'd*

Moreover it is incumbent upon all of us, to ensure that we continue to build upon the foundation which was laid for us by those who have gone before. We therefore urge you, to make this very vision your own, to take every opportunity to volunteer your resources in this virtuous effort, to engage in the business of co-operative management so that the transition from leader to leader, from era to era... is seamless.

In closing, we the Board of Directors, offer our deepest and sincere appreciation to the Management, Staff, Elected and Appointed Committees for their continued support. We also extend warmest thanks to you, our valued shareholders, for the trust and confidence entrusted in the entire team at all levels. We do hope that your support and best wishes are forthcoming as we all **"Go For Goal"**.

Co-operatively yours,

Lyndon Byer

Hon. Secretary

Names	Board			Special Board			Executive		
	PRES	EXC	ABS	PRES	EXC	ABS	PRES	EXC	ABS
Mr. Kester Husbands	8	1	-	4	-	-	6	-	-
Mr. Brian Matthew	7	2	-	4	-	-	5	1	-
Mr. Lyndon Byer	8	1	-	4	-	-	6	-	-
Mr. Michael Halls	6	3	-	3	1	-	5	1	-
Ms. Faye Husbands	9	-	-	3	1	-	4	2	-
Mr. Augustine Cox	7	2	-	4	-	-	5	1	-
Mr. Courney Demming	7	2	-	3	1	-	-	-	-
Mr. Alec Clarke	7	2	-	3	1	-	-	-	-
Mr. Gregory Aquí	9	-	-	2	1	1	-	-	-
Mr. Theo Oliver	4	5	-	2	1	1	-	-	-
Mr. Evin Andrews	7	2	-	4	-	-	-	-	-



ASCU STAFF

From L to R seating:

Cynthia Kennedy

Michele Constantine (GENERAL MANAGER)

Natasha Ganase

From L to R standing:

Ramlochan Singh

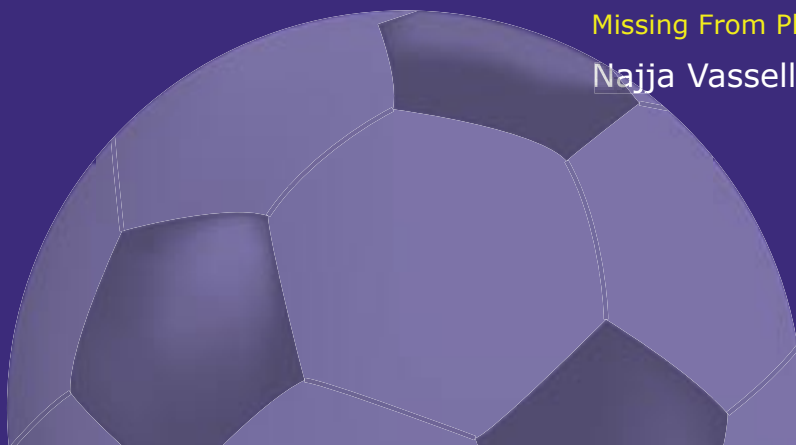
Annette Boodramsingh

Nerissa Alleyne

Gwendolyn (Penny) Daniel

Missing From Photo:

Najja Vassell





CREDIT COMMITTEE REPORT



Credit Committee Members

Ms. Mavis Edwards	-	Chairman
Ms. Sharon Lee Sing-Barnes	-	Secretary
Mr. Anthony Grant	-	Member
Mr. Angel Landeau	-	Member
Mr. Keith Weekes	-	Member
Mr. Heston Mitchell	-	1 st Alternate

Seated L to R: S. Lee Sing Barnes, M. Edwards

Standing L to R: A. Landeau, K. Weekes, A. Grant

Although the year 2005 ended positively from a macro-economical perspective, with Government agencies and economists applauding the robustness of the economy and forecasting future growth, this fact was not reflected in the borrowing patterns of our members. The reality of the times – for some – remained a challenge; a significant number of members refinanced their loan portfolios in order to maintain the quality of their standard of living. The imminent threat of job loss which may result from the restructuring of the core company was an additional burden on the minds of some members.

However, there is some light at the end of the tunnel. The Government re-introduced mechanisms to support the cost of tertiary education (Note: - before 1987 this was the norm at U.W.I.) and implemented a tax structure. This initiative will afford members more cash in hand. We therefore encourage members, to develop a personal financial plan or seek the services of a financial planner (e.g. ASCU Office or Committee members) with the intent to secure this extra cash.

Loans:

The total loans granted from 2417 applications amounted to \$26.8M. Frequent requests were for loans to be refinanced merely to settle outstanding debts and meet monthly commitments. Some members also applied for extended durations on loans, to allow for affordable payments, whilst a few, who experienced severe difficulties, were specially assisted. The loan policy was seriously tested.

In spite of the financial climate, more loans for starting up or maintaining small business were granted. The Investments category moved from the 7th place to 4th place on the Major Loan Categories list. We also observed that more of our external members selected Aero Services Credit Union as their first choice despite the competitive rates offered by the other financial institutions. Interviews increased, and although they were for specific purposes, we accepted the opportunity to interact with more of the membership specifically in terms of financial planning and money management.



