



**AERO SERVICES CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

46th ANNUAL GENERAL MEETING

Saturday 24th March, 2018

***Trinity College East,
#1 College Avenue,
Trincity Central Road
Trincity***

***Celebrating Our History
1950 - 2016***

MISSION STATEMENT

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*

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Aero Services Credit Union Past and Present Presidents

Phillip Habib



1950 -1965

Felix Bertrand



1965 -1986

Evin Andrews



1986 - 1991 & 1998

Theo Oliver



1992 -1997 & 1999 - 2002

Kester Husbands



2002 - 2010

Brian Matthew



2010 - Present

THE AERO STORY 1950 - 2016

In the year 1950, an idea was born in the hearts and minds of a few employees in the Supplies Department of state owned BWIA. This was sparked by the immense potential benefit of “people helping people”. This idea took root and was fertilized and watered by many who would follow as the BWIA Buyers Club evolved into Aero Services Credit Union. With each passing day, additional building blocks would be set in place by those who tirelessly put their hands up to be counted and serve the membership.

We thank God for his steadfast guidance as the decisions and efforts of the early pioneers blossomed. To all those who selflessly gave of their time to contribute to the fashioning of an organization founded to “enrich the quality of life of its members” we say a heart-felt thank you.

To all those who worked tirelessly on The Aero History which opens the door to the very humble beginning and rich history of Aero Services Credit Union we say a special thank you

To our valued members without whom we would have been denied the absolute pleasure of serving you while living our mission and experiencing the hope of realizing the vision, thanks a million. May God richly bless you and your family

MINUTES OF THE FIRST MEETING OF ASCU

AEROSERVICES CREDIT UNION

Minutes of a meeting held on 29/9/50 by the eight members elected by the general assembly on 28/9/50 to constitute committees for the ensuing year of activities.

Present: Mr. P.A. Habib - President (already elected)
Mr. K. S. Stanford
Mr. A. Achong
Mr. C. Weatherhead
Mr. K. Lee
Mr. H. Wharfe
Mr. C. King
Mr. F. Gervais.

The meeting proceeded to elect the officers of the Credit Union and the results were as follows:-

Vice-President	- Mr. K.S. Stanford
Secretary	- Mr. F. Gervais
Treasurer	- Mr. K. Lee
Manager - Buying Club	- Mr. C. Weatherhead.

These officers, together with the President, by virtue of their offices shall form the Board of Directors and Committee of Management.

The other three members, Messrs. Achong, Wharfe and King, were elected to comprise the Loan Committee.

The President outlined to each officer the duties for which he will be responsible according to the rules, and the Secretary was instructed to draw up membership forms so that all foundation members could submit same for record purposes.

It was decided that no loans will be allowed until a period of one month has elapsed from the date of this meeting.

Gervais.
Sec.

Confirmed
V. Wharfe
Chairman
5/10/50



46TH AGM

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTICE

Notice is hereby given that the 46th Annual General Meeting of Aero Services Credit Union Co-operative Society Limited will be held on Saturday 24th March 2018 at Trinity College East, #1 College Avenue, Trincity Central Road, Trincity at 1.00pm.

AGENDA

1. Credential Report
2. National Anthem and Credit Union Prayer
3. Notice of Meeting
4. President's Address
5. Minutes of the last Annual General Meeting
6. Reports 2017
 - 6.1 Board of Directors
 - 6.2 Credit Committee
 - 6.3 Supervisory Committee
 - 6.4 Education Committee
 - 6.5 Tobago Committee
 - 6.6 Nomination Committee
7. Auditor's Report
8. Financial Report
9. Budget Presentation
10. Resolutions / Recommendations
11. Amendment to Bye-Law 4(f)- Membership
12. Elections of Officers
 - 12.1 Supervisory Committee
 - 12.2 Credit Committee
 - 12.3 Board of Directors
13. Other Business
14. Vote of Thanks
15. Closure
16. Refreshments

By Order of the Board



Lyndon Byer
Hon. Secretary

STANDING ORDERS

- 1) A member shall stand when addressing the Chair and identify himself / herself
 - a) 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 Chair.
- 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" 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) At no time 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 shall be moved at any time.
- 10) Only one amendment shall be before the meeting at a 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.
- Must not be delinquent in repaying his/her loan for at least three months.

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 1.00pm.

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) The persons in charge of conducting the elections will declare when ballots should be cast.
- 5) On completion of the nomination process, members will cast their ballots at anytime during the meeting, up to the declared closing time of ballots.
- 6) The appointed persons will confirm the ballots while the meeting is in progress.
- 7) The results will be announced immediately on completion of the count.

PRESIDENT'S MESSAGE



Dear Valued Members

It is my distinct pleasure to report to you on our stewardship during the past year. Against the backdrop of an uncertain economic outlook our year end results would indicate that ASCU performed quite well. The Board adopted a very measured approach while carefully monitoring the political, environmental, social and technological environment around us as we focused on conducting the affairs of our organization.

The Trinidad and Tobago economy was projected to contract by 2.3% in 2017. The local foreign exchange market continued to exhibit very tight conditions in the supply of foreign currency mainly as a result of lower currency inflows, particularly from the energy sector. The challenges in the

Trinidad and Tobago economy are likely to continue into 2018 and therefore all organizations must exercise prudence in their decision making process.

At Aero Services, the Board sought to strike the proverbial balance in ensuring that the foregoing notwithstanding, the service to our members would not be compromised. There has been a concerted effort to focus on the cost component as we come to terms with a slowdown in loan demand which was not unexpected in periods of economic adjustment.

One of the key ASCU highlights in 2017 was the launch of the Aero Services Story, which chronicled the establishment, growth and development of Aero Services Credit Union from our humble beginnings as a Buyer's Club on 28th September 1950 with \$145.00 in member contributions. The Aero Services' Story clearly demonstrated one of the tried and tested road maps to success "people helping people" with dedication to purpose. The Aero Services Story followed the development of the organization which now can boast of over \$270M in assets and over 5,700 members. The official launch of the Aero Services Story recognized the sterling contributions of our pioneers who were instrumental in shaping the organization and in its achievement of significant milestones through the years.

In the month of August 2017, we completed our negotiations with the Banking, Insurance and General Workers Union (BIGWU) for a new collective agreement with our staff which would cover the period January 01 2016 – December 31 2018. The completion of the negotiations was a desired outcome for the Board, Staff and



PRESIDENT'S MESSAGE CONT'D

the Union, as we collectively sought to provide an enhanced environment with improved terms and conditions. The Board wishes to thank all those who contributed to the finalization of this important process.

During 2017, the Board placed deliberate focus on improving customer service at every level in the organization. To assist in this effort, an external provider was engaged to share its expertise and indeed guide the process as we endeavour to deliver to you our valued members the very best service as you conduct your business. Our customer service will be ultimately shaped by setting and maintaining the standard we have set for ourselves as an organization; however, a critical component of any customer service initiative is the receipt of timely feedback from the beneficiaries of the service. In that regard therefore, we implore you to diligently complete our survey forms which are constantly reviewed and serve as an important barometer of our product delivery.

In the month of December, we ushered in the year end celebrations with our annual Members' "After Work Lime". During our AGM presentations in the previously two years, we began sensitizing members by advocating the need to combat the rising cost of hosting our annual December members "After Work Lime". The initial approach was to ask members to contribute to the event as part of the financial adjustment process. After much deliberation, the Board decided to dispense with the tradition of providing alcoholic beverages and for the first time, allowed members the freedom of meeting their own alcoholic beverage needs.

Members were therefore given the choice of providing their own alcoholic beverages, being facilitated at a light beverage bar or purchasing alcoholic beverages. Based on the feedback, most members had an enjoyable time as per usual.

In Tobago, our Credit Union month initiatives were appreciated by all participants. Additionally, our Tobago Members' Christmas Party made a grand return and was thoroughly enjoyed by all who attended. Tobago continues to be an important growth area for Aero Services Credit Union and we sincerely hope that in 2018, in collaboration with our Tobago Committee, we can surpass our 2017 achievements.

We continue to be stymied by the lack of relevant legislation for the Credit Union sector and Aero Services Credit Union continues to lobby together with the wider movement for meaningful legislative change to allow Credit Unions to successfully navigate the changing financial landscape.

Additionally, on the heels of the Anti-Money Laundering and Counter Terrorist Financing requirements, we must now adequately prepare for the advent of IFRS 9 which came into effect from 1st January 2018 and will present a significant challenge to all financial institutions, Credit Unions included. The advent of IFRS 9 will require Credit Unions to develop a forward looking expected credit loss impairment model with provisions being greater in size and recognized earlier than under the "incurred loss model". Credit Unions will now be required to provision significantly for risks associated with loan losses which will

PRESIDENT'S MESSAGE CONT'D

undoubtedly have an impact on the way we have traditionally conducted our business. As a consequence of these new provisions, we would need to immediately take steps to comply with the International Accounting requirements and simultaneously embark on a rigorous sensitization of our membership on all the significant changes to systems and processes. In this regard, we intend to use all the communication avenues available to us, including social media, to keep members informed about the forthcoming changes and the resulting impact.

Our commitment to continuous improvement to our physical infrastructure continued in 2017, as we completely renovated our washrooms (both ground floor and first floor) and installed a remote activated barrier at the vehicle entry point to our Tacarigua office.

In 2018, our infrastructure improvement will continue as we embark on refurbishing the reception area in our Tacarigua office and we hope to usher in a new IT platform which promises to facilitate more "on-line" transactions as we strive to serve you with greater efficiency.

We continue to solicit your support in our quest to generate additional revenue from our Sporting Complex and in this regard, we ask each Aero Services member to partner with us in finding rentals on a consistent basis for our facility. Remember that in our business it flows back to you.

I thank Almighty God for giving us another memorable year. I also thank my fellow Directors on the Board, our hard-working management, staff and committee members for their continued support and contributions during the year. To our valued members, I convey a heart-felt thank you for partnering with us in our quest to live our mission as we strive to work towards our vision.

May Almighty God continue to guide and bless every one of you and indeed your families.

Co-operatively yours,



Brian Matthew
President

**46TH
AGM**

**AERO SERVICES CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

BOARD OF DIRECTORS



President

Brian Matthew



Vice President

Courtney Demming



Secretary

Lyndon Byer



Assistant Secretary

Earle Joseph



Director

Jacqueline O'Neil Lewis



Director

Brent Gaspard



Director

Faye Husbands



Director

Martin Franklin



Director

Najja Vassell



1st Alternate

Wayne Nunes



2nd Alternate

Phyllis Wickham

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

46TH AGM

MINUTES OF THE 45th ANNUAL GENERAL MEETING

OF AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED HELD ON SATURDAY 25TH MARCH, 2017 AT THE TRINITY COLLEGE EAST, 1 COLLEGE AVENUE, TRINCITY CENTRAL ROAD, TRINCITY

1.0 CALL TO ORDER

The President, Mr. Brian Matthew, called the 45th Annual General Meeting of Aero Services Credit Union Cooperative Society Limited to order at 1.20 p.m. The National Anthem was played. The Credit Union Prayer was recited and one minute silence was observed for departed members.

2.0 1ST CREDENTIAL REPORT

A Credential Report taken at 1.02 p.m. revealed that there were twenty-eight (28) members, eleven (11) Directors, thirteen (13) staffers; a total of fifty-two (52) persons present; therefore, in accordance with Bye-Law 23 (e), the meeting was duly constituted.

3.0 NOTICE OF MEETING

The Secretary, Ms. Faye Husbands, read the Notice of the 45th Annual General Meeting.

4.0 ACKNOWLEDGEMENT OF GUESTS

The Chairman acknowledged the presence of the following guests:

- Ms. Julia Squires of the Association of Cooperative Credit Union Presidents of Trinidad and Tobago (ACCUPTT)
- Ms. Paula La Barrie of the Cooperative Division, Ministry of Labour and Small Enterprise Development.
- Mr. Rawle Richardson of Teachers' Credit Union.
- Mr. Garvin Gorrie of CUNA Insurance Society Limited.

- Mr. Marlon Caesar of UWI Credit Union
- Ms. Jillian Vijidwick of Public Service Credit Union.
- Mr. Keith Matthews of Hand Arnold Credit Union
- Ms. Amelia Anderson of HLB Montgomery & Company
- Ms. Ayana Cross of Philadelphia
- Ms. Andrea Mora of New York
- Dr. Anthony Elias, President of Trinidad and Tobago Credit Union Deposit Insurance Fund (TTCUDIF).
- Mr. Oswald Duke of Port Employees Credit Union

5.0 STANDING ORDERS

The President, Mr. Brian Matthew, read the Standing Orders as stated on page 5 of the Annual Report.

The Standing Orders were adopted on a motion of Mr. Curtis Charles and seconded by Ms. Phyllis Wickham.

6.0 PRESIDENT'S ADDRESS

The President, Mr. Brian Matthew, presented his remarks as stated in the Annual Report/Brochure on pages 7 to 9.

He noted that for much of 2016, the local economy presented a very uncertain picture as citizens grappled with fluctuations in oil and gas prices. In the October 2015 budget presentation to fiscal 2016, the price of oil and gas was predicated at US\$45 per barrel and US\$2.75 per

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million of British Thermal Unit (mmBtu). However, by the 2016 Mid-Year Budget review, the average oil and gas prices were revised downwards to US\$35 per barrel and US\$2.50 per mmBtu, which resulted in an overall deficit of \$6.7 billion or approximately 4% of GDP.

He indicated that lower production and soft prices for oil and gas initiated a further 2.3% contraction of the local economy. The performance of the petroleum and non-petroleum sectors revealed lower economic activity with consequential contractions of 9.6% and 1.8% in 2016. The prevailing conditions in the market impacted the TT/US dollar exchange rate which resulted in the TT dollar depreciating relative to other major global currencies.

Amidst the subdued economic conditions domestically, Aero Services Credit Union embarked on a Strategic Plan to chart the way forward. The following areas in the Strategic Plan were identified as requiring immediate deliberate focus:

- Customer satisfaction
- Membership engagement
- Employee capability
- Revenue growth

As a result of that focus, strategies were put in place to treat with those areas. The Credit Union has steadfastly moved towards improving its product offerings to members by ensuring easier access to its offices and placing high priority on customer service delivery. New and innovative methods have been initiated to meet the needs of members in all the communities the Society serves and it continues to explore newer and more effective methods.

He urged members to embrace technology such as the "Aero Access" facility, through which a wide range of requests can be made. Efforts to improve communication with members are being made through social media interventions in Facebook, Twitter and Instagram.

Additionally, the team has been strengthened through the addition of two (2) telephone operators and upgrading of TSTT service by connecting to the fibre optic network, exploring additional telephone lines and improvement of the website.

