AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

70TH ANNIVERSARY

AERO SERVICES CREDIT UNION

CELEBRATING 70 YEARS OF SERVICE

49th

ANNUAL GENERAL MEETING

Saturday 12th June, 2021


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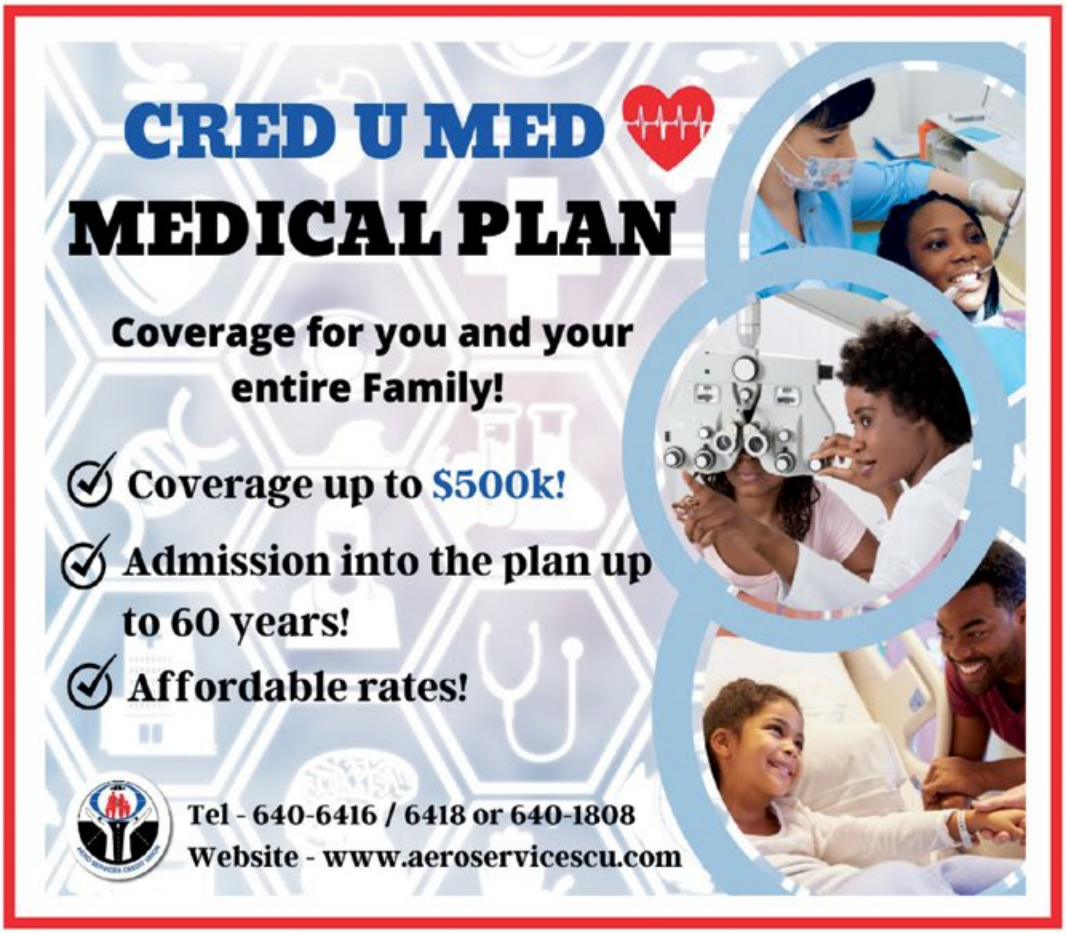
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MISSION STATEMENT

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

CONTENTS

NOTICE OF MEETING & AGENDA

Notice is hereby given that the 49th Annual General Meeting of Aero Services Credit Union Co-operative Society Limited will be held on Saturday 12 June 2021 virtually at 10.00am.

AGENDA

1. Credential Report
2. National Anthem and Credit Union Prayer
3. Notice of Meeting
4. Standing Orders
5. President's Address
6. Minutes of the last Annual General Meeting
7. Reports 2020/2021
    - 7.1 Board of Directors
    - 7.2 Credit Committee
    - 7.3 Supervisory Committee
    - 7.4 Education Committee
    - 7.5 Tobago Committee
    - 7.6 Nominating Committee
8. Auditor's Report
9. Financial Report
10. Budget Presentation
11. Resolutions / Recommendations
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

By Order of the Board

Earle Joseph
HON. SECRETARY

STANDING ORDERS

1. Members shall keep their microphones muted and video cameras off for the duration of the meeting except if required to make a contribution to the meeting.

2. A member shall identify himself / herself when addressing the Chairman.

3. A member shall only address the meeting when called upon by the Chairman to so do. When invited, unmute your microphone and proceed.

a) Comments shall be clear, concise and relevant to the subject before the meeting.

4. No member shall address the meeting except through the Chair.

5. All members are asked to utilize the chat box to pose questions or to share any issues they are having so that the meeting administration team can assist with minimal interruptions.

6. All members are reminded to conduct themselves in a professional manner. Kindly refrain from sharing any explicit, violent or inappropriate content.

7. 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 uses the raise hand feature to object or to explain (with the permission of the Chair).

8. No comments shall be made after the "Question" has been put and carried or negated.

9. The mover of a "Procedural Motion" shall have no right to reply.

10. A member raising the hand on a "Point of Order" shall state the point clearly and concisely.

    A "Point of Order" must have relevance to the "Standing Orders".

11. 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".

12. 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.

13. Only one amendment shall be before the meeting at a time.

14. When a motion is withdrawn, any amendment to it fails.

15. The Chairman shall have the right to a "casting vote".

16. If there is equality of voting on an amendment, and if the Chairman does not exercise his "casting vote", the amendment is lost.

17. Provision shall be made for the protection by the Chairman from vilification (personal abuse).

18. 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 be "fit and proper"
- 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

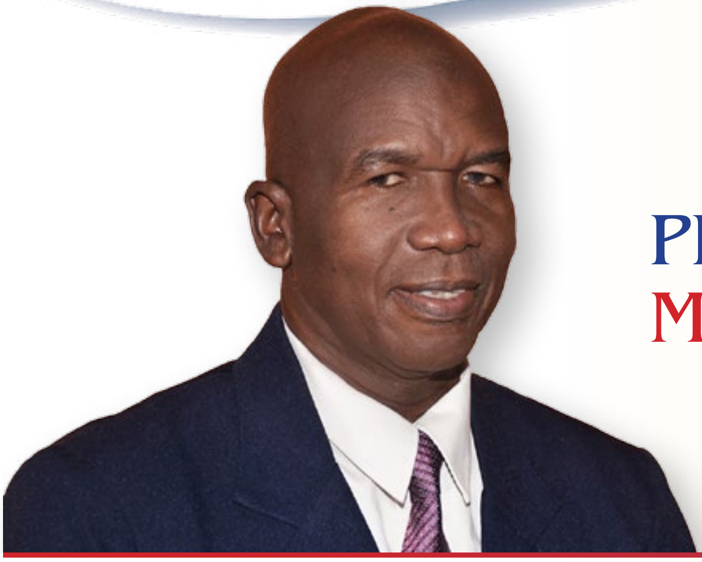
Regular Board of Directors Meetings are held on the fourth Saturday of every month from 1.00pm.