CREDIT COMMITTEE REPORT *cont'd*

Major Loan Categories were:

Vehicles Purchase	\$8.76 M
Miscellaneous	\$3.62 M
House Renovations	\$2.90 M
Investments	\$1.98 M
Debt Consolidation	\$1.92 M
Vacation	\$1.61 M
Education	\$1.23 M
Medical Expense	\$1.11 M
Property	\$1.06 M
Car Repairs	\$0.80 M

Share withdrawals:

Share withdrawals amounted to \$2.53M. A few of the cases were as a consequence of loans that became onerous, but others, was because members did not want anymore or no loans at that time. Most of the applicants were interviewed with the view for them to exercise other options, which were all declined. We again remind members that when shares are used to soften or liquidate loans, it weakens the share capital of the Society.

Following are the categories for share withdrawals:

Investment	\$0.49 M
Miscellaneous Expenses	\$0.31 M
Resignation	\$0.26 M
Vehicle Purchase	\$0.24 M
Home Construction	\$0.21 M
Outstanding Debts	\$0.18 M
Personal	\$0.16 M
Education	\$0.13 M
House Renovation	\$0.12 M
Medical	\$0.12 M



CREDIT COMMITTEE REPORT *cont'd*

Recommendations:

- Fill out all application forms completely and accurately.
- Submit all relevant supporting documents at the time of application.
- When applying for a loan, do ensure that the "Purpose of the Loan" is very specific and not vague. This will assist greatly in the timely processing of the application.
- Become acquainted with the loan policy and the different types of services offered
- In the present financial climate members should be mindful of the implications of the Life Saver Loan i.e. ad-hoc topping up.
- Liquidation requests means that interest payments on the same loan would occur more than once.
- We urge members to increase their saving portfolio (shares/deposits) with the funds that will become available due to the income tax initiative. This will be mutually beneficial to both members and the Society.

Conclusion:

We take this opportunity to thank all members for their contributions and support during the year and the opportunity to serve. To the Board and other committees we convey our gratitude for your assistance. To the management and staff we express our sincere thanks for their support and co-operation. In view of the social and economic challenges around us, we urge you to rally around Aero Services.

"As a member you contribute to making this credit union viable."

God's Blessings

Mavis Edwards.
Chairman.



SUPERVISORY COMMITTEE REPORT



From L to R: A. Mahase, J. Plowden, D. Edwin

Supervisory Committee Members		
Mr. Avery Brown	-	Chairman
Ms. Jerrilyn Plowden	-	Secretary
Mr. Damien Edwin	-	Member
Mr. Anand Mahase	-	1 st Alternate
Mr. Mikki Martinez	-	2 nd Alternate

As we entered 2005, the membership elected to have most of the previous year's Supervisory Committee members continue in their role. The committee welcomed aboard, alternate Mr. Mikki Martinez the only new addition to our team, who was elected to serve for the first time.

Committee Activities:

The Committee continued where it left off, conducting audits in accordance with the Credit Union's Bye Laws and that of the Co-operative Society laws, which require that we obtain reasonable assurance that the financial statements are free of mis-statement, reviewing Credit Union documents and other activities which may affect the Society on behalf of the membership. These activities included -

- i. Reviewing Minutes of the Board
- ii. Auditing Cash receipts and disbursements
- iii. Verifying Bank Reconciliation and Deposit transactions
- iv. Auditing Loan transactions
- v. Verifying investments and Monthly Financial Reports
- vi. Auditing Share/Loan accounts and Delinquency
- vii. Follow-up of previous Audit Reports

Overview:

Financial Statements -

It is the Supervisory Committee's general opinion that the Credit Union's financial statements presented during the period have been represented fairly and where clarity was required adequate responses were provided, thereby mitigating against any possibility of mis-statement.



SUPERVISORY COMMITTEE REPORT

Loan Policy Compliance –

There continues to be instances of deviation from the Loan Policy whereby members exceeded the number of loans permitted within the specified periods. Again, this seems to be driven by current circumstances, and was authorized by the relevant committee as set forth in the Bye-Laws. However, it must be noted that the Supervisory Committee feels that if these situations continue to prevail, then adequate provisions should be made through the Loan Policy to handle such instances. We are cognizant that the Loan Policy is under review, and hope that its contents address all current issues affecting the Loan process.

Delinquency continues to be a source of concern. However, there has been a serious effort to address this situation through implementation of new procedures by the Credit Union's Management.

Other Areas of Review –

The acquisition of the Crown Point Tobago property is now complete and we have monitored all stages of this transaction, reviewing the documentation and communicating with the Board of Directors throughout. All activities have been conducted fairly, and the best interest of the membership has been maintained.

There was a concern that the Credit Union's website development had ceased, however we were advised that work had resumed.

Construction of the new Boardroom was completed and it is now in use.

We have also noted that the Credit Union has been utilizing the skills of past or current members where possible, to provide the membership with employment opportunities. We commend this action and support it.

Conclusion –

The Committee wishes to thank firstly the membership for the opportunity who expressed confidence in our ability as demonstrated by electing us to perform the task of supervision. We also wish to thank the Board of Directors, Management and staff for the co-operation and support the Committee received. We wish the Credit Union success in all future endeavours.