Refurbishment work is in progress at the Credit Union's main office. At the Sporting Complex improvements of the playing field area and the drainage are being done. The objective is to enhance the appearance and functionality of the facility to not only retain existing clients but to attract new clients as the Society strives to improve its revenue-earning potential.

The President then highlighted the following:

- A platform on the website has been enabled. The assistance of members is being solicited in promoting rental of their Credit Union's facilities.
- Steady progress has been made in meeting the needs of members in Tobago and, in 2016, Aero Services Credit Union held its second Children Christmas Party in the sister isle.
- In collaboration with IT partners, improvements have been made to the Credit Union's network to facilitate faster interfacing with servers at the Head office.
- Aero Services Credit Union continues to establish a presence at all consultations



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and other forums convened to discuss the proposed legislation to govern the credit union sector.

- o To stimulate loan demand, every effort is being made to bring competitive products to members.
- o The first collective Agreement between Aero Services Credit Union and the Banking Insurance and General Workers Union expired on December 31, 2015 and negotiations for a new Agreement are underway.

The President expressed sincere appreciation to Directors for their support and heartfelt thanks to the Management, Staff and members of the statutory and appointed committees for their tireless efforts in serving the membership.

He also thanked members for their continued support in the Credit Union's efforts as it strives to live its mission and work enthusiastically towards achieving the vision.

7.0 2ND CREDENTIAL REPORT

A Credential Report taken at 1.30 p.m. revealed that there were sixty-five (65) members, eleven (11) Directors and fifteen (15) staffers; a total of ninety-one (91) persons present.

8.0 ANNUAL REPORT/BROCHURE

By majority vote with one (1) member voting against and one (1) abstention, the Annual Report/Brochure was taken as read.

9.0 MINUTES OF 44TH ANNUAL GENERAL MEETING – MARCH 19, 2016

The Chairman drew members' attention to the Minutes of the 44th Annual General Meeting as stated on pages 11 to 23 of the Annual Report/Brochure and invited questions/comments.

9.1 Errors and Omissions

The meeting noted the following error:
Page 22 change 'Meir' to "Meier".

9.2 Adoption

The Minutes, as amended, were adopted on a motion of Mr. Gregory Aqui, seconded by Mr. Joseph Bishop and accepted by the meeting.

9.3 Confirmation

The Minutes were confirmed, as amended, on a motion of Mr. Felix Kendall, seconded by Mr. Richard Prescod, and accepted by the meeting.

9.4 Matters Arising

There were no matters arising out of the 44th Annual General Meeting.

10.0 BOARD OF DIRECTORS' REPORT

10.1 Errors and Omissions

There were no errors or omissions in the report.

10.2 Adoption

The report was adopted on a motion of Mr. Anthony Mora, seconded by Mr. Hanz Barbour and accepted by the meeting

10.3 Matters Arising

Mr. Gregory Aqui enquired if there was a new process of reporting because in the Executive Committee listing, he did not see the Treasurer's name.

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10.4 The Chairman explained that since towards the end of 2014, the Board took a decision to have the Executive oversee the operations of the credit union as it relates to financial matters. He noted that the member's observation is correct and if one went back to the previous brochures one would have seen a similar trend where there was no Treasurer. The Executive provides oversight and meets with the Management of the organization and makes decisions collectively.

10.5 Acceptance

The report was accepted on a motion of Ms. Denise Zephrine and seconded by Mr. Kerry Jerry.

11.0 CREDIT COMMITTEE'S REPORT

The Chairman drew members' attention to the Credit Committee's Report as stated on pages 31 to 33 of Annual Report and invited errors and omissions.

11.1 Errors and Omissions

There were no errors or omissions in the report.

11.2 Adoption

The report was adopted on a motion of Ms. Michelle Highly and seconded by Mr. Gregory Aqui.

11.3 Matters Arising

There were no matters arising from the report.

11.4 Acceptance

The report was accepted on a motion of Mr. David Sealey and seconded by Mr. Jason Wickham.

12.0 SUPERVISORY COMMITTEE'S REPORT

The Chairman drew members' attention to the Supervisory Committee's Report as stated on pages 34 to 36 of Annual Report and invited errors and omissions.

12.1 Errors and Omissions

There were no errors or omissions in the report.

12.2 Adoption

The report was adopted on a motion of Ms. Candida Wade and seconded by Mr. Christopher Bynoe.

12.3 Matters Arising

There were no matters arising out of the report.

12.4 Acceptance

The report was accepted on a motion of Mr. Anthony Mora and seconded by Ms. Anne Joseph.

13.0 EDUCATION COMMITTEE'S REPORT

The Chairman drew members' attention to the Education Committee's Report as stated on pages 37 to 41 of the Annual Report and invited errors and omissions.

13.1 Errors and Omissions

There were no errors and omissions in the report.

13.2 Adoption

The report was adopted on a motion of Ms. Denise Zephrine and seconded by Ms. Maude Lorde.

13.3 Matters Arising

There were no matters arising from the report.



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13.4 Acceptance

The report was accepted on a motion of Mr. David Griffith and seconded by Ms. Michelle Highly.

14.0 SOCIAL AND CULTURAL COMMITTEE'S REPORT

The Chairman drew member's attention to the Social and Cultural Committee's Report as stated on pages 42 to 45 of the Annual Report and invited errors and omissions.

14.1 Errors and Omissions

There were no errors and omissions in the report

14.2 Adoption

The report was adopted on a motion of Mrs. Cindy Stewart-Lewis and seconded by Ms. Sharon Lee Sing Barnes.

14.3 Matters Arising

Mr. Anthony Mora recalled that at the Joint Credit Union All Fours Tournament, Director Brent Gaspard was very busy and other persons were not present to render assistance with the tournament.

The Chairman stated that, going forward, measures will be put in place to ensure that there is adequate representation at that tournament.

14.4 Acceptance

The report was accepted on a motion of Mr. Mikki Martinez and seconded by Mr. Wendell Lashley.

15.0 NOMINATION COMMITTEE'S REPORT

The Chairman drew member's attention to the Nomination Committee's Report as stated on pages 46 to 47 of the Annual Report and invited errors and omissions.

15.1 Errors and Omissions

There were no errors and omissions in the report.

Members were nominated for election to the Board and statutory committees as follows:

Board of Directors

Lyndon Byer

Jacqueline O'Neil Lewis

Phyllis Wickham

Alec Clarke

Wayne Nunes

Najja Vassell

Supervisory Committee

Denise Zephrine

Julia Stafford-Howe

Michelle Highly

Renee Motilal-Bowman

Simon Fabien

Richard Prescod

Credit Committee

Mikki Martinez

Anthony Grant

Elizabeth Aqui



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15.2 Adoption

The report was adopted on a motion of Mr. Jason Wickham and seconded by Ms. Sharon Lee Sing Barnes.

15.3 Matters Arising

There were no matters arising out of the report.

15.4 Acceptance

The report was accepted on a motion of Mr. Joseph Bishop and seconded by Mr. Kaylan Charles.

16.0 3RD CREDENTIAL REPORT

A Credential Report taken at 2.30 p.m. revealed that there were one hundred and seventeen (117) members, eleven (11) directors, sixteen (16) staffers, eight (8) guests; a total of one hundred and fifty-two (152) persons present with one hundred and forty-four (144) eligible to vote.

17.0 WHEREABOUTS NOTICE

The Chairman drew members' attention to the Whereabouts Notice as stated on pages 48 to 50 of the Annual Report/Brochure. He implored members to contact the Credit Union if they have any information on the whereabouts of the members whose names appear on the notice.

18.0 AUDITORS' REPORT

Ms. Amelia Anderson of HLB Montgomery & Company presented the Auditors' Report.

19.0 FINANCIAL REPORT

The Accountant, Ms. Brenda Billy, presented the Financial Report for the year 2016.

Some highlights were:

- Total revenue of \$21,941,341
- Total general and administrative expense of \$10,447,617
- Net Surplus of \$11,493,724.
- Loans to members of \$127 million
- Members' shares of \$162 million
- Investments of \$85 million; \$15 million of that sum is invested in US assets

Discussion

Mr. Philip Davies congratulated the Accountant and her Assistant as well as the staff for their good work.

In response to questions posed, the Accountant apprised members as follows:

- Some of the cost is added to the tenants' rental fee for common areas such as janitorial and security.
- The Credit Union has been unable to increase the rental fees for its tenants because there are many properties available on the east-west corridor. To ensure we keep our existing tenants we have not increased our rental rates.
- The Society has not been able to get as many rentals for the Sporting Complex as budgeted and was expected, so members should help their Credit Union by asking persons to use Aero Services Credit Union facilities.



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- o Some areas of the ASCU facility are rented out for training.
- o The Board and Committees get monthly allowances as well as meal allowances.

Mr. Philip Davies suggested that there should be a note on the US dollar account in the Annual Report for the benefit of members.

In response to suggestions/comments by members, the Chairman informed the meeting as follows:

- The Board would have to discuss placing a note on US dollar account in the Annual Report with the Auditors.
- There are items in the IT hardware which were replaced such as the firewall, servers, etc.

Acceptance

A motion for the acceptance of the Auditor's Report and the Financial Report was moved by Ms. Cecily Jerome and seconded by Mr. Wendell Lashley, and were accepted by the meeting.

20.0 4TH CREDENTIAL REPORT

A Credential Report taken at 3.02 p.m. revealed that there were one hundred and forty-nine (149) members, eleven (11) Directors, eighteen (18) staffers and eight (8) guests; a total of one hundred and eighty-six (186) persons present with one hundred and seventy-eight (178) eligible to vote.

21.0 2017 BUDGET

The Assistant Accountant presented the Budget for 2017. Some projections were:

- Total revenue of \$22,265,619
- Expenses of \$11,695,066
- Net Surplus of \$10,800,553
- Capital Expenditure of \$3,478,478

22.0 RESOLUTIONS/RECOMMENDATIONS

22.1 Auditors

On behalf of the Board, the Vice President, Mr. Courtney Demming, moved the following resolution:

Be it resolved that the firm HLB Montgomery & Company be retained as the External Auditors for 2017.

Mr. Cliff Stewart seconded the resolution and it was unanimously accepted by the meeting.

Ms. Cecily Jerome recalled that after three years the Credit Union should change its auditors. She also remembered that it was a recommendation in the proposed legislation to govern Credit Unions some time ago.

The Chairman promised to deliberate on the member's comments in preparation for the resolution at the next Annual General Meeting,

MINUTES OF THE 45TH ANNUAL GENERAL MEETING

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22.2 Distribution of Surplus

Dividends

On behalf of the Board, the Vice President, Mr. Courtney Demming, moved the following resolution:

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

- 1.1 A dividend of five point two five percent (5.25%) on each member's shareholding to be disbursed according to the member's request.

Mr. Wendell Lashley seconded the resolution and it was unanimously accepted by the meeting.

- 1.2 Eight percent (8%) interest rebate on each member's loan, such rebate to be credited to member's Flex-A Save account.

Ms. Nona Walker seconded the resolution and it was unanimously accepted by the meeting.

The Chairman informed the meeting that dividend payments will be made available to members on Tuesday, March 28, 2017 and the loan rebate will be available on Monday, April 3, 2017.

22.3 Ex Gratia Payment

On behalf of the Board, the Vice President, Mr. Courtney Demming, moved the following resolution:

Be it resolved that the sum of Twelve Thousand Dollars (\$12,000) be allocated to the Education Committee and another Twelve Thousand Dollars (\$12,000) be allocated to the Social and Cultural Committee.

Mr. Sheldon Balbosa seconded the resolution and it was unanimously accepted by the meeting.

22.4 Honorarium

On behalf of the Board, the Vice President, Mr. Courtney Demming, moved the following resolution:

Be it resolved that 3% of the Undivided Surplus after all statutory deductions are made, be allocated to the Board of Directors and Statutory Committees.

Mr. Sheldon Balbosa seconded the resolution and it was unanimously accepted by the meeting.

Mr. Philip Davies expressed concerns about the procedure which was followed in treating with the above resolutions. He wanted to raise an objection to the honorarium but it happened so quickly.

The Chairman explained that once a member rises or put up his hands, he would be recognized by the Chair.

23.0 5TH CREDENTIAL REPORT

A Credential Report taken at 4.05 p.m. revealed that there were one hundred and eighty-nine (189) members, eleven (11) Directors, twenty-three (23) staffers and ten (10) guests; a total of two hundred and thirty-three (233) persons present with two hundred twenty-three (223) eligible to vote.

24.0 ELECTION OF OFFICERS

Ms. Julia Squires of the Association of Cooperative Credit Union Presidents of Trinidad and Tobago (ACCUPTT) was invited to conduct the election process over which she presided as Returning Officer.

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The Returning Officer referred members to the election guidelines and procedures as stated in the Annual Report/Brochure on page 6; then, Mr. Chinelo Woodley described the voting process to members.

On a motion of Mr. Austin Wilson and seconded by Mr. Wendell Lashley, the voting process commenced.

The Returning Officer declared three (3) seats on the Board of Directors and all on the Supervisory and Credit Committees vacant. She then invited nominations from the floor.

Officers were nominated from the floor as follows:

Credit Committee

Mavis Edwards
Sharon Lee Sing Barnes
Nerissa Alleyne

Supervisory Committee

None.

Board of Directors

None.

Ms. Paula La Barrie supervised the elections. Mr. Marlon Caesar and Mr. Simon Dhoray did the counting of ballots electronically.

Election Results

The results of the elections were as follows:

Supervisory Committee

Officers	No. of Votes	Tenure
Denise Zephrene	176	1 year
Simon Fabien	159	1 year
Michelle Highly	123	1 year
Richard Prescod	54 (1st Alternate)	1 year
Renee Motilal-Bowman	45 (2nd Alternate)	1 year
Julia Stafford-Howe	33	

Board of Directors

Officers	No. of Votes	Tenure
Jacqueline O'Neil Lewis	135	3 years
Lyndon Byer	121	3 years
Najja Vassell	109	3 years
Wayne Nunes	90 (1st Alternate)	1 year
Phyllis Wickham	83 (2nd Alternate)	1 year
Alec Clarke	60	

Credit Committee

Officers	No. of Votes	Tenure
Nerissa Alleyne	191	1 year
Mikki Martinez	158	1 year
Mavis Edwards	155	1 year
Elizabeth Aqui	153	1 year
Sharon Lee Sing Barnes	142	1 year
Anthony Grant	117 (1st Alternate)	1 year

MINUTES OF THE 45th ANNUAL GENERAL MEETING

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Destruction of Ballots

A motion for destruction of the ballots was moved by Mr. Gary Moses and seconded by Mr. Sheldon Balbosa.

25.0 DOOR PRIZES

Thirty-six (36) persons won door prizes, including the two members who reside abroad as well as some members from Tobago.