The Credit Committee meets once per week on Tuesdays.

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

ELECTION PROCEDURES

1. Voting will be completed electronically.
2. Each member who pre-registered was given a unique password to access the platform to vote.
3. Access to vote during the elections for the Board of Directors, Credit Committee and Supervisory Committee will be given to members at the time of election.
4. Persons nominated off the floor will be given an opportunity to introduce themselves.
5. The Returning Officer will declare the opening and closing of voting.
6. The appointed persons will confirm the results while the meeting is in progress.
7. The results will be announced by the Returning Officer immediately on completion of the count.



PRESIDENT'S MESSAGE

BRIAN MATTHEW, PRESIDENT

DEAR VALUED MEMBERS:

Our 49th AGM is indeed an appropriate time to reflect on our efforts during the past financial year and account to you regarding our stewardship for the period under review. As we reflect, I encourage us all to say a prayer and spare a thought for those members who have been negatively impacted by this pandemic. We certainly empathize with our members who have been challenged in various ways by the impact of this pandemic and anxiously hope for brighter days.

The financial impact of the ongoing pandemic is yet to be quantified. However, we can certainly confirm the challenges being experienced by many of our members which include but are not limited to job losses, being placed on furlough for extended periods, forced closure of businesses for varying lengths of time and the looming prospect of uncertain future earnings.

We have all been forced to make changes to ensure survival as we strive to effectively respond to the unseen enemy among us called Covid-19. Covid-19 has indeed been a game changer of immense proportions at the organizational and personal levels prompting a complete re-evaluation of the way we conduct business. In this regard, we have introduced staff rosters to minimize the spread of the Covid-19 virus by reducing the number of persons in the office.

Some of the traditions that are near and dear to us are now fast becoming "activities of the past" as the most pressing consideration must now be survival at the individual and organizational levels commonly referred to as "preserving life and livelihood". The transformation of our business model is inevitable, as we have very little choice but to embrace the change(s) that are becoming a daily reality e.g. Our SEA Awards Ceremony was significantly changed to adapt to the reduced numbers allowed in closed spaces; Education Committee events are now virtual; Training programs are also being conducted virtually; Virtual Credit Union meetings including AGMs; Accessing more and more information from remote locations; etc.

Among the many industries that have been particularly hard hit are the Travel and Aviation industries. Worldwide there has been a drastic slump in the demand for travel and aviation goods and services as a result of a genuine fear of contracting Covid-19, speculation on the requirements for travel, fake news and an indifference displayed by some persons to being vaccinated.

One inescapable reality of the above is the negative impact on the national economy. The revenues available to the Government of Trinidad and Tobago have been severely reduced due to lower energy prices globally,

PRESIDENT'S MESSAGE (continued)

reduced production trends locally and a shrinking taxable income base. Additionally, the local manufacturing sector has encountered reduced domestic and regional demand and the continued closure of the Trinidad and Tobago borders has compounded the worsening foreign exchange shortage.

Since our last AGM in September 2020, the Board has focused on "Easing the way of doing business with ASCU" while still satisfying the requirements of the International Financial Regulation Standards (IFRS) and the Financial Intelligence Unit (FIU) compliance. In this regard, business continuity has been at the forefront of our efforts and this necessitated constant adjustment to every aspect of our operations.

As part of our response to assist members during this unprecedented time, we have restructured loans, granted loan deferrals and have introduced other forms of assistance to our members who have been adversely impacted.

Our thrust to facilitate greater remote business transactions has been intensified and members would soon benefit from the installation of a new PBX system and other technological interventions in the not too distant future. We have continued to encourage members to utilize the options available to conduct business remotely and to avoid visiting the ASCU offices if alternative options exist to achieve their objective. We are therefore once again appealing to members to sign up for the Aero Access option which would enable remote monitoring of ASCU accounts, facilitate transfers to other accounts including member to member accounts and can be used to initiate requests for various services.

The ASCU Visa Debit card and the direct bank deposit (ACH) should be the automatic choice when requesting funds from ASCU as this would eliminate the need to visit the office, assist in reducing costs and assist our thrust to "Ease the way in which business is conducted" at ASCU.

The perennial battle with the Tacarigua river continues to demand our keen attention. In the last quarter of the year 2020, we implemented yet another soil retention strategy. We are grateful to the Ministry of Works and Transport for their technical support as we strive to find a long-term solution to the soil erosion dilemma on the east bank of the river which borders the Aero Services Credit Union property. In the interim, we have instituted a monitoring schedule to alert us to any further eastward movement of the river.

On September 28, 2020 Aero Services Credit Union celebrated 70 years of existence and today, we continue to build on the foundation of stability and resilience established by those who served before us. The social challenges notwithstanding, we will continue to strive for excellence in the fulfilment of our "Mission" commitment to you.

We continue to lobby for the leveling of the playing field as the Credit Union sector continues to be at a significant disadvantage regarding the very limited option available relating to the "beneficiary issue".

On behalf of the Board of Directors, I sincerely acknowledge the contributions of our dedicated staff, Officers and Committee members as we strive to "enrich the quality of lives of our members". I am grateful for the support of my colleagues on the Board of Aero Services Credit Union during the past nine (9) months as together we have navigated the everchanging financial and social landscape.

To you our valued members, thank you for your avid support through the years and especially during the last few months. Together we pray and hope for an expeditious end to the challenges presented by the Covid-19 pandemic and indeed much brighter weeks and months ahead.

Cooperatively Yours,

Brian Matthew
PRESIDENT

MINUTES OF THE 48TH ANNUAL GENERAL MEETING

OF AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED
HELD (VIRTUALLY) ON SATURDAY, 5TH SEPTEMBER, 2020

1.0 CALL TO ORDER

The Chairman, President Jacqueline O'Neil Lewis, called the 48th Annual General Meeting of Aero Services Credit Union Cooperative Society Limited to order at 10.15 a.m., in accordance with By-Law 23(e). The National Anthem was played, after which the Credit Union Prayer was recited. One minute silence was observed for departed members, especially Director Najja Vassell and member of staff, Beverly Fonrose.

The first female President of ASCU welcomed everyone to the 48th Annual General Meeting.