Avery Brown
Chairman



EDUCATION COMMITTEE REPORT



Education Committee Members

Ms. Ann Liverpool	-	Chairman
Ms. Gillian Benjamin	-	Secretary
Ms. Natasha Thomas	-	Member
Ms. Natasha Thomas	-	Member
Mrs. Michelle Boodansingh	-	Member
Ms. Faye Husbands	-	Board Representative

from L to R: Natasha Thomas, Gillian Benjamin, Ann Liverpool

The year 2005 was an eventful one for the Education Committee. There were training courses/programmes which supported the tag line of our Credit Union: "Enriching the quality of your life". Following is a brief overview of our activities/achievements.

• AEROBITS

We have successfully published and distributed Aerobits for June 2005, September 2005 and January 2006. These went out in conjunction with the Quarterly statements to all members.

• SEA/HEI AWARDS

The Committee hosted another successful SEA and HEI Awards Ceremony on Wednesday 21st September, 2005. Addresses at the ceremony were heard from our President, Mr. Kester Husbands, a guest speaker from the Ministry of Education and our feature speaker, Mr. Ernest King, an Executive Director at TSG Consulting with over twenty-five (25) years in Financial Services, Child Development and Counseling. Mr. King was truly enlightening and dynamic in the delivery of his address as he managed to capture the attention of the awardees, leaving them with this thought to ponder "Talent + Discipline = Success".

The year 2005 saw an increase in the number of CXC/GCE O'Level and A'Level students who were honoured under the Higher Education Incentive (HEI) Awards Programme when compared to 2004.

Honourees on the evening were thirty-six (36) SEA students, eleven (11) CXC/GCE O'Level students and five (5) A'Level students. Share certificates were distributed to recipients valued \$200.00 each for redemption. There was only one (1) successful applicant for the "University Degree Scholarship" in the Social Sciences faculty who received a bursary of \$5,000.00 and will remain eligible to receive a similar sum each year for the next two (2) years subject to the satisfaction of the HEI criteria.

Additionally, sixteen (16) 2004 SEA Awardees who saved regularly over the period September 2004 – August 2005 received the "Additional Bonus Savings Incentive", which matched half of their savings to a maximum of \$500.00 over the aforementioned period.



EDUCATION COMMITTEE REPORT

Four (4) CXC/GCE O'Level Awardees applied for and were granted the "Additional Incentive" of \$500.00 (a one time payment) to assist in their pursuit of A'Level qualifications.

• DRAPERY COURSE

The Committee organized another Drapery/Soft Furnishings Course, tutored by Mrs. Cynthia Brereton. This course was conducted from the end of July into early September 2005. This group however dwindled and the course was discontinued in September due to a number of persons pursuing other academic courses which coincided and restrained their attendance. Good luck to all!

• LATIN DANCE CLASSES

Due to numerous requests by the membership, the Committee organized a Latin Dance Course with Mr. Michael Fortune – Dance Instructor - which was held once a week over a three month period from 5:00pm. – 6:30p.m., during the months June to August. However, because of the overwhelming response, we conducted another session which commenced in August through October, from 6:30 – 8:00pm with some participants repeating the course in the second session. It was evident from the response to these sessions that participants were thoroughly satisfied.

• FINANCIAL MANAGEMENT SEMINARS

With the continuous rise in inflation/cost of living, our desire to educate members on the benefits of effective Financial Management was of paramount importance. This led us to organize a number of Wealth Creation Seminars, hosted by Mr. Garth Thomas, Managing Director/Financial Consultant of Compass Limited and Franchise Owner of the new Unit Trust Branch Office in Gulf City, San Fernando.

Three sessions were held on July 2nd, September 17th and November 19th, 2005 and targeted all levels of our membership. The main focus was to encourage participants to define their personal understanding of wealth, the correlation between wealth and money, the use of their earnings to create wealth, manage debt, secure enough for imminent retirement and also to apply whatever personal gift or talent in their possession, towards revenue generation. Some areas covered were: the fundamentals of Wealth Creation (the principle of sowing and reaping), the Secret to Wealth (learning to live on less), the 9 Step Formula of Goal Setting, and the examination of various savings and investments instruments available in the financial market today.

These seminars were a resounding success. "Informative, enlightening and truly inspiring", were some of the sentiments expressed by participants, who demonstrated their total satisfaction and intrigue by the simple methods illustrated to alleviate indebtedness and create wealth from earnings.

• CREDIT UNION WEEK (October 16 –22, 2005)

"MEMBERS MAKE IT HAPPEN" was the theme for this year's Credit Union Week Celebrations. Our main focus was to encourage participation in planned events. As a result, a sub-committee was formed to organize these proceedings. There were great plans afoot to celebrate with the other



EDUCATION COMMITTEE REPORT

members of the co-operative fraternity and to showcase the talents and businesses of our members. This plan included the participation of an ASCU contingent in the celebration of Credit Union week at Ramsaran Park on 17th October, ASCU's Open House and Talent Show on the 21st October (Credit Union Day), followed by the Trade Fair on 28th and the Flea Market on 29th October. In spite of extensive advertising, support for all events was lack luster. As a result, the Flea Market which was deferred to 3rd December due to poor response was subsequently cancelled.