26.0 OTHER BUSINESS

26.1 Property Acquisition

Director Wayne Nunes informed members of a property situated adjacent to Aero Services Credit Union Sporting Complex in Oropoune, which was offered for sale to the Credit Union at a price of \$10 million. The Credit Union plans to make a counter offer of \$3 million based on a valuation of the property that was done. The property is approximately one acre of land with a number of buildings and was formerly used as a canine security company.

Members made the following suggestions/comments and posed the following questions with respect to the property:

- Is the land freehold?
- Is the property free of all encumbrances?
- Was there a valuation done on the property?
- When is the closing date for this investment?
- Is this a long-term investment or a short-term investment?
- Nobody would agree to put the headquarters in Oropoune.

- There is flooding in that area.
- To acquire that property at a reasonable price is a good idea.
- The Credit Union should not seek to acquire that property but improve on what it already has.
- Relocation of the headquarters would be good and the current entire headquarters building can be rented.
- Negotiations will take place and the property is near to the airport.
- The Credit Union should continue to explore purchasing that property.
- This is the time to purchase property when the economy is down because the value would rise when the economy goes back up.
- That place does not flood; the water goes back down.
- There are hotels in that area and condominiums are also being built.

In response to questions posed/comments made by members, the meeting was informed as follows:

- It is freehold land.
- A valuation was done but the Credit Union would prefer not to reveal it at this time.
- The Credit Union was approached by representatives of the owner of the property and had been solicited to provide feedback but in terms of a closing date or deadline, the owner would like to proceed with the transaction as quickly as possible.

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- The Credit Union indicated to the owner that it needed more time to do its due diligence. It was indicated that the acquisition is being discussed and the Credit Union would respond in due course.
- A detailed cost benefit analysis will be done on the feasibility of the project.
- After all due diligence and cost benefit analysis are done, a Special General Meeting will be held.
- Something should be done to earn income and the membership will be grateful in the future.
- The property should be developed to provide members with housing.

Options for use of the property:

- Mixed commercial/residential/recreational
- All commercial development
- All residential townhouses
- Relocation of Aero Service Credit Union's main office

On a vote of one hundred and forty-five (145) in the affirmative, six (6) against and no abstention, the meeting agreed that the Board should do all the due diligence and cost benefit analysis to determine if it is a worthwhile venture that has revenue streams, after which a Special General Meeting will be held to get the approval of the membership for such large investment.

27.0 VOTE OF THANKS

Director Jacqueline O'Neil Lewis thanked the Returning Officer for conducting the election, the guests and Credit Union members for their attendance at the 45th Annual General Meeting.

28.0 CLOSURE

The Chairman thanked members for a successful 45th Annual General Meeting. He then brought the meeting to a close at 6.15 p.m.

Faye Husbands
.....
Faye Husbands (Ms.)
Secretary



REPORT OF THE BOARD OF DIRECTORS

1.0 INTRODUCTION

Welcome to the 46th Annual General Meeting of the Board of Directors in this our 67th year of operation. The Board of Directors and the Management Team are obligated to account to you our members and shareholders for Aero Services Credit Union Co-operative Society Ltd.'s (ASCU) financial health and viability. We are therefore pleased to report on ASCU's performance in 2017.

2.0 THE BOARD OF DIRECTORS

The Board of Directors at its inaugural meeting of the 2017/2018 term held on March 27, 2017, elected to office:

Mr. Brian Matthew	- President
Mr. Courtney Demming	- Vice-President
Mr. Lyndon Byer	- Secretary
Mr. Earle Joseph	- Assistant Secretary
Ms. Faye Husbands	- Director
Mr. Najja Vassell	- Director
Ms. Jacqueline O'Neil Lewis	- Director
Mr. Martin Franklin	- Director
Mr. Brent Gaspard	- Director
Mr. Wayne Nunes	- 1st Alternate
Ms. Phyllis Wickham	- 2nd Alternate

3.0 THE EXECUTIVE COMMITTEE

The Executive Committee comprised the following persons:

Mr. Brian Matthew	- President
Mr. Courtney Demming	- Vice-President
Mr. Lyndon Byer	- Secretary
Mr. Earle Joseph	- Assistant Secretary

4.0 SUB COMMITTEES OF THE BOARD OF DIRECTORS

In an effort to ensure the fulfillment of ASCU Strategic Plan initiatives and provide the necessary oversight, Directors were appointed to the following sub-committees:

The Audit Committee
The Building Committee
The Investment Committee
The IT Committee
The Human Resource Committee
The Tobago Focus Group

Additionally, one Director was appointed to provide the necessary guidance and oversight to the Education Committee.

REPORT OF THE BOARD OF DIRECTORS CONT'D

5.0 Meeting Attendance Register

Meetings	Monthly			Special			Executive		
Name	Pres	Ex	Abs	Pres	Ex	Abs	Pres	Ex	Abs
Brian Matthew	9	0	0	4	0	0	4	1	0
Courtney Demming	9	0	0	4	0	0	5	0	0
Lyndon Byer	9	0	0	4	0	0	5	0	0
Earle Joseph	7	2	0	3	1	0	4	1	0
Brent Gaspard	9	0	0	3	1	0			
Faye Husbands	7	2	0	3	0	1			
Martin Franklin	8	1	0	4	0	0			
Jacqueline O'Neil Lewis	8	1	0	2	1	1			
Najja Vassell	8	1	0	1	2	1			
Wayne Nunes	5	4	0	0	3	1			
Phyllis Wickham	7	2	0	3	0	1			

6.0 OUT GOING DIRECTORS OF THE BOARD

Directors Earle Joseph, Brent Gaspard and Martin Franklin have completed a term of three years and are outgoing. Director Earle Joseph having completed three successive terms is statute-barred and is not eligible for re-election. Directors Brent Gaspard and Martin Franklin are eligible for re-election and have indicated their interest in doing so. The Alternates, Wayne Nunes and Phyllis Wickham, are eligible for re-election and whilst Phyllis Wickham indicated her willingness to serve, Wayne Nunes did not. The Board of Directors thank Director Joseph for the invaluable contributions he has made to the Board and the organization over the past nine years and wish him all the best for the future. The Board also extends its profound appreciation for the contribution made by all other outgoing members.

7.0 2017 FINANCIAL OUTLOOK

The 2017 economic outlook did not differ significantly from the previous year with the price of oil being below USD50.00 per barrel affecting the level of oil revenue earned locally in the energy sector. The Government of Trinidad & Tobago had to access the Heritage and Stabilization Fund in order to fulfill some of its obligations. Accessing foreign exchange was and remains a challenge for many businesses and individuals with persons sometimes being allowed only a maximum of \$200 US per day. There were also limited opportunities for high returns on investment.

At Aero Services Credit Union, we did not go unaffected by the challenges being experienced in the local economy. Obtaining US currency when needed was a challenge and the office had to act early in securing amounts when required. At the membership level, the number

REPORT OF THE BOARD OF DIRECTORS CONT'D

of members requesting loan waivers increased during the year as members sought to get a breather from their obligations to repay their loans. Noticeably were the number of Share Withdrawal requests that crossed the desks of our CSRs on a daily basis. Despite these occurrences there were still new loan products to assist members. The Board is of the view that members can go further in weathering this economic downturn by determining their needs versus desires, exploring more cost-efficient alternatives and being guided by a budget.

The Board of Directors, Committees, Management and staff at Aero Services Credit Union are available to guide members toward achieving this goal.

8.0 PERFORMANCE HIGHLIGHTS

Assets

We experienced an 11% growth in assets when compared to 2016.

Shares

Member Share Deposits recorded an increase of 14% over 2016.

Loans

Our Loan Portfolio surpassed 2016 results by 9%.

Revenue

Gross income showed a positive variance of 5% against 2016.

Expenditure

We were below 2017 budgeted projections by 5%, and above 2016 actuals by 4%.

Membership

Our membership grew by 2% over 2016.

9.0 STRATEGIC PLAN

The Board of Directors and the Management team in 2017 continued to work toward accomplishing the Strategic Objectives mapped out for that period. The areas included Customer Satisfaction, Corporate Governance, Member Engagement, Portfolio Quality, Operations Quality, Employee Capability, and Revenue Growth. The plan is being executed giving consideration to the state of the economy, our ageing demographic, and the need to attract millennials to the Society's membership.

Strategic Plan Focus Teams have been implementing the initiatives mentioned above in a deliberate and measured way. They submit a monthly Tracking Report on their activities as they work on accomplishing their respective strategic objective.

To ensure all areas of ASCU Leadership are involved, an interactive Strategic Plan Update and Feedback session was held in early October for members of the Board, Committees and Staff. This year we also invited a few ASCU members to participate in the session and they were allowed to provide feedback on what they heard in the session so that all could benefit from their angle of sight.

10.0 THE AERO STORY

It is important that the history of an organization is captured in writing so that it can be preserved for many years to come as new persons come on board to give of themselves in the further development of an organization. This year, ASCU was able to capture its history in a book called "The Aero Story" and it was done in the form of a Launch on September 30, 2017, two days after its 67th Anniversary as a Credit Union.

REPORT OF THE BOARD OF DIRECTORS CONT'D

The Board took the opportunity to honour a few of the pioneers of our cherished organization at the Launch Ceremony and in an unveiling ceremony named the main rooms at ASCU Head Office after these pioneers. They were Philip Habib, Clyde Weatherhead, Felix Bertrand, Wilfred Hinds, Evin Andrews and Theo Oliver.

Each attendee was presented with a copy of The Aero Story.

11.0 CORPORATE SOCIAL RESPONSIBILITY

Aero Services Credit Union has expressed its care for our society in several ways. We have been able to assist different social groupings financially in which they engaged. These included sporting clubs, social groups, religious institutions, educational institutions and individuals. Although we may not be at the forefront of major activities in our country, we have been able to impact the lives of some of our unsung heroes.

12.0 NEW COLLECTIVE AGREEMENT

Aero Services Credit Union in August 2017 completed negotiations with the Banking, Insurance & General Workers Union and on September 14, 2017 signed a new collective agreement covering the period Jan 01, 2016 – December 31, 2018. We continue to ensure that our human resource work in an environment that contributes both to their development and that of the organization.

13.0 ADDITIONS TO THE ASCU TEAM

There were additions to the Aero Services Credit Union Team, with the position of Operator being filled by two new employees in the persons of

Melkeisha Audain and Lorna French Vidale in January 2017. There was also a new position of Loans Officer which was filled in April 2017 by Ms. Rochelle Gabriel. Members have expressed their appreciation of having a cordial voice that can provide information and assistance in real time when they contact the office.

14.0 DELINQUENCY

The Recoveries Department continues to work at ensuring that the delinquency ratio remains a single digit and in compliance with the Pearls Standard. The current economic circumstances posed a challenge with several persons being laid off from their jobs and being unable to meet their monthly commitments. The Board of Directors applauds the efforts of the Recoveries Department in maintaining this standard.

15.0 SHARE WITHDRAWALS

The Society recorded \$8M in share withdrawals in 2017. Whilst we are cognizant of the financial challenges of day to day life in this challenging economic time, members are again reminded that the withdrawal of shares erodes the asset base, negatively impacts the pool of funds available to support the granting of loans and ultimately the level of dividend that the members will receive.



REPORT OF THE BOARD OF DIRECTORS CONT'D

16.0 IMPACT OF IFRS 9

IFRS 9 is a new accounting regulating standard that came into effect on January 01, 2018 and which affects the way we provision for Bad Debt. It involves the assumption that some portion of the number of loans granted to members will not be recovered and as such a provision is made at the time each loan is being granted. This has the effect of negatively affecting the Income Statement which then impacts the quantity of dividend (if any) that can be appropriated to members at the end of the financial year.

17.0 TRAINING & CONFERENCES

Directors Brian Matthew, Courtney Demming, and Faye Husbands attended the World Council of Credit Union (WOCCU) Conference in Vienna Austria in July 2017.

Members of the Board, Committees and Staff participated in two-day workshop training in Customer Service in the first quarter of 2017 since the thrust was to ensure that at all levels of the organization exceptional customer service was the focus.

President Matthew, Secretary Byer and Assistant Secretary Joseph attended the Association of Cooperative Credit Union Presidents of Trinidad and Tobago (ACCUPTT) Seventh Leadership Conference in Cancun, Mexico in November 2017.

Members of the Management Team attended several training sessions including N.E.M Technical

Anti-Money Laundering Seminar, TTCUDIF FIU Compliance Seminar, CFF Thought Leadership Seminars, IIATT Control Self-Assessment Seminar, ICATT IFRS 9 facilitated by EY, and AML/CFT Seminar, to name a few. The General Manager and the Recoveries Officer attended a one-week Caribbean Development Educators (CaribDE) certified training workshop in St. Lucia in September 2017.

18.0 CONDOLENCES

The Board of Directors conveys its sincerest condolences to the families of all co-operators who suffered the passing of a loved one during the last year. It must be mentioned that one of ASCU former employees, Ramlochan Singh, known widely and fondly as "Carlyx" passed away in December 2017. May their souls rest in peace.

19.0 ACKNOWLEDGEMENT

The Board of Directors acknowledges the assistance rendered to ASCU through the services of the following organizations in 2017:

ACCUPTT

CUNA Caribbean Insurance Society

Bourse Securities

Caribbean Airlines Limited

Executive Body Guard Security Services

First Line Securities

REPORT OF THE BOARD OF DIRECTORS CONT'D

HLB Montgomery & Co.

JMMB (formerly Intercommercial Bank)

KSBM

Micro Software Designs Limited

MG Daly and Partners

People Solutions Plus

RBC Royal Bank

Sheppard Securities

The Co-operative Development Division

The Central Finance Facility

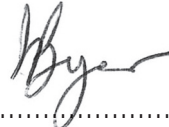
TTCUDIF

ROSE-IT

Magnificat Kitchen

The Board wishes to express its sincere thanks to the members of our elected and appointed Committees, Management and Staff of ASCU. Without their commitment and support our successes to date would not have been achieved. Thanks to you our Members for choosing to make Aero Services Credit Union your first choice for financial services. May the Lord continue to bless you and your family as you engage 2018 and beyond.