Ms. O'Neil Lewis then introduced the members at the Head Table. She apologized for the absence the General Manager, Ms. Roxanne Wilson, who was ill.

2.0 1ST CREDENTIAL REPORT

A Credential Report taken at 10.15 a.m. revealed that there were one hundred and twenty-seven (127) members signed on to the meeting.

3.0 NOTICE OF MEETING

The Secretary, Mr. Earle Joseph, read the Notice and Agenda of the 48th Annual General Meeting as stated on page 4 of the Annual Report/Brochure.

4.0 ACKNOWLEDGEMENT OF GUESTS

The Chairman acknowledged the presence of the following guests:

- Mr. Mark Superville, representative of PKF
- Ms. Allison Manodath of the Co-operative Development Division, Ministry of Labour and Small Enterprise Development.
- Ms. Paula La Barrie of Co-operative Development Division, Ministry of Labour and Small Enterprise Development.
- Ms. Narissa Bhagoutie of ROSE IT Services.
- Mr. Roger Bertrand of Venture Credit Union.
- Ms. Jennylyn Bailey of Neal & Massy Credit Union.

5.0 STANDING ORDERS

The Chairman, Ms. Jacqueline O'Neil Lewis, read the Standing Orders as stated on page 5 of the Annual Report/ Brochure.

The Standing Orders were adopted by the meeting, by majority vote, on a motion moved by Ms. Faye Husbands and seconded by Mrs. Kathleen Byer.

6.0 2ND CREDENTIAL REPORT

A Credential Report taken at 10.36 a.m. revealed that there were one hundred and forty-three (143) members signed on to the meeting.

Tutorial Videos from ROSE IT Services were shown.

7.0 PRESIDENT'S ADDRESS

The President, in addressing the audience, indicated that it was the first time Aero Services Credit Union was holding a virtual AGM and it was the second credit union in the Movement to

7.0 PRESIDENT'S ADDRESS (contined)

do so. The AGM was originally carded for March 21st, 2020 but then came Covid-19 which, from all indications, will be here for a long time.

As the first female President of Aero Services Credit Union with sixteen (16) months in the position, her term of office has been an interesting one. She was allowed to have a closer insight into the heart of the credit union to learn more about its members and employees.

She aligned the decision to accept the position in May 2019 with that of boarding a train and not knowing beforehand what will be encountered and the persons one would meet along the way.

The President indicated that, for her, there were many eye-openers, some good and some not so good but could have been easily rectified with the right mindset.

She noted that the notion of finding and keeping one's direction is sometimes lost by organizations/groups and there comes a time it needs to be recaptured. She opined that it was Aero Services Credit Union's time to do that.

The President observed that everyone has a part to play and is necessary to the overall design of ASCU. The Board must be willing to listen to voices other than its own but, at the same time, knowing which voices to heed. Some steps should be retraced and priorities revisited as well as differences put aside and be each other's keeper.

She advised to choose what is best for members and the credit union, going forward. Also, be mindful of the Society's Mission Statement.

The following persons were welcomed into the organization:

General Manager	Roxanne Wilson
Human Resources Manager	Cintra Singh
Receptionist	Ria Doolamsingh
Telephone Operator	Nicolet Mc Ewen

In ASCU's continued efforts to provide a more comfortable work environment for the staff, which would enable them to provide the best customer service experience to members, the second phase of the refurbishment was finally completed.

The closing of Trinidad and Tobago borders has had the most tremendous effect on Aero Services Credit Union. With Caribbean Airlines reduced flight operations, there has been a domino effect on aviation related businesses, namely, Swissport and Katerserve who have had massive layoffs.

In closing, President Jacqueline O'Neil Lewis thanked her fellow Board Members, Committees, Staff and Members who gave her their fullest support during that memorable term as President.

8.0 AGM REPORT/BROCHURE

The AGM Report/Brochure was taken as read and accepted on a motion moved by Ms. Sharon Lee Sing Barnes, seconded by Ms. Anne Joseph, and by majority vote, with ninety-five (95) members voting in favour, one (1) abstained and none against.

9.0 MINUTES OF 47TH ANNUAL GENERAL MEETING – MAY 4, 2019

The Chairman drew members' attention to the Minutes of the 47th Annual General Meeting as stated on pages 11 to 22 of the Annual Report/Brochure.

Errors and Omissions
There were no errors and omissions for the meeting to note.

Confirmation of Minutes
The Minutes were confirmed on a motion moved by Mr. Anthony Mora, seconded by Ms. Esther Richards, and by majority vote, with ninety-nine (99) members voting in favour, none against and one (1) abstained (inclusive of members at the venue and staff).

Matters Arising
There were no matters arising from the Minutes for the meeting to deal with.

Acceptance
The Minutes were accepted by the meeting on a motion moved by Ms. Dionne Harewood, seconded by Ms. Sasha Jameson, and by majority vote, with one hundred and five (105) members voting in favour, none against and none abstained (inclusive of members at the venue and staff).

10.0 MINUTES OF SPECAL GENERAL MEETING – NOVEMBER 14, 2019

The Chairman drew members' attention to the Minutes of the Special General Meeting as stated on pages 23 to 37 of the Annual Report/Brochure.

Omissions and Errors
Ms. Sharon Lee Sing Barnes enquired whether it should be "Credentials Report" or "Credential Report". The comment was noted.

With respect to Item 13, in the initial discussions, Philip Davies and two others were the only members against, and he felt they should have been given credit for that. The comment was noted.

Confirmation
The Minutes were confirmed on a motion moved by Mr. Wendell Lashley, seconded by Mr. Courtney Demming, and by majority vote, with ninety-seven (97) members voting in favour, none against and four (4) abstained (inclusive of members at the venue and staff).

Matters Arising
The Chairman informed the meeting that Aero Services Credit Union was still awaiting final approval of the revised Bye Laws from the Commissioner for Co-operative Development's Office.

Acceptance
On a motion moved by Mr. Anthony Mora and seconded by Mr. Heston Mitchell, the meeting accepted the Minutes, by majority vote, with one hundred and three (103) members voting in favour, none against and four (4) abstained (inclusive of members at the venue and staff).

11.0 BOARD OF DIRECTORS' REPORT

The Chairman drew members' attention to the Board of Directors' Report as stated on pages 39 to 44 of the Annual Report/Brochure and invited questions/comments.

Errors and Omissions
There were no errors and/or omissions identified in the report for the meeting to note.

Adoption
The report was adopted by the meeting on a motion moved by Ms. Candace Richards, seconded by Ms. Jeannette George-Dingwall, and by majority vote, with one hundred and six (106) members voting in favour, none against and four (4) abstained (inclusive of members at the venue and staff).