• CONDOLENCES

The Committee wishes to convey its sincere condolences to one of our members, Mrs. Michelle Boodhansingh and her family on the passing of her father.

• CONCLUSION

In closing, we wish to convey our sincere thanks to members of the Board of Directors who supported us in all of our proposed projects/programmes. We also wish to recognize and thank the office staff for their tremendous support, assistance and contributions throughout our tenure. A special thanks goes out to the Social and Cultural Committee for collaborating with us in some joint ventures, and to Ms. Faye Husbands for her guidance and support throughout this period.

Finally, our Committee wishes to thank YOU, our valued members for your enthusiasm, participation and continued support throughout 2005 and for the opportunity to be of service to you. May God continue to richly Bless You.

Co-operatively yours,

Ann Liverpool (Mrs.)
Chairperson – Education Committee



SOCIAL & CULTURAL COMMITTEE REPORT



S & CC Members

Mr. Earle Joseph	-	Chairman
Ms. Roxanne Paul	-	Secretary
Mr. Christopher Bynoe	-	Member
Mr. Anthony "Mappi" Isaacs	-	Member
Mr. Anthony Oliver	-	Member
Mr. Courtney Demming	-	Board Representative

From L to R: E. Joseph, R. Paul, C. Demming, A. Isaacs

2005 will be remembered as another triumphant year for the Social & Cultural Committee. As per the theme of Credit Union Month 2005 "Members make it Happen" there was tremendous participation from our members.

Once again there were a number of successful sporting and social activities throughout the year. The Limited Overs Windball Cricket competition jumped started the Committee's 2006 schedule of events in May and ran for one month at our grounds at Factory Road. Staffhire tried their best but Team Modular emerged champions.

Always the most vocal of all activities, the All Fours Competition, was held in July-August and generated a lot of excitement. After many a 'Hang Jack' the Services team proved to be the best and grabbed the top spot again.

DeFreitas Ranch proved to be the perfect location for our River Lime/Family Day/Cook Out in August. There were a wide array of items on the menu from which to choose, namely, Barbequed Pork, Fried Fish, Carrot Dumplings, Curried Duck, Barbequed Alligator and Mother-in-Law. The judges had a difficult task, and in spite of the Cargo Team delivering a 'wicked barbeque', when the dust settled the first prize was awarded to the Retirees Team. A dip in the pool or river was a welcomed relief from the heat of the sun.

We travelled west to the WITCO grounds for the 7-A-Side Football Competition, in September. Each team was asked to provide their own food and drinks for the day and needless to say some teams had more drinks than food. However as good as the retirees were at cooking, we soon discovered that they were not as gifted at playing football, or cricket, for that matter. Our Tobago members came out in full force for this day of fun. Congratulations go to first timers, Service Air – winners of the competition.

Prizes were awarded at an After Work Lime and Prize Giving Function held in the open air loft at



SOCIAL & CULTURAL COMMITTEE REPORT

the ASCU Complex in September. Special commendation is given to the ASCU Office team for participating in the cookout (at De Freitas Ranch), as well as the Stores and the Sunjets Football teams for consistently supporting the initiatives of the Committee. To all the participating teams and their supporters "YOU ARE ALL WINNERS" for without you these planned events would not have been possible.

October was Credit Union Month. This year we joined forces with the Education Committee and ASCU Office staff in planning and executing activities for the month. Unfortunately, these plans were not successful as our other activities.

After work Christmas Limes were hosted in Trinidad and in Tobago. In Trinidad, this event continues to be the highlight of the year for members as the number of 'limers' continue to increase. I would like to thank the members of the Social and Cultural Committee along with The Management and Staff of ASCU for making this lime so successful. We journeyed to the sister isle to celebrate with our Tobago membership, the venue being, the car park of the ASCU Coral Ridge Guest House. We would like to recommend to members that we make full use of this facility. It is a beautiful resort, in a fantastic location, and at an affordable price.

I would like to thank the Board of Directors, Management and Staff of ASCU for their continued support. To the members, our greatest asset, we thank you for the support that you gave us in 2005 and look forward to better things in 2006, remember "MEMBERS MAKE IT HAPPEN".

Respectfully,

Earle Joseph (Mr.)
Chairman



NOMINATION COMMITTEE REPORT

INTRODUCTION

Fellow Co-operators,

Pursuant to Bye-Law 33a of the Society the Board of Directors appointed a Nominations Committee for the purpose of inviting nominations from suitably qualified members of the Credit Union who are desirous of serving on the Board of Directors, The Credit and Supervisory Committees. The Committee comprised the following persons:

Mr. Kester Husbands	-	Chairman
Mr. Gregory Aqui	-	Member
Ms. Faye Husbands	-	Member.

In its letter of invitation to the General Membership the Committee stressed the importance of persons who were desirous of being nominated MUST be in good standing with the Organization i.e. not delinquent, be reasonably conversant with the Credit Union philosophy and operating principles and, must give the necessary time required to fulfill their elected responsibility. The Membership was advised that a deadline date of Friday 10th February 2006 was applicable for the submission of all Nominations and, submissions made after that date will not be accepted.