Cooperatively yours,



.....
Lyndon Byer
Secretary

**46TH
AGM**

**AERO SERVICES CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

AERO SERVICES CREDIT UNION STAFF



JO-ANNE EDWARDS
General Manager

ADMINISTRATION DEPARTMENT



Left to Right (Rear):- Rayann Charles, Adanna St. Rose Daniel, Shirla Persad, Lorna Vidale, Bernadette Nanan- Dickson
(Front):- Hugo Henry, Jo-Anne Edwards (General Manager), Yolanda Mitchell, Melkeisha Audain, Elizabeth Cardinez, Odell Forde

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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AERO SERVICES CREDIT UNION STAFF

ACCOUNTS DEPARTMENT



Left to Right (Rear): - Chinelo Woodley, Zariffa Harrypersad, Beverly Fonrose, Brenda Billy, Ann Mc Pherson, Nigel Matthew
(Front): - Ria Mosodeen, Evie De Matas, Krystel Brathwaite, Ria Scarborough, Renee White

CUSTOMER SERVICE DEPARTMENT



Left to Right: Arhlene Andrews, Laura Woods-Carr, Rochelle Gabriel, Gail-Ann Peters-David, Stacy Rivers- Constantine



**CANDIS CRAIG
TOBAGO CSR**

CREDIT COMMITTEE REPORT



Left to Right: Nerissa Alleyne, Sharon Lee Sing Barnes, Mavis Edwards, Mikki Martinez, Elizabeth Aquí

Ms. Mavis Edwards	-	Chairman
Ms. Sharon Lee Sing Barnes	-	Secretary
Mrs. Nerissa Alleyne	-	Member
Mr. Mikki Martinez	-	Member
Ms. Elizabeth Aquí	-	Member
Mr. Anthony Grant	-	1st Alternate

At the 45th Annual General Meeting the above-mentioned persons were elected to serve. At the 1st meeting held on March 28, 2017, the Chairman and Secretary were duly elected. Thereafter the Committee met weekly to deliberate, approve loans and counsel members where necessary.

The slowdown in the economy continued in 2017. Despite this and the many other financial

options available to members, they must be congratulated for the positive response. It can be concluded that 'Aero' is able to fulfil their financial needs and maintain its mission of enriching the quality of their lives. By achieving this, Aero Services is able to satisfy its visions of becoming their premier financial provider.

The challenges, however, did not impede the continued decline in the delinquency portfolio. This decline is a result of the sustained vigilance of the Society's recoveries function. Members are encouraged to contact the Committee as soon as a change in the agreed terms occurs so that a mutually beneficial resolution can be achieved.

In 2017 the Committee approved one thousand five hundred and seventy-one (1571) loans at a value of \$53.4 M. This was a 9.7% decrease in the number of loans and a 0.7% increase in value over last year figures.

CREDIT COMMITTEE REPORT CONT'D

Comparison of the 10 Major Loan Categories

Category	2017	%	2016	%
Vehicle Purchase	\$13.7M	25.69	\$9.2M	17.30
House Renovation/ Improvement	\$10.8M	20.25	\$11.1M	21.00
Refinance	\$6.7M	12.57	\$3.8M	7.20
Debt Consolidation	\$3.9M	7.31	\$4.2M	7.93
Vacation	\$3.3M	6.16	\$4.6M	8.64
Investments	\$3.2M	5.95	\$3.5M	6.60
Furniture & Appliances	\$2.5M	4.64	\$2.7M	5.09
Education	\$2.4M	4.58	\$2.6M	4.85
Car Repairs	\$1.4M	2.71	\$1.7M	3.20
Christmas Expenses	\$1.1M	2.07	\$1.2M	2.17

Guidelines:

- o Members are reminded to avoid delays in the approval process.
- o All relevant supporting documents must be submitted with a loan application.
- o The purpose must be true and proper.
- o Be mindful of your debt service ratio (DSR)
- o Make a budget as this will assist in the proper management of finances.

Conclusion.

We would like to thank you; the members for the opportunity to serve. To the Board of Directors, other Committees, Management and Staff many thanks for your support.

We wish you all God's blessings in the coming year and beyond.

Co-operatively Yours,

Mavis Edwards.

.....
Mavis Edwards
Chairman,
Credit Committee

SUPERVISORY COMMITTEE REPORT



Left to Right: Michelle Highly, Richard Prescod, Denise Zephryne, Simon Fabien, Renee Motilal-Bowman

INTRODUCTION:

The Supervisory Committee 2017 – 2018 composition is as follows:

Chairperson: Denise Zephryne

Secretary: Michelle Highly

Member: Simon Fabien

1st Alternate: Richard Prescod

2nd Alternate: Renee Motilal-Bowman

This term in an effort to ensure that all legal requirements were being met and maintained, saw the Supervisory Committee focusing

largely on members' files and the Credit Union's delinquency list. The Committee worked closely with the Recoveries Department to understand the processes and procedures of this department. It was imperative that this was done as the current economic climate was having a major economic impact on Aero Services' membership. Thus, there was a need to understand what could be done to protect and assist the membership while maintaining the mandate of the tagline "enriching the quality of life of our members". This however was done whilst balancing the financial stability of the Credit Union. This is something that the Supervisory Committee is well aware of and has done all in its power to ensure there is transparency and accountability in all matters of the Credit Union.

SUPERVISORY COMMITTEE REPORT CONT'D

TRAINING:

To ensure the Supervisory Committee continues to be on board with the requirements of the Credit Union's business a number of training modules were embarked upon.

CUSTOMER SERVICE:

Our Chairperson Ms. Denise Zephre along with members of other Committees, the Board and Staff were trained in the requirements and delivery of good customer service at the leadership level. This was done to ensure that all were operating from the same level of understanding on what is expected from Aero's personnel when delivering service to our membership.

FIU ANTI MONEY LAUNDERING:

As an annual training requirement all members of Committees, Board of Directors and Staff were internally trained in FIU Anti Money Laundering. This training ensures that all personnel associated with Aero are aware of the legal requirements pertaining to money laundering and the responsibilities of the Credit Union in ensuring that we are not in violation of same.

NEW INITIATIVES

EMAIL ADDRESS FOR THE SUPERVISORY COMMITTEE:

As a way of connecting with our members, the Supervisory Committee has launched its first ever email address, supervisorycommittee@aeroservcescu.com. This open door of contact provides you our members the opportunity to share concerns, raise queries and request feedback on

anything pertaining to Aero Services Credit Union. We are here to act on the membership's behalf, representing on any issues that may affect the Credit Union and its membership.

ALTERNATES IN AN ACTIVE ROLE ON THE SUPERVISORY COMMITTEE:

This term saw the introduction of the alternates on the Supervisory Committee being allowed a more active role. This role encompasses their inclusion in any applicable training, monthly meetings and contributing towards the decision making for the Committee. This strategic move was mainly to assist with the continuation of business in the event that any of the elected members were unable to maintain their position on the Committee.

FILING SYSTEM:

The Supervisory Committee started a filing system for the documentation of all that it has done or been involved in. This initiative allows for the continuation of the business of this Committee by providing historical data and processes and procedures for future members.

MARKETING INITIATIVES/ POLICY CHANGES:

LOAN POLICY CHANGED:

In keeping with the economic changes worldwide, Aero has updated the processes and procedures of its Loan Policy. This policy has been updated to ensure that Aero and its members are financially protected as well as to ensure that the roles and responsibilities of all involved with the loan policy are guided accordingly. As part of the revised loan policy the inclusion of a Loans Officer has



SUPERVISORY COMMITTEE REPORT CONT'D

been integral to ensuring a more timely loan application process. The responsibilities of the Loans Officer include as follows:

- Reviewing loan applications
- Conducting loan interviews where necessary
- Approving loans within the limit specified by the Board
- Verifying applicants' information
- Analysing loan applications using established credit evaluation criteria
- Interpreting and assessing credit reports
- Informing members of loan decisions
- Resolving customer complaint issues
- Monitoring all loans within the first (6) months to ensure compliance with terms and conditions, thereafter, being vigilant for signs of distress and possible delinquency

The update in the loan policy also includes an increase in the loan period. Particulars on this can be attained from the office.

IFRS 9:

IFRS 9 is an International Financial Reporting Standard that is propagated by the International Accounting Standards Board. The Central Bank of Trinidad and Tobago advised that IFRS 9 "addresses the classification, measurement,

impairment and hedge accounting for financial instruments. In particular, IFRS 9 introduces an expected loss impairment model and will replace International Accounting Standard 39-Financial Instruments, which recognized the impairment of financial assets using an incurred loss model. The effective date for the adoption of IFRS 9 was January 1st, 2018."

Aero Services Credit Union like other financial institutions are mandated to ensure we meet the requirements of IFRS 9 and as such our personnel are busy ensuring our readiness.

CONCLUSION:

The current global economic climate continues to affect our landscape and some of our members have been personally affected. Aero Services continues to assist those members as much as they can whilst ensuring that the Credit Union's portfolio remains sustainable. Our role as the Supervisory Committee is sometimes challenged in this climate but we continue to balance what is required of us to ensure that our members are protected at all times. As we forge along as a family in the Credit Union sphere, let us not forget that we are here to cooperatively assist each other as much as is allowed by the processes, procedures and systems that guide the Credit Union entity.

We thank you for the confidence you have placed in us and strive to always deliver the best that we can.

Sincerely,

Denise Zephryne
Chairman

EDUCATION & YOUTHLINK COMMITTEE REPORT



Left to Right (Rear):- Hanz Barbour, Ann McPherson, Brent Gaspard, Carol John-Williams, Safi Rennie, Patrice Dolland
(Front):- Candace Richards, Lydia John-Williams, Esther Richards, Sarah Highly, Janelle Precilla

Education Committee:

Chairman – Esther Richards

Secretary – Safi Rennie

Members – Janelle Precilla, Patrice Dolland, Carol John-Williams, Candace Richards,
Lydia John-Williams, Hanz Barbour, Sarah Highly, Ann Mc Pherson

Board Representative – Brent Gaspard

EDUCATION & YOUTHLINK COMMITTEE REPORT CONT'D



Left to Right: Esther Richards, Chrystal Richards, Candace Richards, Lyndell Byer, Candida Wade, Daniel Byer

YouthLink Committee:

Chairman – Candace Richards

Secretary – Chrystal Richards

Members – Lyndell Byer, Kanini Benjamin,
Candida Wade, Daniel Byer,
Jaleel Benjamin

This year 2017, saw changes to the composition of the Education Committee. The Board of Directors mandated that only one (1) Committee be charged with oversight of events. The result was the amalgamation of the Social and Cultural

Committee, and the YouthLink as the Education Committee. Our roles and responsibilities included: selecting, planning and hosting educational, financial, social and cultural events for the membership of the Credit Union. The YouthLink and the Tobago Committees continue to play a very vital role in coordinating some of the events.

The official Committee was selected at the end of May 2017 and held its first meeting in June 2017. We hosted several social events and two educational events. It is to be noted that there are several events on the ASCU Calendar which have become staples. These include the Annual Spelling Bee, Cricket Competition, Awards of

EDUCATION & YOUTHLINK COMMITTEE REPORT CONT'D

Excellence, Breakfast with the President, Joint All Fours Competition and the Children and Adult Christmas Parties held in both Trinidad and Tobago.

Encouraging was the increase in participation at all 2017 events. However, it should be noted, that the majority of events held were social in nature.

List of events hosted by the Education Committee:

1. Annual Cricket Competition – March to April 2017
2. Annual Spelling Bee Competition – April 1st 2017
3. YouthLink – Breakfast with the President – May 27th 2017
4. Joint Credit Union Sports – August 12th 2017
5. Awards of Excellence Ceremony (SEA, CSEC, CAPE and Junior Achievers) – September 28th 2017
6. YouthLink – “Splash in d Middle” of the School Term – October 14th 2017
7. Joint Credit Union All Fours Competition – October 21st 2017
8. Tobago Committee – Tobago Cottage Meeting – October 25th 2017
9. YouthLink – Children’s Christmas Party (Trinidad) – December 2nd 2017
10. Adult Christmas Party (Trinidad) – December 8th 2017
11. Tobago Committee – Children’s Christmas Party (Tobago) – December 10th 2017
12. Tobago Committee – Adult Christmas Party (Tobago) – December 30th 2017

ANNUAL CRICKET COMPETITION

This competition began in March prior to the 2017 AGM and was completed in April. Team KATERSERV was again the victorious team hoisting the winner’s trophy. Congratulations to all the participating teams and thank you for your continued support of this initiative. We look forward to 2018 being another exciting year of cricket.

SPELLING BEE COMPETITION

This annual event was held at the ASCU Head Office on April 1st 2017. Participants included children of members or young members ages 5 to 12 years and students from various schools within the ASCU catchment area. This year we had participants from Atwells Educational Institute, San Juan Presbyterian, and St. Helena Presbyterian. Participants were supported by parents, teachers, family members and well-wishers. Indeed, it was a very keen competition with the students from Atwell’s Learning Centre as the overall Spelling Bee Champions. Prizes included trophies, medals of participation and gifts from various sponsors including Firstline Securities and Elizabeth Aquil. Thank you sponsors for your continued support of this note-worthy competition.



EDUCATION & YOUTHLINK COMMITTEE REPORT CONT'D

YOUTHLINK (YL) - ANNUAL BREAKFAST WITH THE PRESIDENT

Breakfast with the President is an annual item on the YouthLink (YL) Calendar of Events. This YouthLink initiative gives them the opportunity to interact in person with the President and other invited Directors of ASCU Board. Our specially invited guest was Mr. Dilshorn Peters, Accountant at the Police Credit Union in St. Vincent and the Grenadines. A relationship was forged between Mr. Peters and two members of the YouthLink Committee in 2014 when they met at the Caribbean Development Education Youth Programme for Credit Union officers held in St. Vincent. Mr. Peters graciously accepted the invitation and shared from his experience about Credit Unionism in St. Vincent and its significance to the development of the young people in his country. We encourage young people to get involved in the Credit Union Movement, it will be beneficial to both you and your family's future.

ASCU can be assured that we are in good hands. Congratulations YL, on another successful Breakfast with the President.

JOINT CREDIT UNION SPORTS

This biennial sporting event is hosted by four (4) partnering Credit Unions – Community Care, TECU, U.W.I. and Aero Services. This year it was held at the Golden Grove Prisons Grounds in Arouca. It is one of the events in which we engage in order to continuously build relationships with other Credit Unions. Aero participated in the majority of the events and placed 4th in the competition. We certainly enjoyed ourselves.



AWARDS OF EXCELLENCE CEREMONY

The Annual Awards of Excellence Ceremony was held on September 28th 2017 in the Phillip Habib Hall, upstairs ASCU Head Office building. Sixty-Seven (67) members/children of members were recognized for their dedication to Academic Achievement and success at the various exams. The categories were as follows: S.E.A. (23); C.S.E.C. (24); C.A.P.E. (11) and Junior Achievers (9). Congratulations to all Awardees and to our top three (3) students: S.E.A. – Eliana Soman, C.S.E.C. – Amaris Bujhawan and C.A.P.E. – Christian Chamaroo.