Matters Arising
There were no matters arising out of the report for the meeting to treat with.

11.0 BOARD OF DIRECTORS' REPORT
(contined)

Acceptance
The report was accepted by the meeting on a motion moved by Mr. Quincy Robinson, seconded by Ms. Chrystal Richards, and by majority vote, with one hundred and eleven (111) members voting in favour, none against and none abstained (inclusive of members at the venue and staff).

12.0 CREDIT COMMITTEE'S REPORT
The Chairman drew members' attention to the Credit Committee's Report as stated on pages 47 to 48 of Annual Report/Brochure and invited questions/ comments.

Errors and Omissions
On page 48, the Secretary will insert two paragraphs with respect to Covid-19, which were omitted.

It was reported that in 2019 loans were approved as follows:

$19.5 million	Character
$6.5 million	Personal (1%)
$2.6 million	New Vehicle
$2.1 million	Home Improvement
$1.7 million	Personal (0.6%)
$1.4 million	Character (Staff)
$1.2 million	65th Anniversary
$1.1 million	Personal (Special 0.55%)
$0.7 million	Vehicle (Roll on/Roll off)
$0.6 million	Vehicle Hybrid (CNG)

Adoption
The report was adopted by the meeting on a motion moved by Ms. Candace Richards, seconded by Ms. Anne Joseph, and by majority vote, with one hundred and three (103) voting in favour, one (1) against and one (1) abstained (inclusive of members at the venue and staff).

Matters Arising
There were no matters arising out of the report for the meeting to treat with.

Acceptance
The report was accepted by the meeting on a motion moved by Ms. Sasha Jameson, seconded by Mr. Courtney Demming, and by majority vote, with one hundred and nine (109) members voting in favour, none against and two (2) abstained (inclusive of members at the venue and staff).

13.0 SUPERVISORY COMMITTEE'S REPORT
The Chairman drew members' attention to the Supervisory Committee's Report as stated on pages 49 to 51 of the Annual Report/Brochure.

Errors and Omissions
There were no errors and/or omissions identified in the report for the meeting to note.

Adoption
The report was adopted by the meeting on a motion moved by Ms. Elizabeth Aqui, seconded by Mr. Brian Matthew, and by majority vote, with one hundred and ten (110) members voting in favour, none against and one (1) abstained (inclusive of members at the venue and staff).

Matters Arising
There were no matters arising from the report for the meeting to treat with.

Acceptance
The report was accepted by the meeting on a motion moved by Ms. Chrystal Richards, seconded by Ms. Candida Wade, and by majority vote with one hundred and seven (107) members voting in favour, none against and one (1) abstained (inclusive of members at the venue and staff).

14.0 EDUCATION AND YOUTH LINK COMMITTEE'S REPORT
The Chairman drew members' attention to the Education and Youth Link

Committee's Report as stated on pages 52 to 57 of the Annual Report/Brochure.

Errors and Omissions
There were no errors and/or omissions identified in the report for the meeting to note.

Adoption
The report was adopted by the meeting on a motion moved by Ms. Candace Richards, seconded by Mr. Courtney Demming, and by majority vote with one hundred and seven (107) members voting in favour, none against and two (2) abstained (inclusive of members at the venue and staff).

Matters Arising
There were no matters arising out of the report for the meeting to treat with.

Acceptance
The report was accepted by the meeting on a motion moved by Ms. Phyllis Wickham-Stewart, seconded by Ms. Jeannette George Dingwall, and by majority vote, with one hundred and three (103) members voting in favour, none against and one abstained (inclusive of members at the venue and staff).

15.0 TOBAGO COMMITTEE'S REPORT

The Chairman drew members' attention to the Tobago Committee's Report as stated on pages 58 to 59 of the Annual Report/Brochure.

Errors and Omissions
There were no errors and/or omissions identified in the report for the meeting to note.

Adoption
The report was adopted by the meeting on a motion moved by Mr. Wendell Lashley, seconded by Ms. Nona Walker, and by majority vote, with one hundred and five (105) members voting in favour, none against and one (1) abstained (inclusive of members at the venue and staff).

Matters Arising
There were no matters arising out of the report for the meeting to treat with.

Acceptance
The report was accepted by the meeting on a motion moved by Ms. Sharon Lee Sing Barnes seconded by Mr. Anthony Mora, and by majority vote, with one hundred (100) members voting in favour, none against and two (2) abstained (inclusive of members at the venue and staff).

16.0 3RD CREDENTIAL REPORT

A Credential Report taken at 11.53 a.m. revealed that there were one hundred and fifty-nine (159) members signed on to the meeting.

17.0 NOMINATING COMMITTEE'S REPORT

The Chairman drew members' attention to the Nominating Committee's Report as stated on pages 60 to 61 of the Annual Report/Brochure and invited questions/ comments.

Nominees for election to the Board and Statutory Committees:

Board of Directors
Mr. Lyndon Byer
Ms. Esther Richards
Ms. Cecily Jerome
Mr. Brian Matthew
Mr. Philip Davies
Mr. Courtney Demming
Mr. Dennis Chunisingh
Ms. Esther Maharajh
Mr. Adebumni Opadeyi

Supervisory Committee
Ms. Denise Zephrine
Mr. Angel Landeau
Ms. Candace Richards
Ms. Michelle Highly

17.0 NOMINATING COMMITTEE'S REPORT
(contined)

Credit Committee
Mr. Mikki Martinez
Ms. Mavis Edwards
Ms. Elizabeth Aqui
Mr. Sonah Goinda
Ms. Sharon Lee Sing Barnes
Ms. Nerissa Alleyne
Mr. Anthony Dominic Mora
Mr. Heston Mitchell

Errors and Omissions
The meeting noted the following corrections to the report:

Credit Committee
Change Ms. Mikki Martinez to Mr. Mikki Martinez
Change "Ms. Sonah Goinda" to "Mr. Sonah Goinda"

Board of Directors
Delete "Mr. Najja Vassell"
Change Mr. Dennis Chunnisingh to "Mr. Dennis Chunisingh"

Supervisory Committee
Delete "Ms. Geni Reyes"

Adoption
The report was adopted by the meeting on a motion moved by Ms. Anne Joseph, seconded by Mr. Mikki Martinez, and by majority vote, with one hundred (100) members voting in favour, two (2) against and two (2) abstained (inclusive of members at the venue and staff).

Matters Arising
There were no matters arising out of the report for the meeting to treat with.

Acceptance
The report was accepted by the meeting on a motion moved by Mr. Heston Mitchell, seconded by Ms. Sasha Jameson, and by majority vote, with one hundred and two (102) members voting in favour, none against and four (4) abstained (inclusive of members at the venue and staff).