OUT-GOING OFFICERS:

The outgoing members of the Board of Directors are Mr. Lyndon Byer, Mr. Courtney Demming and Mr. Brian Matthew. The Board's Alternate members Mr. Theo Oliver and Mr. Evin Andrews are also outgoing by Law.

All Members of the Supervisory Committee are outgoing by virtue of the relevant statute which limits membership to this Committee to a period of one (1) year. The outgoing members are Mr. Avery Brown, Ms. Jerrilyn Plowden and Mr. Damien Edwin. Mr. Avery Brown has since indicated that he will not be seeking re-election to the Committee due to constraints of time while, Mr. Damien Edwin is ineligible for re-election having served three (3) consecutive terms and has now become statute barred. The Committee's Alternate members Mr. Anand Mahase and Mr. Mikki Martinez are also outgoing by Law however, Both Ms. Plowden and Mr. Mahase have both indicated their willingness to serve and have filed their respective nominations to this effect.

In similar statutory manner, all members of the Credit Committee and its two Alternate Members are outgoing at the Annual General Meeting. The outgoing members of this Committee are Ms. Mavis Edwards, Ms. Sharon Lee Sing Barnes, Mr. Anthony Grant, Mr. Angel Landeau and Mr. Keith Weekes. The Alternate Member is Mr. Heston Mitchell. All outgoing members of the Credit Committee have expressed their willingness to serve and have since filed their respective nominations.

NOMINATIONS RECEIVED:

A total of sixteen (16) nominations were submitted for consideration by the Committee however, in its deliberations three nominations were rejected; one was due to the fact that it was submitted after



NOMINATION COMMITTEE REPORT

the deadline date for submission, while the other two nominations were determined not to be in good standing with the Society on the deadline date for closing of nomination. An in-depth review was conducted on all other nominations submitted and thereafter, having determined the propriety those submissions were unanimously accepted. The distribution of Nominees to fill the vacant positions at the Annual General Meeting is hereunder itemized for your perusal and guidance:-

BOARD OF DIRECTORS

- 1). Mr. Brian Matthew
- 2). Mr. Lyndon Byer
- 3). Mr. Courtney Demming
- 4). Mr. Anthony Grant
- 5). Ms. Judy John

CREDIT COMMITTEE

- 1). Ms. Mavis Edwards
- 2). Ms. Sharon Lee Singh Barnes
- 3). Mr. Angel Landeau
- 4). Mr. Anthony Grant
- 5). Ms. Pamela Parris Olivier

SUPERVISORY COMMITTEE

- 1). Jerrilyn Plowden
- 2). Anand Mahase
- 3). Harold Clovis

Each Nominee has been advised in writing of the Committee's acceptance of his/her nomination.

CONCLUSION:

The members comprising the Nominations Committee wish to express their sincere thanks and appreciation to the Board of Directors and the General Membership for the opportunity to engage this priceless duty to serve. Also, we wish to extend best wishes to all Nominees as they place their candidacy before the supreme body of this beloved Organization of ours in pursuit of the noble objective of service to others. May God richly Bless us All.

Truly and Humbly Yours

Kester Husbands (Mr.)
Chairman.



AUDITORS' REPORT

The Members

Aero Services Credit Union Co-operative Society Limited

We have audited the accompanying balance sheet of Aero Services Credit Union Co-operative Society Limited as at 31 December 2005 and the related statements of income, appropriated funds and undivided surplus and cash flows for the year then ended. These financial statements are the responsibility of the management of Aero Services Credit Union Co-operative Society Limited. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with international standards on auditing. These standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Aero Services Credit Union Co-operative Society Limited as at 31 December 2005 and the results of its operations for the year then ended in accordance with International Financial Reporting Standards.

Port of Spain,
24 February 2006

Pannell Kerr Forster
Chartered Accountants



BALANCE SHEET

<u>ASSETS</u>			
31 December			
	<u>Notes</u>	<u>2005</u>	<u>2004</u>
Cash Resources:			
Cash in hand and at bank	3	\$ 613,332	\$ 926,640
Short-term investments	4	<u>24,777,231</u>	<u>27,392,003</u>
Total Cash Resources		<u>25,390,563</u>	<u>28,318,643</u>
Other Assets:			
Accounts receivable and prepayments	5	2,102,115	1,609,562
Other investments	6	6,238,389	6,050,960
Loans to members	7	48,192,467	38,593,702
Fixed assets	8	6,233,547	2,992,171
Inventory		<u>5,650</u>	<u>-</u>
Total Other Assets		<u>62,772,168</u>	<u>49,246,395</u>
Total Assets		<u>\$ 88,162,731</u>	<u>\$ 77,565,038</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities:			
Accounts payable and accruals	9	\$ 1,255,415	\$ 874,187
Members' deposits		17,988,553	17,361,695
Unclaimed dividends and shares		324,385	309,677
Proposed honoraria		122,173	104,649
Gratuity payable		<u>-</u>	<u>6,784</u>
Total Liabilities		<u>19,690,526</u>	<u>18,656,992</u>
Members' Equity:			
Share capital	10	53,356,906	44,899,396
Reserve Fund		5,379,994	4,919,345
Education Fund		480,818	458,705
Development Fund		652,161	652,161
Investment Re-measurement Reserve	11	3,815,010	3,817,581
Special Reserve Fund		226,648	226,648
Undivided Surplus		<u>4,560,668</u>	<u>3,934,210</u>
Total Members' Equity		<u>68,472,205</u>	<u>58,908,046</u>
Total Liabilities and Members' Equity		<u>\$ 88,162,731</u>	<u>\$ 77,565,038</u>