Our Master of Ceremony, Mr. Simon Fabien did a wonderful job at engaging the audience. We had three speakers for the evening; Mr. Kern George, Mr. Kwesi Charles and from the YouthLink, Mr. Lyndell Byer. They were well received and provided encouragement and entertainment for all present, especially the students. Our young pannist, Joshua Subrath, delivered the musical entertainment for the evening. The feedback was tremendous, although some found the speakers were a little lengthy. However, parents and well-wishers expressed their thanks and appreciation

EDUCATION & YOUTHLINK COMMITTEE REPORT CONT'D

to ASCU for hosting this event to honour their children. Congratulations to all of our successful students and we wish you continued success on your onward journey.

Note

To all Parents/Guardians who registered their children for these Awards, the Share Certificates given to the students at the Awards Ceremony is valid for ONLY six (6) months and cannot be redeemed for cash. We therefore urge parents to take the opportunity to register your child as a member of ASCU, using the shares they were awarded as a start. **NO REGISTRATION FEE APPLIES.**

YOUTHLINK – “SPLASH IN D MIDDLE” OF THE SCHOOL TERM

The YouthLink tries to hold an event for the youths of Aero Services Credit Union during Credit Union Week. This year it was a pool lime held at the Realspring, Valsayn Community Grounds. This event attracted approximately 96 children between the ages 2 to 15 years old. The children thoroughly enjoyed this time in the pool and are looking forward to the next one.



JOINT ALL FOURS COMPETITION

ASCU has developed relationships with three other Credit Unions with whom we have joint activities. The Joint Credit Union All Fours Competition was hosted by TECU and held at Petrotrin Sports Club. Our team was a combination of youth and experience. This year Aero came in Second to the reigning champions, TECU. It was a wonderful time of camaraderie. Better luck in 2018 Team Aero.



ANNUAL CHRISTMAS PARTIES – ADULT AND CHILDREN

We ended 2017 with a bang! Two Christmas parties were held in December in Trinidad. The Children's Party was the 2nd Annual Party hosted by the YouthLink at the ASCU Sporting Complex on December 2nd. There were 260 patrons, adults and children who enjoyed the specially prepared meals, bouncy castles, games, Santa Claus, gifts and prizes. The children had a fantastic time and look forward to another frolicking year in 2018.

Regarding the Adult Party, due to the prevailing economic times, we were hard-pressed to scale back on expenses and opted for a chaser bar and meal. We encouraged members to bring their own alcoholic beverages. Although this met



EDUCATION & YOUTHLINK COMMITTEE REPORT CONT'D

with some initial resistance, members understood and turned up in their numbers. There were a few minor hiccups. However, those were sorted out and our members, family and friends continued to show their support for Aero by participating in these festive celebrations. Thanks to our in-house fisherman Kenny, who cooked up some "on the spot fish-broth" for us to enjoy. Great food, good vibes. The Adult Christmas Party had a total of 562 persons in attendance.

In closing, as a responsible financial institution, when faced with economic challenges, especially the current crisis facing our economy, we have to make hard decisions and adjustments, but always in the best interest of our members. In 2018, we look forward to serving you the members and would appreciate your continued support as we seek more innovative ways of engaging and serving the various age groups within ASCU. We believe that Aero Services Credit Union will continue to thrive even during this period and we look onward to "Enriching the lives of our Members."

As Chairman, I especially thank all of the hard-working members of my team. On behalf of the Education and YouthLink Committees, I extend our heartfelt thanks and appreciation to the Board of the Directors, the Management and Staff of Aero Services Credit Union for your support, the opportunity to serve you in 2017 and look forward to a prosperous 2018.

Sincerely,

.....
Esther Richards
Chairman

TOBAGO COMMITTEE REPORT



Left to Right: Walton Walker, Cindy Stewart-Lewis, Rodney Craig, Giselle Alleyne and Nona Walker

Happy New Year and Best Wishes for Peace, Prosperity and Good Health to the Board of Directors, Committees, Staff and Members from the Tobago Committee.

Tobago Committee

Chairman – Rodney Craig

Secretary – Nona Walker

Members – Cindy Lewis, Walton Walker,
Giselle Alleyne

Board Representative – Courtney Demming

Tobago Committee in Review (2017)
List of Events Hosted for 2017

1. Cottage Meeting
2. Children's Christmas Party
3. Adult Party

Cottage Meeting

In celebration of Credit Union Week, the Tobago Committee honored our members by hosting a Cottage Meeting at Spence Plaza. The goal was to sensitize members on matters such as Disaster Preparedness, Community Policing, Cyber crimes and the Role of Customs & Excise.



TOBAGO COMMITTEE REPORT CONT'D

Presentations were given by:-

- Tobago Emergency Management Agency (TEMA)
- Trinidad and Tobago Police Service
- Trinidad and Tobago Customs & Excise Duty
- Director Brent Gaspard

The information presented was well received by all in attendance along with a lively question and answer session. Due to the response from members, this event will be added to our list of annual activities .

Children's Christmas Party

Our Annual Children's Christmas Party was a resounding success and was well supported by our members. The children were entertained with many games and attractions. Santa's arrival for the distribution of gifts was of course the highlight of the afternoon. In addition, the full support received from the Education Committee and Board Representatives was instrumental in it being a successful event. We would like to recognize and express our gratitude to our members and all who contributed towards the success of this event.

Tobago Members Adult Party

For the first time, the Tobago Committee focused on the Credit Union's adult Tobago membership and saw the need after many years of trying and not getting a positive response, to have an event for them. The idea of having a dinner was discussed with and an estimated budget was sent to the Board for approval. This was approved and

the Committee went ahead and planned the event which was held in Café Coco on Saturday 30th, 2017. To the Committee's surprise, forty-seven (47) was the catered figure and forty-two (42) persons attended. It was indeed an evening of fun, laughter, togetherness and appreciation. Support from the Education Committee and Board representatives was instrumental and we know all who attended had an enjoyable evening.

The Committee takes this opportunity to thank all our members, sponsors and everyone who contributed in one way or another to make the Committee's dream a reality.

On behalf of the Tobago Committee we extend our heartfelt thanks and appreciation to the Board of Directors, the general membership, the Management and Staff of Aero Services Credit Union, for your support and for giving us the opportunity to serve you. We appreciate your support in 2017 and look forward to working with you again in 2018.

Sincerely

Rodney Craig
Chairman

NOMINATION COMMITTEE REPORT

Introduction

In compliance with the Society's Bye Law 33a, the Board of Directors appointed a Nomination Committee to assume the task of inviting nominations from Aero Services Credit Union membership who are desirous of serving at the various offices of governance. These are the Supervisory Committee, the Board of Directors, and the Credit Committee. Members offering themselves for selection are required to be fit and proper and must be available to fulfill the obligation of office.

Directors appointed to serve on the Nomination Committee were:

Mr. Lyndon Byer	-	Chairman
Mr. Courtney Demming	-	Member
Mr. Earle Joseph	-	Member

The Committee in issuing its invitation to the membership emphasized the importance of persons offering themselves to be nominated who are:

1. In good standing with the Credit Union, that is, not delinquent and contributing regularly to their Share Account
2. In possession of reasonable knowledge and appreciation of the Credit Union's philosophy and operating principles.
3. Adequately qualified for the position being sought and who would be available to carry out the duties required of the position
4. Willing to attend orientation sessions and become familiar with the operations of the Credit Union.

A deadline date of January 17, 2018 was initially given for the submission of applications but due to a low number of applications the deadline was extended to January 26, 2018. Beyond the extended deadline date, no late submission was entertained by the Nomination Committee.

Outgoing Officers

In accordance with the Society's Bye-Laws, the following are the outgoing members of the Board of Directors:

- (1) Mr. Earle Joseph, is statute-barred for at least one year, having served three consecutive terms.
- (2) Mr. Brent Gaspard, can serve again and has indicated his willingness to so do.
- (3) Mr. Martin Franklin, can serve again and has indicated his willingness to so do.
- (4) Mr. Wayne Nunes, can serve again but did not indicate his willingness to so do.
- (5) Mrs. Phyllis Wickham, can serve again and has indicated her willingness to so do

All members, including alternates, of both the Supervisory Committee and the Credit Committee are all outgoing.

A total of fourteen (14) applications were received for consideration. The Committee wishes to advise the Annual General Meeting that all fourteen (14) applications were approved.



NOMINATION COMMITTEE REPORT CONT'D

Below are the names of the fourteen (14) nominees:

BOARD OF DIRECTORS

Mr. Martin Franklin

Mr. Brent Gaspard

Mrs. Phyllis Wickham

Mr. Alec Clarke

Mrs. Esther Richards

SUPERVISORY COMMITTEE

Ms. Denise Zephaine

Mrs. Julia Stafford-Howe

Mrs. Renee Motilal-Bowman

Ms. Michelle Highly

Ms. Sasha Jameson

Mr. Richard Prescod

CREDIT COMMITTEE

Mr. Mikki Martinez

Ms. Elizabeth Aqui

Ms. Hinni Maraj

The Nomination Committee's initial Orientation Session for all approved nominees was held on Thursday 8th March 2018. Another Orientation Session is planned for all members of the Board and Committees in April 2018.

The Nomination Committee wishes to convey its gratitude and appreciation to the Board of Directors for the opportunity given to conduct this exercise and thanks all members who offered themselves to serve.

Co-operatively Yours

.....
Lyndon Byer
Chairman

WHEREABOUTS NOTICE

URGENT NEED TO CONTACT

We are seeking your assistance in locating the following. If you have any information or know of their whereabouts, please contact us Monday- Friday 9:00am-4:00pm at 640-6416 ext. 229 or 244. All calls are kept confidential.

NO.	FIRST NAME	LAST NAME	ADDRESS
1	REYNOLD	ABRAHAM	155 WINDWARD RAOD HOPE VILLAGE TOBAGO
2	KEIGEN	ALEXANDER	2A MC KENZIE TRACE GLEN ROAD SCARBOROUGH TOBAGO
3	KEEGAN	ALI	LP 54 EL CARMEN STREET FOSTER ROAD SANGRE GRANDE
4	ONIKA	ANDERSON	LOT 113 9-8TH AVENUE BON AIR GARDENS AROUCA
5	NELTON	AUGUSTINE	12 MORA STREET ORANGE GROVE ROAD TRINCITY
6	ROBERT	AUGUSTUS	CAMERON ROAD PETIT VALLEY
7	DAMIAN	BADAL	WATTLE CIRCULAR MT PLEASANT ROAD ARIMA
8	ROSIE	BAPTISTE	P.O BOX 8071 NATIONAL MAIL CENTRE PIARCO
9	KEVON	BETHELMY	# 6 RAILWAY ROAD GUAICO SANGRE GRANDE
10	LATOYA	BOBB	APT # 4 BLD 18, WHITE BAR BLUE SPRUCE STREET LOPINOT, AROUCA
11	JACINTA	BONEY	BLDG 16 APARTMENT 3-2 NORTH MALONEY GARDENS
12	SADE	BONEY	#5 CALCUTTA SETTLEMENT UPPER CARAPICHIMA FREEPORT
13	THERON	BRASSEY	#24 SHELBOURNE STREET PLYMOUTH TOBAGO
14	BRIAN	BRIGGS	296 LA HORQUETTA BLVD ARIMA
15	RAIFERANN S.	BRIGGS	14 AVOCADO DRIVE SANTA ROSA HEIGHTS ARIMA
16	KWACIE	BROWN	LP#59 JONES TRACE QUARRY ROAD SAN JUAN
17	DOMINIQUE	BRUCE	54 BROWNE STREET EL DORADO ROAD TUNAPUNA
18	ASHLY	BYER	8 KELLY GARDENS KELLY VILLAGE CARONI
19	SHELDON	CASSA	223 SOUTHERN MAIN ROAD LA ROMAIN

WHEREABOUTS NOTICE

20	RAQUEL	CHANDLEUR	41 GERIDOT DRIVE DIAMOND VALE
21	AVALON	CHARLES	FARM 202 NICARAGUA ROAD WALLER FIELD ARIMA
22	DEXTER	CHARLES	34 KELLY GARDENS SIEUNARINE TRACE CARONI
23	LENUS	CHARLES	376 PICOPLATE AVENUE MALONEY GARDENS MALONEY
24	TYRELL	CROSBY	3 SPRINGLANDS AVENUE VALSAYN
25	RYAN	CYRUS	WHIM VILLAGE TOBAGO
26	KAREEM	DATES-ALEXANDER	2A MC KENZIE TRACE GLEN ROAD TOBAGO
27	LAURENCE	DE LEON	LP # 85 MAUSICA OLD ROAD ARIMA
28	CLINTON	DE VERTEUIL	LP 52 MT PLEASANT ROAD ARIMA
29	JOAN	DE VERTEUIL	MILLAR STREET OFF KING STREET GLENCOE
30	CHERRIE ANN	DEDIER	#59 MARAJ STREET FIVE RIVERS AROUCA
31	AKILAH	DUNCAN	#4903 AHAMAD CHARLES CRESENT PHASE 4
32	JUDY-ANN	DUNCAN	4 FREEMAN ROAD ST AUGUSTINE
33	SHARON	DYER	RACE COURSE ROAD EVERGREEN SIMON ROAD ARIMA
34	DENZIL	EDWARDS	CASHEW PARK ABERCROMBY STREET ST JOSEPH
35	SAMANTHA	ELLIS	19 REID LANE D ABADIE D ABADIE
36	JASON	FLAVINEY	15 KARAMATH DEVELOPMENT MANAHMBRE PRINCESS TOWN
37	LYNDON DANIEL	GARCIA	LP 1076 EASTERN MAIN ROAD MANZANILLA
38	ASHTON	GODDARD	110 EASTERN MAIN ROAD LAVENTILLE LAVENTILLE
39	FERNANDO	GONZALES	18 MUCURAPO ROAD ST JAMES PORT OF SPAIN
40	OKIELA	GRAY	LP 21 BEAUPREAS ROAD PARAMIN HILL MARAVAL
41	ALLISON	HARRIS	LA CHANCE STREET O'MEARA ROAD ARIMA
42	STEPHON	HERBERT	BUILDING 5 WATERHOLE APT 4-3 HARDING PLACE COCORITE