18.0 AUDITORS' REPORT
Mr. Mark Superville, representative of PKF Chartered Accountant & Business Advisors, presented the Auditors' Report to the meeting as stated on pages 65 to 66 of the Annual Report/Brochure.

Errors and Omissions
There were no errors and omissions identified in the report for the meeting to note.

19.0 FINANCIAL REPORT
The Chairman drew members' attention to the Financial Report as stated on pages 67 to 102 of the Annual Report/Brochure and invited questions/comments.

The Assistant Accountant, Ms. Zariffa Harrypersad, led the meeting through the Financial Report. Some highlights during the period under review were:

Total Cash	-	$ 13,174,288
Total Assets	-	$310,196,315
Total Liabilities	-	$244,336,188
Total Income	-	$ 32,891,829
Total Gen & Admin Expenses	-	$ 15,316,738
Net Surplus for 2019	-	$ 17,575,091

Adoption
The report was adopted by the meeting on a motion moved by Mr. Mikki Martinez, seconded by Mr. Walton Walker, and by majority vote, with one hundred and eight (108) members voting in favour, none against and two (2) abstained (inclusive of members at the venue and staff).

Matters Arising
Members posed the following questions/ made the following suggestions/ observations:

i. What percentage of total bad debts is $45,072?
ii. What provisions are put in place to improve debt collection?
iii. Why no report on the social and cultural aspects of the Society in the Education and Youth Link Committee?
iv. Why is Cred-U-Med not reported in the Financial Statement but the Family Indemnity Plan (FIP) is reported and referred to?
v. Can you offer an explanation for the increase in CUNA Insurance by almost $75,000?
vi. How does the Board intend to transform ASCU's financial performance positively?
vii. Explanation for FVTPL investment of $7 million
viii. As it relates to the increase in revenue from loans, can you say why ASCU is advertising a vehicle loan at the highest rate of interest in the country at a time when members need their credit union the most?
ix. When will the remaining 25% of dividend be paid to members?

In response to the questions posed/ suggestions/observations made, the Meeting was apprised as follows:

i. The figure of $45,072 is an average of 7% of bad debts which were written off and/or transferred to debt collectors that have been recovered.
ii. The Society contracted the service of a debt recovery firm.
iii. The social and cultural aspects of the Society are reported under Item 6 on page 102.
iv. Cred-U-Med comes in and goes out. No deposit is being held at any point in time. It is not recorded in the Financial Statement. A balance is recorded in the society's Balance Sheet but when it is paid, the balance is nil.
v. Increase in CUNA Insurance by almost $75,000 was due to increases during the year. The CUNA Insurance payable balance as at year end comprises of FIP premiums that the Society pays to CUNA together with the Loan Protection/Life Savings (LP/LS) insurance premiums that are also paid. That is based on the number of members on the FIP. The LP/LS is based on the percentage of members' shares and loans that are being held. That is a build up of premiums due in December but has not yet been paid.
vi. The question on transformation of the Society's financial performance positively will be saved and Mr. Dennis Chunisingh will be provided with the answer.
vii. FVTPL investment of $7 million is based on the market rates of the investment. As at December 31, 2019, the market rates were higher which resulted in ASCU recording a gain.
viii. The vehicle loan was designed based on the risks to ASCU and it is not the highest in the country.
ix. Once the dividend is approved by the membership today, by 14th September 2020, ASCU will start payment of balance of dividends.

Acceptance

The Financial Report was accepted by the meeting on a motion moved by Ms. Cecily Jerome, seconded by Ms. Esther Richards, and by majority vote, with one hundred and eleven (111) members voting in favour, none against and two (2) abstained (inclusive of members at the venue and staff).

20.0 2020 BUDGET

The Accountant – Ms. Brenda Billy, presented the Budget for 2020. Some projections were:

20.0 2020 BUDGET (contined)

Total Income	-	$17,627,320
Total Expenses	-	$15,927,320
Total Expenses after FV loss	-	$20,088,560
Operating Surplus/(Loss)	-	($2,461,240)

The Chairman recalled that the last Budget was approved by the membership in error but the budget is just for noting. She then quoted the relevant Bye Law to the meeting.

21.0 4TH CREDENTIAL REPORT

A Credential Report taken at 12.54 p.m. revealed that there were one hundred and sixty (160) members, signed on to the meeting.

22.0 RESOLUTION

22.1 **Auditors**

On behalf of the Board of Directors, the Vice President, Mr. Lyndon Byer, moved the following resolution:

Be it resolved that the firm Pannell Kerr Forster (PKF) be appointed as the External Auditors for the year 2020.

Acceptance

Ms. Sharon Lee Sing Barnes seconded the resolution and it was accepted by the meeting, by majority vote, with one hundred and thirteen (113) members voting in favour, none against and two (2) abstained (inclusive of members at the venue and staff).

23.0 RECOMMENDATIONS

23.1 **Distribution of Surplus**

Dividends

On behalf of the Board of Directors, the Vice President, Mr. Lyndon Byer, moved the following resolution:

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

1.1 A dividend of four point five percent (4.5%) on each member's shareholding up to $750,000 to be disbursed according to the member's request.

1.2 A dividend of two percent (2%) on each member's shareholding above $750,000 to be disbursed according to the member's request.

1.3 Twelve percent (12%) interest rebate on each member's loan, such rebate to be credited to member's Flex-A-Save account.

Acceptance

Mr. Courtney Demming seconded the recommendation and it was accepted by the meeting, by majority vote, with one hundred and thirteen (113) members voting in favour, none against and two (2) abstained (inclusive of members at the venue and staff).

23.2 **Ex Gratia Payment**

Education Committee

On behalf of the Board of Directors, the Vice President, Mr. Lyndon Byer, moved the following resolution:

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 Youth Link Committee.

Acceptance

Mr. Wendell Lashley seconded the resolution and it was accepted by the meeting, by majority vote, with one hundred and seven (107) members voting in favour, one (1) against and one (1) abstained (inclusive of members at the venue and staff).

23.3 **Honorarium**

On behalf of the Board of Directors, the Vice President, Mr. Lyndon Byer 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.

Acceptance

Ms. Nona Walker seconded the resolution and it was accepted by the meeting, by majority vote, with one hundred and four (104) members voting in favour, three (3) against and two (2) abstained (inclusive of members at the venue and staff).

24.0 5TH CREDENTIAL REPORT

A Credential Report taken at 1.05 p.m. revealed that there were one hundred and sixty-two (162) members, signed on to the meeting.

25.0 ELECTION OF OFFICERS

Ms. Narissa Bhagoutie of ROSE-IT Services was invited to conduct the election process over which she pre-sided as Returning Officer.

The Returning Officer was assisted by Mr. Omar Romero and other members of ROSE-IT Services.