Treasurer

Member
Board of DirectorsMember
Supervisory Committee

(The accompanying notes form part of these financial statements)



INCOME STATEMENTS

	For the year ended 31 December	
	<u>2005</u>	<u>2004</u>
Income:		
Interest on loans	\$ 6,160,646	\$ 5,385,540
Investment income	2,235,165	2,232,207
Rental income	355,536	253,307
Entrance fees	5,710	6,520
Miscellaneous income	81,873	12,037
Service charge	<u>54,920</u>	<u>52,494</u>
	<u>8,893,850</u>	<u>7,942,105</u>
General and Administrative Expenses:		
Advertising and promotions	12,018	35,556
Annual general meeting	88,370	94,312
Audit fees	27,963	27,237
Bank charges, loan interest and overdraft interest	28,162	45,264
Board and committees' expenses	316,738	271,707
Computer supplies	34,946	39,470
Credit Union League dues	33,062	30,305
CUNA insurance	346,404	312,523
Depreciation and amortisation	185,048	144,739
Gifts and donations	7,850	16,480
Group Life insurance	18,788	17,485
Insurances	31,407	34,915
Interest on members' deposits	1,444,349	1,412,042
Janitorial services	56,165	35,998
Legal and professional fees	81,040	103,064
Loan loss expense	141,360	120,000
Meetings and conferences	112,232	83,204
Miscellaneous expenses	5,463	10,916
Office supplies and expenses	70,850	79,120
Other supplies	15,810	9,965
Rates and taxes	12,037	10,971
Repairs and maintenance	129,761	83,534
Salaries and staff benefits	550,435	548,742
Security	139,552	133,052
Stabilization fund	34,308	55,439
Staff training	8,430	1,045
Strategic plan expenses	69,343	37,990
Tobago property expenses	75,076	-
Transport and subsistence	76,560	83,133
Utilities	<u>190,929</u>	<u>165,657</u>
	<u>4,344,458</u>	<u>4,043,865</u>
Net surplus for the year	<u>\$ 4,549,392</u>	<u>\$ 3,898,240</u>

(The accompanying notes form part of these financial statements)



STATEMENTS OF APPROPRIATED FUNDS & UNDIVIDED SURPLUS

for the year ended 31 December 2005

	<u>Reserve Fund</u>	<u>Education Fund</u>	<u>Investment Re-measurement Reserve</u>	<u>Special Reserve Fund</u>	<u>Undivided Surplus</u>
Balance as at 1 January 2005	\$4,919,345	\$ 458,705	\$ 3,817,581	\$ 226,648	\$ 3,934,210
Add:					
Net surplus for the year					4,549,392
(i) 10% to Reserve Fund	454,939				(454,939)
(ii) 5% of the balance to the Education Fund	<u> -</u>	<u> 204,723</u>	<u> -</u>	<u> -</u>	<u> (204,723)</u>
	5,374,284	663,428	3,817,581	226,648	7,823,940
Entrance fees	5,710				(5,710)
Meetings and conferences		(112,232)			112,232
Education Committee Expenses		(70,378)			70,378
Unrealised loss on investments (Note 11)			(2,571)		
Honoraria					(122,173)
Interest rebate - 2004					(155,689)
Dividends - 2004	<u> -</u>	<u> -</u>	<u> -</u>	<u> -</u>	<u> (3,162,310)</u>
Balance at 31 December 2005	<u>\$5,379,994</u>	<u>\$ 480,818</u>	<u>\$ 3,815,010</u>	<u>\$ 226,648</u>	<u>\$ 4,560,668</u>

(The accompanying notes form part of these financial statements)



STATEMENT OF CASH FLOWS

	For the year ended 31 December	
	<u>2005</u>	<u>2004</u>
Cash Flows from Operating Activities:		
Net surplus for the year	\$ 4,549,392	\$ 3,898,240
Adjustment to reconcile net surplus to net cash provided by operating activities:		
Net change in inventory	(5,650)	-
Gain on disposal of fixed assets	(781)	-
Loan loss expense	141,360	120,000
Depreciation and amortisation	185,048	144,739
Prior year adjustment	-	(30,832)
Investment remeasurement (deficit)/surplus	(2,571)	1,930,885
Net change in accounts receivables and prepayments	(492,553)	(276,505)
Net change in loans to members	(9,740,125)	(3,321,915)
Net change in accounts payable, accruals and honoraria	398,752	(515,772)
Net change in members' deposits	626,858	2,085,585
Net change in unclaimed dividends and shares	14,708	(26,049)
Net change in gratuity payable	<u>(6,784)</u>	<u>6,784</u>
Cash (used in)/provided by Operating Activities	<u>(4,332,346)</u>	<u>4,015,160</u>
Cash Flows from Investing Activities:		
Proceeds from sale of fixed asset	9,563	-
Purchase of fixed assets	(3,435,206)	(206,714)
Net change in other investments	<u>(187,429)</u>	<u>(1,246,470)</u>
Cash used in Investing Activities	<u>(3,613,072)</u>	<u>(1,453,184)</u>
Cash Flows from Financing Activities:		
Dividends and interest rebates paid	(3,440,172)	(3,092,791)
Increase in share capital	<u>8,457,510</u>	<u>4,776,154</u>
Cash provided by Financing Activities	<u>5,017,338</u>	<u>1,683,363</u>
Net change in cash resources	(2,928,080)	4,245,339
Net cash resources, beginning of year	<u>28,318,643</u>	<u>24,073,304</u>
Net cash resources, end of year	<u>\$25,390,563</u>	<u>\$28,318,643</u>
Represented by:		
Cash in hand and at bank	\$ 613,332	\$ 926,640
Short-term investments	<u>24,777,231</u>	<u>27,392,003</u>
	<u>\$25,390,563</u>	<u>\$28,318,643</u>