WHEREABOUTS NOTICE

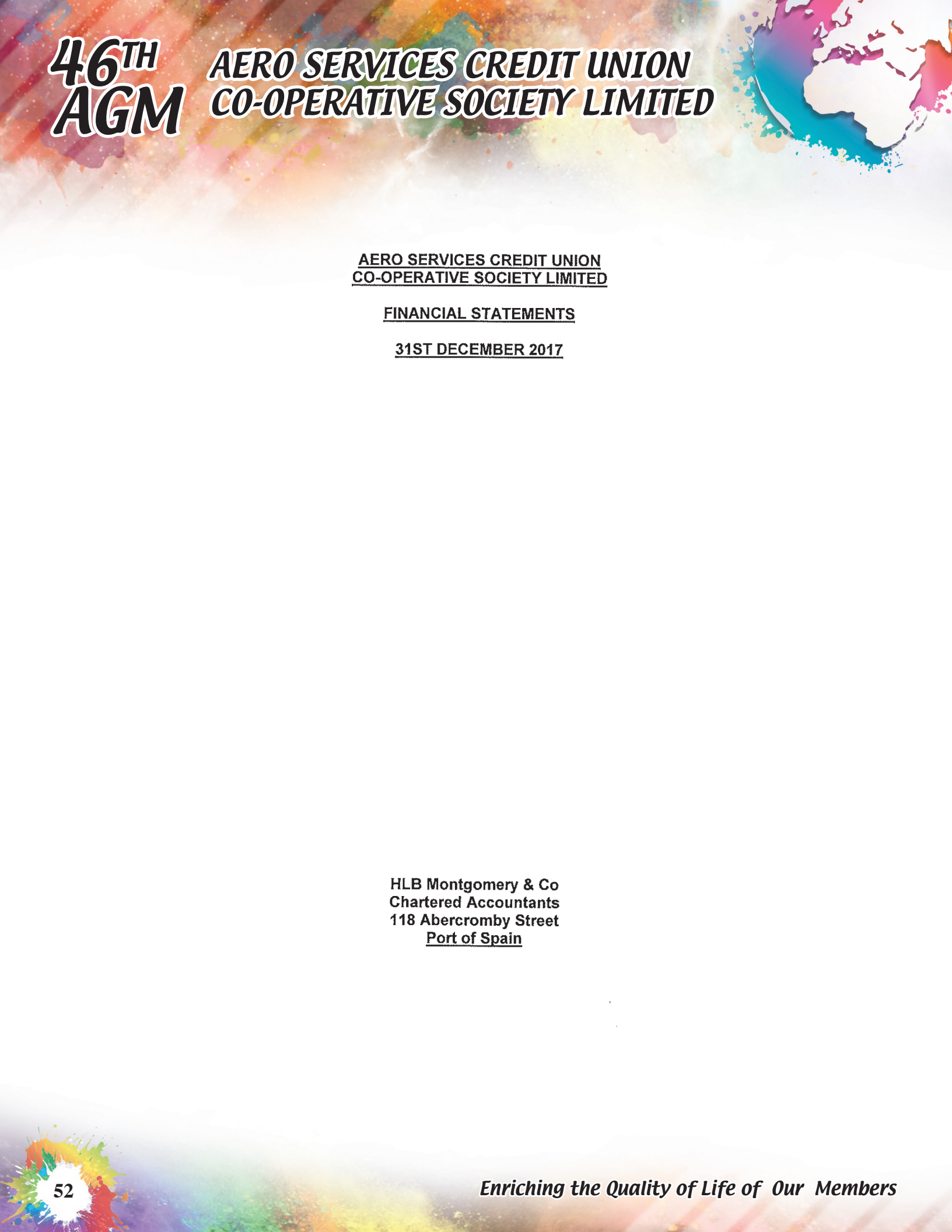
43	NIGEL	HINDS	10 BUTTERFLY AVENUE PLEASANTVILLE SAN FERNANDO
44	ANTHONY	ISAAC	10 SAGE STREET COCORITE
45	GILLIAN	JACK	#7 JACKSON STREET CUREPE
46	EMBOYA	JAMES CHACK ON	285 FLAMINGO AVENUE COUVA
47	AUGUSTINE	JENNINGS	CORNER ALBERT & MARKET ST. AROUCA
48	MICHAEL	JOHN	DOW VILLAGE SETTLEMENT CALIFORNIA
49	DAMIAN	JOHNSON	# 6 BOUNDARY ROAD APT2 AROUCA AROUCA
50	LYDIA	JOSEPH	POLE 10B SUBERO STREET ARIMA
51	THEODORE	KEIZER	36, WEST HILL CASCADE
52	NNEKA	KELLAR	4 ANNE AVENUE DIEGO MARTIN
53	SHELLY ANNE	KENT	SANDY RIVER MASON HALL TOBAGO
54	STEPHANIE	KHAN	P. O. BOX 1413 WRIGHTSON RD. POST OFFICE
55	GABRIEL	LASHLEY	WOODLANDS MORIAH TOBAGO
56	CINDY	LEE WING	#18 MT LAMBERT CIRCULAR UPSTS N/W/7 MOUNT LAMBERT
57	ECLIFFE	LEWIS	1/2 MM LOPINOT ROAD AROUCA
58	ROSA	MAHABIR	4 SAN ANTONIO GARDENS SANTA CRUZ
59	JAMES	MC DONALD	41 WALKER STREET FREDERICK SETTLEMENT CARONI
60	BRENT	MC KENNA	CHINAPOO VILLAGE MORVANT LAVENTILLE
61	KERN	MC PHERSON	54 SIGNAL HILL OLD ROAD TOBAGO
62	FRANCISCO	MEDINA-DIAZ	TOWN HOUSE -10B ST. BENEDICT GARDENS TUNAPUNA
63	LETITIA	MENDEZ	FRANCIS STREET ARIMA OLD ROAD ARIMA
64	COLLINS	MITCHELL	4 CANEFARM ROAD TACARIGUA
65	HAYDN	MITCHELL	# 5102 SNYDER AVENUE, APT. 2 BROOKLYN NY 11203 USA

WHEREABOUTS NOTICE

66	NEKEISHA	MITCHELL	# 27 SAMAROO VILLAGE ARIMA
67	YOLANDA	MITCHELL	29A DAVID STREET EAST DRY RIVER PORT OF SPAIN
68	JOSANN	MORRIS	55 BAMBOO TRACE E.M.R TUNAPUNA
69	NEIL	MUNGAL	# 87 ORANGE GROVE RD ST AUGUSTINE ST AUGUSTINE
70	HAZEL ANN	NANCOO	51 DIAMOND CRESCENT BON AIR GARDENS AROUCA
71	LUZAN KRYSTAL	NARCIS	21 MYRA DRIVE , SHERWOOD ARIMA
72	JUDY-ANN	NELSON	8 WILLIAM STREET SUCCESS VILLAGE LAVENTILLE
73	JOANNE	O'GARRO	LP 17 CARONI SAVANNAH ROAD CHAGUANAS
74	MARSHA	PASCAL	MALABER BRANCH TRACE ARIMA
75	DORIAN	PATRICK	LP# 51 MICHAEL STREET KELLY VILLAGE CARONI
76	FRANCINE	PHILLIP	BUILDING 14 APT 4-2 EAST MALONEY GARDENS D'ABADIE
77	USTER	PHILLIPS	187 EASTERN MAIN ROAD TACARIGUA
78	CLAIRE	PIBER	9 MOHAMMED TRACE EL SOCORRO EXT EL SOCORRO
79	JENNIFER	RAMOS	104 RECREATION ROAD CAPILDEO LANDS ARIMA
80	RAMCHAND	RAMPERSAD	90 SANCHEZ ROAD NEW GRANT PRINCESS TOWN
81	ROBERT	RAMPERSAD	LP# 37 SELLIER STREET OJOE ROAD SANGRE GRANDE
82	AVEION	RAMSEY	# 69 MAIN ROAD TODD'S ROAD CHAGUANAS
83	ANN MARIE	REDON	10 TAYLOR STREET WOODBROOK PORT OF SPAIN
84	WENDY - ANN	REMY	145 CHESTNUT DRIVE BREGON PARK D'ABADIE
85	LESLEY ANN	RICHARDS POPE	#293 VERONIQUE STREET, MT PLEASANT ROAD, ARIMA
86	HEATHER	RODRIGUEZ	14 3RD STREET WEST DINSLEY GARDENS TRINCITY
87	KERN	ROMERO	#8 9TH STREET WEST CANE FARM TRINCITY
88	ANTHONY	SAGAR	8 CHINETTE ALLEY OXFORD STREET PORT OF SPAIN
89	KEARLENE	SANDY	11 DOVE STREET SCARBOROUGH TOBAGO

WHEREABOUTS NOTICE

90	SEAN	SEENATH	LAS LOMAS #1 CHIN CHIN ROAD CUNUPIA
91	ORAL	SEIFERT	21 JOHN SHAW AVENUE ARIMA
92	RAVI	SEUNATH	#34 BECKLES ST. SOUTH ESPARANCE VILLAGE SAN FERNANDO
93	AMARNATH	SINGH	1 1/2 KELLY MAIN ROAD RAGOONATH TRACE KELLY VILLAGE
94	SYAMKARAN	SINGH	MAIN RD KELLY VILLAGE CARONI
95	CURT	SMART	#30 PIARCO VILLAGE PIARCO
96	MICHAEL	SMITH	3 HUNTE ROAD SAN JUAN
97	CANDICE	SPENCE-VILLAFANA	LP # 89 ST. MARIE EMMANUEL ROAD CUMUTO
98	LARRY	SYLVESTER	CHURCH STREET GRIFFITH DRIVE CARAPO
99	CELINE	TABABA	62A CINNAMON CRESCENT SANTA ROSA HEIGHTS ARIMA
100	WAYNE	THOMAS	#10 EASTERN MAIN ROAD LAVENTILLE
101	SHERLON	TIDD	12 SIXTH STREET MT. LAMBERT
102	ZEPHRIN	TOPPIN	LP 10 GOLDEN GROVE ROAD CANAAN TOBAGO
103	LOUISA	WALCOTT	#3 GARNET LANE BELMONT
104	CADINE	WALLACE	#24 EMERALD GARDENS WARNER VILLAGE CHARLIEVILLE CHAGUANAS
105	AUREA	WALTER	50 PINTO ROAD ARIMA
106	TERRENCE	WARDE	5 MAHABIRVILLE STREET MALABAR ARIMA
107	ABBY	WILLIAMS	LP #6 CARNBE TOBAGO
108	MATTHEW	WILLIAMS	#1 VILLAGE STREET BON ACCORD TOBAGO
109	KEVIN WALTER	WILSON	430 CHAMELEON AVENUE LA HORQUETTA NORTH ARIMA
110	CALNE	WILTSHIRE	58 GLEN ROAD SCARBOROUGH TOBAGO
111	REBECCA	WOLFE	OASIS APTS BLDG 2 APT 1E DIEGO MARTIN



**46TH
AGM**

**AERO SERVICES CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

AERO SERVICES CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 2017

HLB Montgomery & Co
Chartered Accountants
118 Abercromby Street
Port of Spain



AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

46TH AGM

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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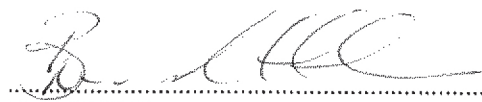


AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

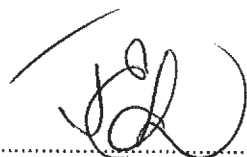
Statement of Management Responsibilities

1. It is the responsibility of management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Credit Union as at the end of the financial year and of the operating results of the Credit Union for the year. It is also management's responsibility to ensure that the Credit Union keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company.
2. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.
3. Management accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards. Management is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Credit Union and of its operating results. Management further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial controls.

Nothing has come to the attention of Management to indicate that the Credit Union will not remain a going concern for at least the next twelve months from the date of this statement.


.....
PRESIDENT

Date:..... 28/02/2018


.....
GENERAL MANAGER

Date:..... 28/02/18

INDEPENDENT AUDITOR'S REPORT

To The Members of Aero Services Credit Union Co-operative Society Limited

Opinion

We have audited the financial statements of Aero Services Credit Union Co-operative Society Limited, which comprise the Statement of Financial Position as at 31st December 2017, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Appropriated Funds and Undivided Surplus and the Statement of Cash Flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Credit Union as at 31st December 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and the Co-operative Societies Act of Trinidad and Tobago.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Credit Union in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Annual Report, but does not include the financial statements and our auditor's report thereon. The Annual Report was made available to us before the date of this Auditor's Report.

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

Having read the Annual Report, we have concluded that there is no material misstatement therein.

Responsibilities of Management and those charged with Governance for the Financial Statements

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Credit Union's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Credit Union's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Credit Union to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

HLB Montgomery & Co
HLB MONTGOMERY & CO
28th February 2018
118 Abercromby Street
Port of Spain
Trinidad & Tobago

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION

31ST DECEMBER

<u>Cash Resources</u>	<u>Notes</u>	<u>2017</u>	<u>2016</u>
Cash in Hand and at Bank	5	11,915,381	4,024,233
Investments	6	91,034,502	85,134,080
		<u>102,949,883</u>	<u>89,158,313</u>
<u>Other Assets</u>			
Accounts Receivable and Prepayments	7	5,907,815	5,221,941
Other Investments	8	25,184,680	22,414,083
Loans to Members	9	139,037,829	126,983,908
Inventory	10	24,144	11,374
Fixed Assets	11	17,850,062	17,995,928
		<u>\$290,954,413</u>	<u>\$261,785,547</u>
<u>Total Assets</u>		<u>=====</u>	<u>=====</u>
<u>Liabilities and Members' Equity</u>			
<u>Liabilities:</u>			
Bank Overdraft	12	14,142	-
Accounts Payable and Accruals	13	2,122,988	1,970,656
Members' Deposits	14	40,841,307	40,814,817
Unclaimed Dividends and Shares	15	2,019,441	1,212,907
Proposed Honoraria	16	321,730	321,374
Members' Shares	17	184,690,411	161,894,573
		<u>230,010,019</u>	<u>206,214,327</u>
<u>Total Liabilities</u>		<u>=====</u>	<u>=====</u>
<u>Members' Equity</u>			
Reserve Fund	18	16,662,869	15,452,818
Education Fund	19	2,354,382	2,137,698
Development Fund	20	652,161	652,161
Investment Re-measurement Reserve	21	6,360,253	4,113,478
Revaluation Reserve	22	9,011,970	9,011,970
Special Reserve Fund	23	226,648	226,648
Undivided Surplus		25,676,111	23,976,447
		<u>60,944,394</u>	<u>55,571,220</u>
<u>Total Members' Equity</u>		<u>=====</u>	<u>=====</u>
<u>Total Liabilities and Members' Equity</u>		<u>\$290,954,413</u>	<u>\$261,785,547</u>
		<u>=====</u>	<u>=====</u>

The accompanying significant accounting policies and notes on pages 8 to 20 form an integral part of these financial statements. On FEBRUARY 28, 2018 the Board of Directors authorised these financial statements for issue.