Nominations for the Board and Statutory Committees were then invited from the floor and nominees were proposed as follows:

Supervisory Committee
Judith Oliver Rose
Jewel Wickham

Board of Directors
None

Credit Committee
Wendell Lashley

A video presentation of the voting process was shown to the meeting.

25.1 **Election Results**

Supervisory Committee:

Officers	No. of Votes	Tenure
Denise Zephrine	121	1 year
Michelle Highly	082	1 year
Candace Richards	076	1 year
Angel Landeau	068 (1st Alternate)	1 year
Judith Oliver Rose	023 (2nd Alternate)	1 year
Jewel Wickham	018	

Board of Directors:

Officers	No. of Votes	Tenure
Brian Matthew	108	3years
Courtney Demming	093	3 years
Lyndon Byer	073	3 years
Esther Richards	039 (1st Alternate)	1 year
Cecily Jerome	031 (2nd Alternate)	1 year
Adebumni Opadeyi	020	
Philip Davies	017	
Dennis Chunisingh	011	

25.0 ELECTION OF OFFICERS (contined)

25.1 **Election Results** (contined)

Credit Committee:

Officers	No. of Votes	Tenure
Nerissa Alleyne	120	1 year
Mavis Edwards	089	1 year
Sharon Lee Sing Barnes	084	1 year
Anthony Dominic Mora	080	1 year
Elizabeth Aqui	073	1 year
Mikki Martinez	068 (1st Alternate)	1 year
Heston Mitchell	046 (2nd Alternate)	1 year
Wendell Lashley	044	
Sonah Goinda	023	

25.2 **Destruction of Ballots**

The destruction of the electronic ballots was accepted by the meeting on a motion moved by Mr. Earle Joseph, seconded by Mr. Martin Franklin, and by majority vote of one hundred and five (105) members in favour, one (1) against and none abstained.

26.0 PRESENTATION

On behalf of the Board, Committees, Management and Staff, the Vice President, Mr. Lyndon Byer, presented the first female President of Aero Services Credit Union, Ms. Jacqueline O'Neil Lewis, with a token of appreciation for her sterling contribution to Aero Services Credit Union as a Director over the past nine (9) years.

27.0 PRESENTATION

Members posed the following questions/ made the following suggestions/observations:

- Going forward, will there be other virtual AGMs?
- ASCU's customer service needs to be overhauled. Appoint a Manager, Customer Service.
- The effort today was really appreciated.
- Jacqui, you will be missed.
- While there is technology in this modern age, members still need to socialize.
- We cannot stop things from happening but an effort must be made to get that bond.
- Review the products offered by ASCU.
- Loan acquisition process should be improved whereby everything is done online and members visit the Office to sign the application forms.
- We have had a new experience, keep it going.

28.0 VOTE OF THANKS

The Vice President, Mr. Lyndon Byer, specifically thanked the AGM Committee led by the Secretary of the Board; the Board, led by the first female President, for their support in getting the meeting off the ground; Balroop's for providing the technical aspects of the meeting; ROSE-IT Services for the IT aspect of the meeting today; Ms. Narrissa Bhagoutie for performing the role of Returning Officer; Almighty God for allowing ASCU to be able to conduct the meeting; and everyone for their attendance.

29.0 CLOSURE

There being no other business to discuss, the Chairman brought the meeting to a close at 2.32 p.m.

EARLE JOSEPH
SECRETARY
BOARD OF DIRECTORS

BOARD OF DIRECTORS

Mr. Brian Matthew, *President*

Mr. Lyndon Byer, *Vice-President*

Mr. Earle Joseph, *Secretary*

Mr. Courtney Demming, *Assistant Secretary*

Mr. Brent Gaspard, *Director*

Ms. Faye Husbands, *Director*

Mr. Martin Franklin, *Director*

Mr. Wayne Nunes, *Director*

Ms. Phyllis Wickham-Stewart, *Director*

Ms. Esther Richards, *1st Alternate*

Ms. Cecily Jerome, *2nd Alternate*

REPORT OF THE BOARD OF DIRECTORS

1.0 INTRODUCTION

Welcome to the 49th Annual General Meeting of Aero Services Credit Union. The Board of Directors is pleased to report to you our members and shareholders on its performance in 2020/21.

2.0 THE BOARD OF DIRECTORS

The Board of Directors at its inaugural meeting of the 2020/2021 term held on September 08, 2020, comprised of the following persons elected to office:

Mr. Brian Matthew	President
Mr. Lyndon Byer	Vice-President
Mr. Earle Joseph	Secretary
Mr. Courtney Demming	Assistant Secretary
Mr. Brent Gaspard	Director
Ms. Faye Husbands	Director
Mr. Martin Franklin	Director
Mr. Wayne Nunes	Director
Ms. Phyllis Wickham-Stewart	Director
Ms. Esther Richards	1st Alternate
Ms. Cecily Jerome	2nd Alternate

3.0 THE EXECUTIVE COMMITTEE

The Executive Committee comprised the following persons:

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

4.0 SUB COMMITTEES OF THE BOARD OF DIRECTORS

To ensure the fulfillment of Aero Services Credit Union initiatives and provide the necessary oversight, Directors were appointed to the following sub-committees:

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

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

4.1 Meeting Attendance Register

Meetings	Monthly			Special			Executive		
Name	Pres	Ex	Abs	Pres	Ex	Abs	Pres	Ex	Abs
Brian Matthew	7	0	0	4	0	0	20	0	0
Lyndon Byer	7	0	0	4	0	0	19	1	0
Earle Joseph	7	0	0	4	0	0	20	0	0
Courtney Demming	7	0	0	4	0	0	17	3	0
Brent Gaspard	7	0	0	3	1	0			
Faye Husbands	5	2	0	3	1	0			
Martin Franklin	6	1	0	4	0	0			
Wayne Nunes	7	0	0	4	0	0			
Phyllis Wickham-Stewart	7	0	0	3	1	0			
Esther Richards	7	0	0	3	0	0			
Cecily Jerome	7	0	0	4	0	0			

4.2 **Out Going Directors of the Board**

Directors, Martin Franklin, Phyllis Wickham-Stewart and Brent Gaspard have completed a term of three years and are outgoing. They are eligible for re-election and have indicated their interest in doing so.

The Alternates, Esther Richards and Cecily Jerome, are eligible for re-election and have indicated their willingness to serve.

The Board also extends its heartfelt appreciation for the contribution made by all other outgoing members.

5.0 PERFORMANCE HIGHLIGHTS

Expenses

Our expenditure for 2020 exceeded that of 2019 by 7% and exceeded our 2020 projections by 2%, this was mainly due to the increased provisioning for credit losses.

Loans

Our Loan Portfolio declined from 2019 by 14% due to slow demand for loans by members, liquidation of existing loans and increased provisioning for credit losses in adherence with IFRS9.