(The accompanying notes form part of these financial statements)



NOTES TO THE FINANCIAL STATEMENTS

31 December 2005

1. Registration and Objectives:

The Society is registered under the Co-operative Society Act Ch: 81:03. Its objectives are to promote the economic welfare of its members, encouraging the spirit and practice of thrift, self-help and co-operation and to promote the development of co-operative ideas.

2. Accounting Policies:

The accounting policies of the Credit Union are based on generally accepted accounting principles. The most significant of these are summarised below:

(a) Basis of Accounting -

These financial statements have been prepared in accordance with International Financial Reporting Standards on the historical cost basis and no account has been taken of the effects of inflation.

(b) Income Recognition -

Interest on loans is recognised on a cash basis consistent with previous years. Except as stated above, the accruals basis of accounting has been used for the recording of income and expenses.

(c) Depreciation -

Depreciation is provided for on a straight-line basis at rates designed to write-off the respective costs of fixed assets over their estimated useful economic lives as follows:-

Building and building improvements	-	2%
Computer equipment and software	-	20%
Office furniture and equipment	-	14%
Telephone system	-	20%
Security equipment	-	20%
Other assets	-	10%

(d) Foreign Currency -

Assets denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange ruling at the balance sheet date.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2005

2. Accounting Policies (Cont'd):

(e) **Investments -**

The Society's investments are classified as available-for-sale and held-to-maturity.

Investments intended to be held for an indefinite period of time, which may be sold in response to needs for liquidity or changes in interest rates, are classified as "available-for-sale" in accordance with International Accounting Standard (IAS) #39.

These investments are carried at their fair values. Realised and unrealised gains and losses arising from changes in the fair value of available-for-sale investments are included in the Investment Re-measurement Reserve and would be transferred to the Income Statement on the disposal of these investments. All short-term investments of the Society are considered available-for-sale.

Investments with fixed or determinable payments and fixed maturity, that the Society has the positive intent and ability to hold to maturity are classified as "held-to-maturity" in accordance with IAS 39 and are stated at cost.

(f) **Use of estimates -**

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the income and expenses during the reporting period. Actual results could differ from those estimates.



NOTES TO THE FINANCIAL STATEMENTS

31 December 2005

3. **Cash in Hand and at Bank:**

	31 December	
	<u>2005</u>	<u>2004</u>
Cash in hand	\$ 343	\$ 80
Petty cash	9,638	6,694
RBTT Bank Limited - Current account	556,837	787,280
- US\$ Savings account	46,514	132,586
	<u>\$ 613,332</u>	<u>\$ 926,640</u>

4. **Short-term Investments:**

	31 December	
	<u>2005</u>	<u>2004</u>
Fixed deposits	\$ 16,765,877	\$ 18,698,861
Money Market Funds	8,011,354	8,693,142
	<u>\$ 24,777,231</u>	<u>\$ 27,392,003</u>

5. **Accounts Receivable and Prepayments:**

	31 December	
	<u>2005</u>	<u>2004</u>
Interest receivable	\$ 589,961	\$ 287,673
Payroll deductions receivable	1,311,207	1,205,567
Other receivables	156,481	84,823
Insurances prepaid	44,466	31,499
	<u>\$ 2,102,115</u>	<u>\$ 1,609,562</u>

The accompanying notes form part of these financial statements



NOTES TO THE FINANCIAL STATEMENTS

31 December 2005

6. Other Investments:

	31 December	
	<u>2005</u>	<u>2004</u>
<u>Available-for-sale</u>		
Quoted investments	\$ 5,311,384	\$ 5,109,405
Unquoted investments	927,005	901,555
<u>Held-to-maturity</u>		
Bonds – Government of Trinidad and Tobago	_____ -	_____ 40,000
	<u>\$ 6,238,389</u>	<u>\$ 6,050,960</u>

The cost of available-for-sale investments as at 31 December 2005 is \$ 4,075,096.

7. Loans to Members:

Loans to members are stated at principal outstanding net of a provision for loan losses. The provision for loan losses is based on management's evaluation of the performance of the loan portfolio under current economic conditions and past loan loss experience.