.....General Manager.....Member-Board of Directors

.....Member- Supervisory Committee

AERO SERVICES CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2017

<u>Income</u>	<u>Schedules</u>	<u>2017</u>	<u>2016</u>
Interest on Loans		16,187,546	15,007,936
Investment Income		6,250,719	4,977,990
Rental Income		321,370	309,425
Entrance Fee		15,200	20,215
Miscellaneous Income		144,636	279,065
Service Charge		153,479	165,069
Bad Debts Recovered		74,021	101,762
Foreign Exchange Gain		-	1,079,879
<u>Total Income</u>		23,146,971	21,941,341
<u>General and Administrative Expenses</u>			
Personnel Cost	1	3,614,128	3,137,934
Operational Cost	2	1,958,835	1,828,603
Financial Cost	3	1,186,972	1,391,384
Administrative Cost	4	798,885	882,981
Bad and Doubtful Loans Expense		672,000	672,000
Risk Management	5	821,231	714,720
Rental Expenses		462,645	480,667
Depreciation		427,217	448,477
Officers' and Committee Expenses	6	1,035,196	875,393
Amortisation of Bond Premium		10,453	15,458
<u>Total General and Administrative Expenses</u>		10,987,562	10,447,617
Net Surplus for the Year		12,159,409	11,493,724
<u>Other Comprehensive Income</u>			
<u>Items that may be reclassified subsequently to Profit or Loss</u>			
Appreciation in Market Value of Investments		2,246,775	1,267,609
<u>Total Comprehensive Income for the Year</u>		\$14,406,184	\$12,761,333
		=====	=====

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF APPROPRIATED FUNDS AND UNDIVIDED SURPLUS

FOR THE YEAR ENDED 31ST DECEMBER 2017

	Reserve Fund	Education Fund	Development Fund	Re-measurement Reserve	Investment Reserve	Revaluation Reserve	Reserve Fund	Undivided Surplus	Total
Balance as at 1 st January 2017	15,452,818	2,137,698	652,161	4,113,478	9,011,970	226,648	23,976,447	55,571,220	
Add: Net Surplus for the Year	-	-	-	-	-	-	12,159,409	12,159,409	
(i) 10% to Reserve Fund	1,215,941	-	-	-	-	-	(1,215,941)	-	
(ii) 5% of the Balance to the Education Fund	-	547,173	-	-	-	-	(547,173)	-	
Appreciation in Market Value of Investments	-	-	-	2,246,775	-	-	-	2,246,775	
	16,668,759	2,684,871	652,161	6,360,253	9,011,970	226,648	34,372,742	69,977,404	
Entrance Fees	15,200	-	-	-	-	-	(15,200)	-	
Meetings and Conferences	-	(270,249)	-	-	-	-	270,249	-	
Education Committee Expenses	-	(60,240)	-	-	-	-	60,240	-	
Payment of Unclaimed Funds	(21,090)	-	-	-	-	-	-	(21,090)	
Dividends Paid – 2016	-	-	-	-	-	-	(9,011,920)	(9,011,920)	
Balance as at 31 st December 2017	\$16,662,869	\$2,354,382	\$652,161	\$6,360,253	\$9,011,970	\$226,648	\$25,676,111	\$60,944,394	
	Reserve Fund	Education Fund	Development Fund	Re-measurement Reserve	Investment Reserve	Revaluation Reserve	Reserve Fund	Undivided Surplus	Total
Balance as at 1 st January 2016	14,319,007	1,955,801	652,161	2,845,869	9,011,970	226,648	21,732,431	50,743,887	
Add: Net Surplus for the Year	-	-	-	-	-	-	11,493,724	11,493,724	
(i) 10% to Reserve Fund	1,149,372	-	-	-	-	-	(1,149,372)	-	
(ii) 5% of the Balance to the Education Fund	-	517,218	-	-	-	-	(517,218)	-	
Appreciation in Market Value of Investments	-	-	-	1,267,609	-	-	-	1,267,609	
	15,468,379	2,473,019	652,161	4,113,478	9,011,970	226,648	31,559,565	63,505,220	
Entrance Fees	20,215	-	-	-	-	-	(20,215)	-	
Meetings and Conferences	-	(217,131)	-	-	-	-	217,131	-	
Education Committee Expenses	-	(118,190)	-	-	-	-	118,190	-	
Payment of Unclaimed Funds	(35,776)	-	-	-	-	-	-	(35,776)	
Dividends Paid – 2015	-	-	-	-	-	-	(7,898,224)	(7,898,224)	
Balance as at 31 st December 2016	\$15,452,818	\$2,137,698	\$652,161	\$4,113,478	\$9,011,970	\$226,648	\$23,976,447	\$55,571,220	

**AERO SERVICES CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST DECEMBER 2017

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	<u>2017</u>	<u>2016</u>
Net Surplus for the Year	12,159,409	11,493,724
Amortisation of Bond Premium	10,453	15,458
Bad and Doubtful Loans Expense	672,000	672,000
Depreciation	427,217	448,477
Accrued Interest Income	(1,576,126)	(1,321,513)
	11,692,953	11,308,146
Net Change in Accounts Receivable and Prepayments	890,252	2,339,786
Net Change in Inventory	(12,770)	28,174
Net Change in Accounts Payable, Accruals and Honoraria	959,222	399,819
Net Change in Loans to Members	(12,725,921)	(14,787,982)
Net Change in Members' Deposit	26,490	(424,807)
<u>Cash Provided by/(Used in) Operating Activities</u>	830,226	(1,136,864)
<u>Cash Flows from Investing Activities</u>		
Net Change in Fixed Assets	(281,351)	(369,245)
Net Change in Other Investments	(2,253,508)	442,728
Net Change in Investments	(4,181,189)	(15,846,922)
<u>Cash Used in Investing Activities</u>	(6,716,048)	(15,773,439)
<u>Cash Flows from Financing Activities</u>		
Unclaimed Funds Paid	(21,090)	(35,776)
Dividends Paid	(9,011,920)	(7,898,224)
Increase in Members' Shares	22,795,838	12,983,269
<u>Cash Provided by Financing Activities</u>	13,762,828	5,049,269
Net Change in Cash Resources	7,877,006	(11,861,034)
Net Cash Resources – Beginning of the Year	4,024,233	15,885,267
<u>Net Cash Resources – End of the Year</u>	\$11,901,239	\$4,024,233
	=====	=====
<u>Represented By</u>		
Cash in Hand and at Bank	11,915,381	4,024,233
Bank Overdraft	(14,142)	-
	\$11,901,239	\$4,024,233
	=====	=====

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 2017

1. Registration and Objectives:

The Society is registered under the Co-operative Societies 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. Significant Accounting Policies:

a) Basis of financial statements preparation -

These financial statements are prepared in accordance with International Financial Reporting Standards, and are stated in Trinidad and Tobago dollars. These financial statements have been prepared on the historical cost basis, except for the measurement at fair value of available-for-sale investments and the properties.

b) Use of estimates

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires management to exercise its judgment in the process of applying the Society's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

c) Adoption of New and Revised IFRSs and IFRICs

During the current year, the Society adopted all the new and revised International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations (IFRICs) which are relevant to its operations and are effective for accounting periods commencing on or before 1st January 2017. The adoption of these standards did not have a material effect on the financial statements. At the date of authorisation of these financial statements, some standards were in issue but not yet effective. The Board of Directors expect that the adoption of IFRS 9 in 2018 will have a material effect on future financial statements.

d) Property, plant and equipment

The properties are stated at the revalued amounts and plant and equipment are stated at historical cost less accumulated depreciation. Depreciation is provided on the declining balance method, except for building and computers, which are depreciated on the straight-line basis.

The following rates considered appropriate to write off the costs of the assets over their estimated useful lives are applied:

Buildings and building improvements	-	2%
Computer equipment and software	-	20%
Office furniture and equipment	-	14%
Telephone system	-	20%
Security equipment	-	2%
Motor vehicles	-	25%
Other assets	-	10%

No depreciation is provided on freehold land.



AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

2. Significant Accounting Policies (Cont'd):

e) **Investments**

The Society has classified all investments into the following categories:

Available-for-sale

These securities are intended to be held for an indefinite period of time but may be sold in response to the needs for liquidity or changes in interest rates, exchange rates or equity prices. After initial recognition, available-for-sale investments are measured at fair value with unrealised gains or losses recognised in the investment reserve account.

For actively traded investments, fair value is determined by reference to Stock Exchange quoted market prices at the Statement of Financial Position date, adjusted for transaction costs necessary to realise the investment. For investments where there is no quoted market price, the carrying value is deemed to approximate fair value. All "regular way" purchases and sales are recognised at settlement date.

Held-to-maturity

These are securities which are held with the positive intention of holding them to maturity and are stated at amortised cost less provisions made for any permanent diminution in value. Amortised cost is calculated using the effective interest rate method, whereby any premium or discounts on acquisition are accounted for over the period of maturity.

f) **Financial instruments**

Financial assets and financial liabilities are recognised on the Society's Statement of Financial Position when the Society becomes a party to the contractual provisions of the instrument.

Cash and cash equivalents

Cash and cash equivalents consist of highly liquid investments with original maturities of three months or less and are carried at cost, which approximates market value.

Trade receivables

Trade receivables are measured at initial recognition at cost. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired.

Loans to members

Loans to members are stated at principal amounts outstanding net of a provision for loan losses.

Trade payables

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

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

2. Significant Accounting Policies (Cont'd):

Members' deposits

Members' deposits are stated at the principal amounts invested by members together with any capitalised interest. Members' deposits bear interest at rates that are not significantly different from current market rates and are assumed to have discounted cash flow values which approximate carrying values.

Members' shares

Members' shares are classified as liabilities and stated at fair value

g) Revenue recognition

Loan Interest

Interest charged on all loans to members is calculated on the monthly outstanding balance at interest rates ranging from 0.55% to 1.5% on a monthly basis.

For non-performing loans, specific provisions are made for the unsecured portion of the loan. The amount of the provision is dependent upon the extent of the delinquency.

Investment Income

Income from investments is accounted for on the accruals basis except for dividends, which are accounted for on a cash basis, consistent with International Accounting Standard #18.

h) Dividends payable to members

Dividends are computed on the basis of the average value of shares in issue throughout the year, the average being determined on the basis of the value of shares held at the end of each month. Dividends that are proposed and declared after the Statement of Financial Position are not shown as a liability in accordance with IAS #10 but are disclosed as a note to the financial statements.

i) Foreign currency

Monetary assets and liabilities denominated in foreign currencies are expressed in Trinidad and Tobago dollars at rates of exchange ruling at the Statement of Financial Position date. As at December 31, 2017 US Dollar denominated bank and investment balances were converted at the RBC Royal Bank (T & T) Limited's Buying and Selling mid-rate of TT\$6.69 to US\$1.00 All revenue and expenditure transactions denominated in foreign currencies are translated at the average rate and the resulting profits and losses on exchange from these trading activities are recorded in the Statement of Profit or Loss and Other Comprehensive Income.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

3. Financial Risk Management

Financial risk factors

The Society is exposed to interest rate risk, credit risk, liquidity risk, currency risk, operational risk, compliance risk and reputation risk arising from the financial instruments that it holds. The risk management policies employed by the Society to manage these risks are discussed below:

a) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Society is exposed to interest rate risk through the effect of fluctuations in the prevailing levels of interest rates on interest bearing financial assets and liabilities, including investments in bonds, loans, customer deposits and other funding instruments.

The exposure is managed through the matching of funding products with financial services and monitoring market conditions and yields.

Loans

The Society generally invests in fixed rate loans for terms not exceeding fifteen (15) years. These are funded mainly from member deposits and shares.

b) **Credit risk**

Credit risk arises whereby failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the Statement of Financial Position date. The Society relies heavily on a written Loan Policy Manual, which sets out in detail the current policies governing the lending function and provides a comprehensive framework for prudent risk management of the credit function. Adherence to these guidelines is expected to communicate the Society's lending philosophy, provide policy guidelines to team members involved in lending, establish minimum standards for credit analysis, documentation, decision making and post-disbursement administration, as well as create the foundation for a sound credit portfolio.

The Society's loan portfolio is managed and consistently monitored by the Credit Committee and is adequately secured by collateral and where necessary, provisions have been established for potential credit losses on delinquent accounts.

Cash balances are held with high credit quality financial institutions and the Society has policies to limit the amount of exposure to any financial institution.

The Society also actively monitors global economic developments and government policies that may affect the growth rate of the local economy.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

3. Financial Risk Management (Cont'd)

c) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Society has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The Society is exposed to daily calls on its available cash resources to settle financial and other liabilities.

Risk management

The matching and controlled mismatching of the maturities and interest rates of assets and liabilities are fundamental to the management of the Society. The Society employs various asset/liability techniques to manage liquidity gaps. Liquidity gaps are mitigated by the marketable nature of a substantial segment of the Society's assets as well as generating sufficient cash from new and renewed members' deposits and shares.

To manage and reduce liquidity risk the Society's management actively meets to match cash inflows with liability requirements.

d) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Society's measurement currency. The Society is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Society's management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

e) Operational risk

Operational risk is the risk that derives from the deficiencies relating to the Society's information technology and control systems as well as the risk of human error and natural disasters. The Society's systems are evaluated, maintained and upgraded continuously.

f) Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Commissioner for the Co-operative Development, as well as by the monitoring controls applied by the Society.

g) Reputation risk

The risk of loss of reputation arising from the negative publicity relating to the Society's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Society. The Society applies procedures to minimise this risk.

Fair value estimation

The fair values of the Society's financial assets and liabilities approximates to their carrying amounts at the Statement of Financial Position date set out in the significant policies Note 2 (f).

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

4. Critical Accounting Estimates and Judgments:

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make judgements, estimates and assumptions in the process of applying the Society's accounting policies.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Society makes estimates and assumptions concerning the future and actual results could differ from those estimates, as the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Changes in accounting estimates are recognised in the Statement of Profit or Loss and Other Comprehensive Income in the period in which the estimate is changed, if the change affects that period only, or in the period of the change and future periods if the change affects both current and future periods.

The critical judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements, are as follows:

- i) Whether investments are classified as held to maturity investments or loans and receivables.
- ii) Which depreciation method for plant and equipment is used.