Revenue

Gross income showed a negative variance of 23% against 2019 actuals but surpassed our 2020 projections by 43%.

6.0 STRATEGIC PLAN

The Board of Directors and the Management Team in 2020 planned to continue working toward accomplishing the Strategic Objectives. The areas included Customer Satisfaction, Corporate Governance, Member Engagement, Portfolio Quality, Operations Quality, Employee Capability, and Revenue Growth. However, due to the Covid 19 pandemic the Board decided to pause the strategic plan during 2020 and implement strategies to assist members affected by the pandemic.

7.0 SPECIAL PROJECTS

In 2020, the organization completed the remodeling of its ground floor to create an enhanced Customer Service Centre, and to significantly improve the working environment for our staff members.

The Board has engaged the Building Committee to ascertain what is required to transform the Sporting Complex into a revenue earner. The Building Committee has hit the ground running and is currently in talks with the Town and Country Planning seeking approval for a business venture, but it is hinged on what purpose is the area zoned for.

The Board has also engaged the IT Committee with a view to replace the current provider of our Aero Debit Cards, as there has been numerous complaints from members on all aspects of the quality of the card and the service from the provider.

The IT Committee engaged a number of debit card providers and made presentations to the Board. Following recommendations from the IT Committee, a provider has been chosen and negotiations has begun. The IT Committee is also pursuing an upgrade of our PBX system.

8.0 CORPORATE SOCIAL RESPONSIBILITY

Aero Services Credit Union continued to express its care for our community in several ways. We assisted several social groups of our community financially. These included sporting clubs, social groups, religious institutions, educational institutions and individuals.

The Tobago Committee in conjunction with the Education Committee also gave out vouchers to Tobago members who were negatively impacted by the Covid 19 pandemic.

9.0 DELINQUENCY

The office, spearheaded by 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 environment continued to be a challenge with several more members particularly from the aviation industry, being laid off from their jobs and being unable to meet their monthly commitments. The Board of Directors applauds the efforts of the Credit Committee, the Loans Officer, the Recoveries Department, the Customer Service Representatives and other office personnel, in finding ways to treat with many issues confronting our members in the repayment of their loans.

10.0 TRAINING & CONFERENCES

Due to the Covid 19 pandemic all training was put on hold except for the annual mandatory FIU AML/CFT Compliance training which was conducted virtually and attended by all Directors.

11.0 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. We especially remember Evin Andrews a former President and General Manager of our organization. May their souls rest in peace.

12.0 ACKNOWLEDGEMENT

The Board of Directors acknowledges the assistance rendered to ASCU through the services of the following organizations in 2020:

Bourse Securities
CUNA Caribbean Insurance Society
Caribbean Airlines Limited
Central Finance Facility
Executive Bodyguard Security Services
First Citizens Bank
First Line Securities
JMMB
KSBM
Magnificat Kitchen
Maxine Catering
Micro Software Designs Limited
MG Daly and Partners
People Solutions Plus
PKF
RBC Royal Bank
ROSE-IT Services Limited
Sheppard Securities
Silverline Systems Ltd.
The Co-operative Development Division
TTCUDIF

COVID 19 IMPACT ON ASCU

It is a known fact that aviation industry was severely impacted by the Covid 19 pandemic and unfortunately ASCU membership comprise of the majority of the workers from the Aviation Industry, resulting in ASCU taking a major hit when workers could not meet their commitments to the Credit Union.

To mitigate the fallout, a number of strategies were approved by the Board to assist members who now found themselves unable to meet their financial commitments to ASCU.

The management team put in place all the necessary Covid 19 protocols to ensure staff and members safety. The introduction of new work rosters including work from home, ensured that our members' requests were serviced and ASCU business continued seamlessly.

The Board continues to adjust / review its policies to meet the challenges brought on by the pandemic.

The Board wishes to express its sincere thanks to the members of our elected and appointed Committees, Management and Staff of ASCU. Thanks to you, our faithful Members, for your patience during the Covid 19 lockdown and for choosing Aero Services Credit Union as your first choice for financial services.

May the Lord continue to bless you and your family as you engage 2021 and beyond.

Cooperatively yours,

Earle Joseph
SECRETARY

STAFF

GENERAL MANAGER (AG.)

Zariffa Harrypersad

ADMINISTRATION DEPARTMENT

Seated: Bernadette Nanan-Dickson, Cintra Singh, Rayann Charles
Standing, L- R: Ria Mosodeen, Odell Forde, Adanna St. Rose-Daniel, Nicolet McEwen, Shrila Persad, Hugo Henry, Ria Doolamsingh

ACCOUNTS DEPARTMENT

Seated: Zariffa Harrypersad, Brenda Billy
Standing, L- R: Krystel Brathwaite, Nigel Matthew, Evie DeMatas, Chinelo Woodley, Melkeisha Audain, Narindra Mahase, Renee White
Missing: Ria Scarborough

CUSTOMER SERVICE DEPARTMENT

L- R: Laura Woods-Carr, Stacy Rivers-Constantine, Arhlene Andrews
Missing: Gail Ann Peters-Galley

REPORT OF THE CREDIT COMMITTEE

Seated: Anthony Mora, Mikki Martinez, Heston Mitchell
Standing: Nerissa Alleyne, Sharon Lee Sing Barnes, Mavis Edwards, Elizabeth Aqui

Ms Mavis Edwards	Chairman
Ms Sharon Lee Sing Barnes	Secretary
Mrs Nerissa Alleyne	Member
Ms Elizabeth Aqui	Member
Mr Anthony Mora	Member
Mr Mikki Martinez	1st Alternate
Mr Heston Mitchell	2nd Alternate

The 48th Annual General Meeting was eventually held virtually on 5th September 2020 due to the ongoing Covid-19 pandemic. This in effect extended the term of the outgoing Committee. The above-mentioned persons were elected at the meeting to serve. The Committee held the 1st meeting on 8th September 2020 and elected the Chairman and Secretary.

The protocols issued by the Ministry of Health to safely manage the impact of Covid-19 were strictly adhered to by the Committee. Requests for loans and refinancing plummeted while requests for waivers, share withdrawals, debt consolidation and loan restructuring soared. This was the new normal.

The frequency and time of meetings were adjusted to match the demand of members and the operating hours of AERO. Interviews and counselling were scheduled to assist members in navigating through this difficult time.