	31 December	
	<u>2005</u>	<u>2004</u>
Outstanding principal balances	\$ 49,229,088	\$ 39,516,902
Less: Provision for loan losses	<u>(1,036,621)</u>	<u>(923,200)</u>
	<u>\$ 48,192,467</u>	<u>\$ 38,593,702</u>

NOTES TO THE FINANCIAL STATEMENTS *cont'd*

31 December 2005

8. Fixed Assets:

Cost	<u>Freehold land</u>	<u>Building - Trincity</u>	<u>Building - Tobago</u>	<u>Computer equipment and software</u>	<u>Office furniture and equipment</u>	<u>Telephone system</u>	<u>Security equipment</u>	<u>Building improvements</u>	<u>Other assets - Tobago</u>	<u>Total</u>
Balance as at 1 January 2005	\$ 522,345	\$ 2,250,316	\$ -	\$ 391,949	\$ 502,722	\$ 48,741	\$ 32,152	\$ 412,313	\$ -	\$4,160,538
Additions	1,000,000	-	2,011,574	35,015	85,285	1,860	6,509	141,095	153,868	3,435,206
Disposals	-	-	-	-	(38,762)	-	-	-	-	(38,762)
Balance as at 31 December 2005	<u>1,522,345</u>	<u>2,250,316</u>	<u>2,011,574</u>	<u>426,964</u>	<u>549,245</u>	<u>50,601</u>	<u>38,661</u>	<u>553,408</u>	<u>153,868</u>	<u>7,556,982</u>
Accumulated Depreciation										
Balance as at 1 January 2005	-	489,669	-	241,607	369,259	26,659	1,253	39,920	-	1,168,367
Charge	-	41,307	27,010	51,067	35,724	12,563	3,457	7,302	11,961	190,391
Disposals	-	-	-	-	(35,323)	-	-	-	-	(35,323)
Balance as at 31 December 2005	<u>-</u>	<u>530,976</u>	<u>27,010</u>	<u>292,674</u>	<u>369,660</u>	<u>39,222</u>	<u>4,710</u>	<u>47,222</u>	<u>11,961</u>	<u>1,323,435</u>
Net Book Value										
Balance as at 31 December 2005	<u>\$1,522,345</u>	<u>\$ 1,719,340</u>	<u>\$1,984,564</u>	<u>\$ 134,290</u>	<u>\$ 179,585</u>	<u>\$ 11,379</u>	<u>\$ 33,951</u>	<u>\$ 506,186</u>	<u>\$ 141,907</u>	<u>\$6,233,547</u>
Balance as at 31 December 2004	<u>\$ 522,345</u>	<u>\$ 1,760,647</u>	<u>\$ -</u>	<u>\$ 150,342</u>	<u>\$ 133,463</u>	<u>\$ 22,082</u>	<u>\$ 30,899</u>	<u>\$ 372,393</u>	<u>\$ -</u>	<u>\$2,992,171</u>





NOTES TO THE FINANCIAL STATEMENTS *cont'd*

31 December 2005

9. Accounts Payable and Accruals:

	31 December	
	<u>2005</u>	<u>2004</u>
Audit fees	\$ 27,600	\$ 27,237
Value Added Tax payable	3,176	2,718
CUNA claims	311,932	126,310
CUNA insurance	31,637	26,960
Interest payable	553,591	347,948
Other payables	8,517	14,493
Government tax on fixed deposit interest	112,881	111,089
Accruals	167,936	79,482
Stale-dated cheques	<u>38,145</u>	<u>137,950</u>
	<u>\$ 1,255,415</u>	<u>\$ 874,187</u>

10. Share Capital:

According to the Bye-Laws of Aero Services Credit Union Co-operative Society Limited, the share capital of the Society may be composed of an unlimited number of shares of \$1.00 each.

11. Investment Re-Measurement Reserve:

As at 31 December 2005, the Society's available-for-sale investments had been re-measured to their fair values and the resulting unrealized loss of **\$2,571** has been transferred to the Investment Re-measurement Reserve in accordance with IAS 39.

12. Dividends:

The Board of Directors has proposed a dividend of 8% for the year ended 31 December 2005. This is not recorded as a liability in accordance with IAS 10.



RESOLUTION & RECOMMENDATIONS

AUDITORS

- 1) Be it resolved that the firm Pannell Kerr Forster (formerly Mark Castillo Tony and Company) be retained as Auditors for the 2006 term
- 2) Be it resolved the Board of Directors of Aero Services Credit Union Co-operative Society can so appoint Auditors from time to time, should such appointment become more prudent.

DISTRIBUTION OF SURPLUS

1) **DIVIDEND**

Be it resolved that the Annual General Meeting approves the following

- 1.1 A dividend of eight percent (8%) on each member's shareholding to be credited as follows:
 - 1.1.1 The disbursement of six percent (6%) according to member's request and
 - 1.1.2 The additional two percent (2%) to be credited to each member's share account.

2) **LOAN INTEREST**

Be it resolved that a rebate of three percent (3%) on loan interest for the year 2005 be applied first towards any arrears in interest payment, then towards reducing the loan principal if at the time the member has not repaid his/her loan in full.

The residue to be carried forward to the succeeding year.

EXGRATIA

Be it resolved that the sum of seven thousand dollars (\$7,000) be allocated to the Education Committee and another sum of seven thousand dollars (\$7,000) be allocated to the Social & Cultural Committee.



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