The key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of Financial Position date (requiring management's most difficult, subjective or complex judgements) that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

i) Impairment of assets

Management assesses at each Statement of Financial Position date whether assets are impaired. An asset is impaired when the carrying value is greater than its recoverable amount and there is objective evidence of impairment. Recoverable amount is the present value of the future cash flows. Provisions are made for the excess of the carrying value over its recoverable amount.

ii) Plant and equipment

Management exercises judgement in determining whether future economic benefits can be derived from expenditures to be capitalised and the useful lives and residual values of these assets

5. Cash in Hand and at Bank

	<u>2017</u>	<u>31st December 2016</u>
Petty Cash	35,050	35,892
JMMB Bank Limited	-	415,629
RBC Royal Bank of (Trinidad & Tobago) Ltd – Current Account	10,496,115	1,920,098
- US Savings Account	642,435	1,652,023
- Tobago	741,781	591
	\$11,915,381	\$4,024,233
	=====	=====

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

6. Investments

	2017	31 st December 2016
<u>Available-for-Sale</u>		
Fixed Deposits	46,715,769	47,031,115
Money Market Funds	2,229,024	2,166,720
Managed Portfolio	42,089,709	35,936,245
	<u>\$91,034,502</u>	<u>\$85,134,080</u>
	=====	=====

7. Accounts Receivable and Prepayments

	2017	31 st December 2016
Interest Receivable	1,769,801	1,449,445
Payroll Deductions Receivable	3,081,935	2,907,319
Other Receivables	147,824	154,461
Prepayments	239,369	222,474
Value Added Tax Payable	668,886	488,242
	<u>\$5,907,815</u>	<u>\$5,221,941</u>
	=====	=====

8. Other Investments

	2017	31 st December 2016
<u>Available-for-Sale</u>		
Quoted Investments	22,456,791	19,784,667
Unquoted Investments	2,727,889	2,629,416
	<u>25,184,680</u>	<u>22,414,083</u>
<u>Held to Maturity</u>		
HILOC	876,905	876,905
Provision for Investment Loss	(876,905)	(876,905)
	<u>\$25,184,680</u>	<u>\$22,414,083</u>
	=====	=====

The HILOC investment is impaired. In accordance with IAS #39, this investment has been written down to its fair value.

9. 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.

	2017	31 st December 2016
Outstanding Principal Balances	143,587,473	130,861,552
Provision for Loan Losses	(4,549,644)	(3,877,644)
	<u>\$139,037,829</u>	<u>\$126,983,908</u>
	=====	=====

10. Inventory

ASCU's inventory balance comprises stock of debit cards and carrier cases.

11.

O THE FINANCIAL STATEMENTS CONTINUED										31ST DECEMBER 2017	
<u>Cost/Valuation</u>	<u>Freehold Land</u>	<u>Land and Building Tacarigua</u>	<u>Computer Equipment and Software</u>	<u>Office Furniture and Equipment</u>	<u>Telephone System</u>	<u>Security Equipment</u>	<u>ASCU Sporting Complex</u>	<u>Motor Vehicle</u>	<u>Total</u>		
Balance as at 1 January 2017	5,200,000	10,747,044	1,247,996	1,515,694	195,877	150,652	1,542,876	256,596	20,856,735		
Additions	-	121,118	77,148	109,070	15,833	10,514	-	-	333,683		
Disposals	-	(52,648)	-	-	-	-	-	-	(52,648)		
Balance as at 31 st December 2017	5,200,000	10,815,514	1,325,144	1,624,764	211,710	161,166	1,542,876	256,596	21,137,770		
<u>Accumulated Depreciation</u>											
Balance as at 1 st January 2017	-	420,891	1,059,790	956,778	130,959	64,610	133,009	94,770	2,860,807		
Charge for the Year	-	205,572	45,852	83,129	14,798	9,212	28,197	40,457	427,217		
Disposals	-	(316)	-	-	-	-	-	-	(316)		
Balance as at 31 st December 2017	-	626,147	1,105,642	1,039,907	145,757	73,822	161,206	135,227	3,287,708		
<u>Net Book Value</u>											
Balance as at 31 st December 2017	\$5,200,000	\$10,189,367	\$219,502	\$584,857	\$65,953	\$87,344	\$1,381,670	\$121,369	\$17,850,062		
Balance as at 31 st December 2016	\$5,200,000	\$10,326,153	\$188,206	\$558,916	\$64,918	\$86,042	\$1,409,867	\$161,826	\$17,995,928		

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11.



AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

12. Bank Overdraft

The Society has an overdraft facility with JMMB Bank Limited and RBC Royal Bank (Trinidad and Tobago) Limited. The bank overdraft balance comprises of:

	<u>2017</u>	<u>31st December 2016</u>
JMMB Bank Limited	\$14,142	\$-
	=====	=====

13. Accounts Payable and Accruals

	<u>2017</u>	<u>31st December 2016</u>
Audit fees	113,141	115,000
CUNA Insurance	60,310	53,118
Fixed Deposit Interest Payable	445,771	561,542
Other Payables	390,880	348,689
Members' Standing Orders	787,976	4,361
Accruals	324,910	887,946
	<u>\$2,122,988</u>	<u>\$1,970,656</u>
	=====	=====

14. Members' Deposits

The interest rate varied between 2% to 4% per annum. Fixed deposits are held for a minimum of one year.

15. Unclaimed Dividends and Shares

As per Article 8 (a) of the Bye-laws, if the whereabouts of a member is unknown to the Society and no claim is made on the member's funds within one (1) year from the date of his last transaction, the funds may be transferred from the member's account to an unclaimed shares account. Any sums within this account unclaimed for three (3) years may be transferred to the Reserve Fund.

16. Proposed Honoraria

Honoraria is calculated on a percentage of the Undivided Surplus, after all statutory deductions are made and is allocated to the Board of Directors and Statutory Committees.

17. Members' Shares

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. In accordance with International Financial Reporting Interpretation (IFRIC) Interpretation #2, redeemable shares have been treated as liabilities.

18. Reserve Fund

The Reserve Fund, as per Article 22 of the Bye-Laws, may be used in the business of the Society or may be invested in accordance with the Provisions of the Act, all subject to the approval of the Commissioner. Ten percent (10%) of the net surplus for the year is allocated to the Reserve Fund on an annual basis.

19. Education Fund

In accordance with Bye Law 19 of the Credit Union, an amount not exceeding 5% of the net surplus for the year, after making provision for the Reserve Fund, is transferred to an Education Fund. This fund is to be used for educational purposes, in accordance with Bye Law 41.

20. Development Fund

This fund may be used to support new developments in Credit Union business.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

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AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

21	<u>Investment Re-Measurement Reserve</u>	<u>2017</u>	<u>2016</u>
	Balance as at 1 st January	4,113,478	2,845,869
	Appreciation in Market Value of Securities	2,246,775	1,267,609
		<u>\$6,360,253</u>	<u>\$4,113,478</u>
		=====	=====
22.	<u>Revaluation Reserve</u>	<u>2017</u>	<u>2016</u>
	Revalued amount	15,700,000	15,700,000
	Net Book Value	(6,688,030)	(6,688,030)
		<u>\$9,011,970</u>	<u>\$9,011,970</u>
		=====	=====

The land and buildings were revalued in December 2014 by Linden Scott & Associates Ltd.

23. Special Reserve Fund

The Special Reserve Fund may be applied to meet losses sustained through extraordinary circumstances over which the Society had no control, all subject to approval by the Commissioner.

24. Dividends

The Board of Directors has proposed a dividend of 5% for the year ended 31 December 2017. This is not recorded as a liability in accordance with IAS #10.

25. Rebate

The Board of Directors has proposed a rebate payment of 10% on all interest paid on loans for the year ended 31st December 2017, with the exception of delinquent loans. Such rebate would be credited to members' Flex-a-Save Account. This is not recorded as a liability in accordance with IAS #10.

26. Fair Values

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. The existence of published price quotation in an active market is the best evidence of fair value. Where market prices are not available, fair values are estimated using various valuation techniques, including using recent arm's length market transactions between knowledgeable, willing parties, if available, current fair value of another financial instrument that is substantially the same and discounted cash flow analysis.

The following methods have been used to estimate the fair values of various classes of financial assets and liabilities:

a) Current assets and liabilities

The carrying amounts of current assets and liabilities are a reasonable approximation of the fair values because of their short-term nature.



AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

26.

b) Members' Loans

Loans are net of specific provisions for losses. These assets result from transactions conducted under typical market conditions and their values are not adversely affected by unusual terms. The inherent rates of interest in the portfolio approximate market conditions and yield discounted cash flow values which are substantially in accordance with financial statement amounts.

c) Investments

The fair values of investments are determined on the basis of quoted market prices available at 31 December 2017.

d) Members' deposits -

Members' deposits bear interest at rates that are not significantly different from current rates and are assumed to have discounted cash flow values which approximate carrying values.

27. Capital Risk Management

The Society manages its capital to ensure that it will be able to continue as a going concern while maximising the return to members, whilst providing value to its members by offering loan and savings facilities. The Society's overall strategy remains unchanged from previous years.

The capital structure of the Society consists of equity attributable to members, which comprises issued members shares, reserves and retained earnings.

28. Loan Commitments

As at 31st December 2017, there were five (5) loans with a total value of \$983,353.67 which were approved but not yet disbursed.

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AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

29. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial decisions.

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Society.

A number of transactions are entered into with related parties in the normal course of business. These transactions were carried out on commercial terms at market rates.

Balances and transactions with related parties and key management personnel during the year were as follows:

	31 st December	
	<u>2017</u>	<u>2016</u>
Assets		
Loans to Directors and Key Management Personnel and Related Persons	\$5,164,458 =====	\$3,766,977 =====
Deposits and Other Liabilities		
Deposits held by Directors and Key Management Personnel and Related Persons	631,002	912,795
Shares held by Directors and Key Management Personnel and Related Persons	4,411,258	4,258,205
	-----	-----
	\$5,042,260 =====	\$5,171,000 =====
Interest and Other Expenses		
Directors and Key Management Personnel	\$368,299 =====	\$330,885 =====
Key Management Compensation		
Short Term Benefits	1,684,514	1,097,986
Post Employment Benefits	50,578	27,382
	-----	-----
	\$1,735,092 =====	\$1,125,368 =====

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS

31ST DECEMBER 2017

1. <u>Personnel Cost</u>	31 st December	
	<u>2017</u>	<u>2016</u>
Ex-Gratia and Incentives	2,000	9,013
Gratuity	111,804	-
Salaries	2,886,056	2,605,561
Staff Overtime	14,537	42,002
Staff NIS, Pension and Medical Plan	464,621	344,189
Staff Training and Development	97,284	58,582
Staff Uniforms	15,138	58,497
Travelling and Subsistence	9,066	5,756
Staff Welfare	13,622	14,334
	\$3,614,128	\$3,137,934
	=====	=====
2. <u>Operational Cost</u>	31 st December	
	<u>2017</u>	<u>2016</u>
Accounting Services	174,240	168,960
Advertising	31,791	51,520
Audit Fees	115,140	115,000
Cable Expenses	5,312	3,879
Computer Expenses	131,398	71,049
Courier	853	185
Electricity	62,255	66,148
Equipment, Repairs and Maintenance	56,165	95,536
Internet Rental Charges	12,468	11,707
Janitorial Services	56,419	67,464
Legal and Professional Fees	329,990	281,902
Miscellaneous	31,283	56,253
Motor Vehicle Expenses	43,425	31,618
Office Refreshments	24,952	23,932
Postage Expense	37,921	33,942
Printing, Stationery and Office Supplies	154,731	89,552
Promotions	103,642	80,272
Property Maintenance Cost	206,676	192,751
Rates and Taxes	1,725	17,271
Security Services	294,812	294,382
Telephones	83,637	75,280
	\$1,958,835	\$1,828,603
	=====	=====

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AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS CONTINUED

31ST DECEMBER 2017

3. **Financial Cost**

	<u>2017</u>	<u>31st December 2016</u>
Bank Charges	21,079	26,006
Linx Charges	22,109	10,570
Interest on Members' Fixed Deposits	1,009,727	1,180,146
Foreign Exchange Loss	33,198	40,206
Loss on Disposition of Asset	29,509	55,491
Debit Card Facility Charges	71,350	78,965
	<u>\$1,186,972</u>	<u>\$1,391,384</u>
	=====	=====

4. **Administrative Cost**

	<u>2017</u>	<u>31st December 2016</u>
Annual General Meeting	158,350	188,484
Association of Credit Union Presidents	17,000	15,000
Donations	24,123	18,431
Education Fund Expense	60,240	118,190
Meetings and Conferences	270,249	217,131
Portfolio Management Fees	194,881	114,401
Strategic Planning Session	11,250	115,306
Stabilization Fund	62,792	96,038
	<u>\$798,885</u>	<u>\$882,981</u>
	=====	=====

5. **Risk Management**

	<u>2017</u>	<u>31st December 2016</u>
CUNA LP and LS Coverage	710,250	612,461
Fidelity Guarantee	7,720	7,863
Fire Insurance	23,818	24,296
Group Life Insurance	34,286	34,769
Directors & Officers Liability	23,731	25,081
Public Liability	4,373	4,019
Computer Equipment	4,083	4,089
Cash in Transit	12,970	2,142
	<u>\$821,231</u>	<u>\$714,720</u>
	=====	=====

6. **Officers' and Committee Expenses**

	<u>2017</u>	<u>31st December 2016</u>
Board and Committee Allowances	208,166	210,974
Board and Committee Other Expenses	117,037	-
Board of Directors Christmas Party	45,066	35,765
Ex-Gratia	34,000	34,000
Refreshments	19,890	17,748
Social and Cultural Committee	289,839	266,906
Honoraria Expense	321,198	310,000
	<u>\$1,035,196</u>	<u>\$875,393</u>
	=====	=====



RESOLUTIONS & RECOMMENDATIONS

AUDITORS

Be it resolved that the firm Pannell Kerr Foster (PKF) be appointed as the External Auditors for the year 2018.

RECOMMENDATIONS

DISTRIBUTION OF SURPLUS

1) Dividends

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

- 1.1 A dividend of five percent (5%) on each member's shareholding to be disbursed according to the member's request.
- 1.2 Ten percent (10%) interest rebate on each member's loan, such rebate to be credited to member's Flex-A-Save account.

2) Ex Gratia Payment

Be it resolved that the sum of Twenty Thousand Dollars (\$20,000) be allocated to the Education Committee.

Be it resolved that the sum of Five Thousand Dollars (\$5,000) be allocated to the Tobago Committee and another Five Thousand Dollars (\$5,000) be allocated to the YouthLink.

3) Honorarium

Be it resolved that 3% of the Undivided Surplus after all statutory deductions are made, be allocated to the Board of Directors and Statutory Committees.

AMENDMENT OF BYE-LAWS

Resolution – Amendment of Bye Laws 4(f) relating to Membership

Whereas Bye Law 4 relates to Membership and begins with “Membership shall be open to all members of good character who are:”

Be it resolved that Bye Law

4 (f) Children and permanently employed legitimate family members (family to mean spouse, brother, sister, mother, and father)

Be amended to read:

4 (f) Children, legitimate family members and relatives (Family to mean spouse/common law, brother, sister, mother, father and legal guardian; Relatives to mean grandmother, grandfather, grandson, granddaughter, aunt, uncle, niece, and nephew, and in-laws).



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