MEETING ATTENDANCE REGISTER

September 2020 - December 2020 (21)

Names	Present	Excused
Mavis Edwards	21	0
Sharon Lee Sing Barnes	21	0
Nerissa Alleyne	18	3
Elizabeth Aqui	21	0
Anthony Mora	18	3
Mikki Martinez	14	7
Heston Mitchell	19	2

MEETING ATTENDANCE REGISTER

January 2021 - April 2021 (20)

Names	Present	Excused
Mavis Edwards	20	0
Sharon Lee Sing Barnes	18	2
Nerissa Alleyne	20	0
Elizabeth Aqui	17	3
Anthony Mora	19	1
Mikki Martinez	16	4
Heston Mitchell	18	2

COMPARISON OF THE 10 MAJOR CATEGORIES

Categories	2020	2019
Character	$14.1M	$19.5M
Personal	$4.8M	$6.5M
Vehicle	$3.2M	$2.6M
Home Improvement	$2.9M	$2.1M
70th Anniversary	$1.2M	
Xmas (total)	$0.9M	$0.2M
65th Anniversary	$0.4M	$1.2M
Enterprise	$0.4M	$0.2M
ASCU Covid Loans	$0.2M	
Education	$0.2M	

Management of the delinquency portfolio was an ongoing challenge monitored by the Credit Committee and the Recoveries Department. Notwithstanding this though, the delinquency ratio ended at 11%. Members are encouraged to contact the credit union as soon as any change in the agreed terms manifest itself so the negative impact could be mitigated and a mutually beneficial resolution achieved.

The Committee approved 1182 loans at a value of $28.6M. This represented a drastic reduction when compared with 2019 figures, in both the number of loans (1319) and the value of $40.1M.

Members responded positively to the 70th Anniversary loan and there were increases in Vehicle, Christmas and Home Improvement loans. However, all other category of loans experienced decreases.

Reminders when applying for a loan/making a request:

- Submit all relevant supporting documents with applications to ensure prompt and efficient service.
- State a true and proper purpose at the time of submission.
- Be mindful of your Debt Services Ratio. The operating standard is 40% and is calculated by including all debts.
- Always make a budget. This practice will assist in the proper management of finances.

Thank you members for your support and the opportunity to serve.

God's Blessings to all our future endeavours.

Co-operatively Yours,

Mavis Edwards

Mavis Edwards
CHAIRMAN
CREDIT COMMITTEE

REPORT OF THE SUPERVISORY COMMITTEE

L- R: Denise Zephrine, Judith Oliver-Rose, Angel Landeau, Michelle Highly, Candace Richards

INTRODUCTION

At the 48th Annual General Meeting held on Saturday 5th September, 2020 the following persons were elected to the Supervisory Committee and thereafter were nominated at the first meeting which was held on September 9th, 2020 to the stated positions:

Chairman	Denise Zephrine
Secretary	Michelle Highly
Member	Candace Richards
1st Alternate	Angel Landeau
2nd Alternate	Judith Oliver-Rose

MEETINGS ATTENDANCE

The following are the attendance records for Supervisory Committee meetings, both physical and virtual, from September 2020 to April 2021: the following persons:

Denise Zephrine – 8
Michelle Highly – 8
Candace Richards – 7
Angel Landeau – 8
Judith Oliver-Rose – 8

THE TERM 2020/2021

The 2020/2021 term for the Supervisory Committee continued to be challenged with the ongoing Covid-19 pandemic. As a result of those challenges our monthly meetings continued to be done in a mixture of physical meetings at Aero's compound and virtually. The audits that we did had to be done on the compound as we required documents that are resident there. With new members on the Supervisory Committee there was also the requirement for training and exposure to Aero's processes which was done on the compound after our first meeting as a team.

Throughout the continued challenges surrounding the Covid-19 pandemic, the Supervisory Committee continued to work with Aero's Board of Directors, its Staff and

Committees to maintain the business of the Credit Union's members as it number one priority. To ensure the sustainability of the business it is imperative that every member of the team do what is required. The Supervisory Committee with its monthly audits, examination and monitoring of the delinquency list, resulting suggestions as well as constant overview of Aero's processes and procedures to confirm legalities are maintained, does its part to ensure that sustainability. The pandemic also negatively affected many of our members with loss of finances due to job loss, income reduction and business closures. Aero assisted those affected as much as they could ensuring that other members' portfolios were not put at risk. The Supervisory Committee is committed in exploring all avenues available to us in assisting Aero and its members to continue enriching their lives. We thank the membership for placing their confidence in us, and we will continue to serve you with dignity, honesty and professionalism.

CREDIT UNION OPERATIONS

The Supervisory Committee performed our required duties throughout the 2020/2021 term so as to ensure all compliance was achieved. This was done through random audits of members' files including the Board of Directors, Committees and staff. Any identified issues and resulting proposals for solutions were highlighted to the General Manager and Board of Directors. We also continuously monitored the delinquency list and the trends associated with same. Aero's response to the negative impact of the Covid-19 pandemic on our members was the introduction of a special loan as well as the granting of a moratorium for those affected. The Supervisory Committee monitored these allowances to ensure that the processes were adhered to. We also performed a random audit with the Cashier and Accounts Supervisor for cash close offs to confirm all processes were being maintained. We worked closely with the Compliance department to ensure all the requirements for Aero as a financial service provider were was being met and maintained.

FINANCIAL OPERATIONS

The Committee completed audits on the processes and procedures of Aero Services and was satisfied that the financial operations and activities were carried out in accordance with the proper accounting standards of the society.

BOARD OF DIRECTORS MONTHLY MEETINGS

The Committee attended all the monthly Board meetings virtually. During the period September 2020 to March 2021, all meetings were held on time, with the proper quorum in attendance and all procedures were in keeping with the Aero Services Bye Laws.

COMMITTEE AUDITS

Credit Committee

The Supervisory Committee did not receive any reports from the Credit Committee in time for the printing of this document.

Youthlink

The Youthlink did not conduct any activities in the 2020/2021 term.

Education/ Social Committee

In the 2020/2021 period the Education Committee hosted 4 outreach sessions to the membership of which 2 were at a cost to Aero Services Credit Union. The sessions Covid-19 Awareness and Covid-19 Vaccine Awareness were free to Aero Services and its membership. The Awards of Excellence and a Mixology session were at a cost to Aero but free to the membership.

Tobago Committee

Due to Covid restrictions the Supervisory Committee was unable to audit the Tobago Committee physically. However, we did request any relevant reports which we did not receive in time for the printing of this document.

TRAINING

The mandatory yearly AML/CFT training requirement for all committee members, Board of Directors members and staff in FIU Anti Money Laundering was done by the Compliance Department. This training highlights to all persons associated with the conducting of Aero's business the requirements of the law with reference to money laundering so as to ensure we are not in contravention contradiction of same. This training allows for the awareness of transactions that we may not pay attention to and that may be in violation of the respective laws. It equips all personnel with the ability to identify those situations.

CONCLUSION

The Supervisory Committee continues to work in the background ensuring the safety of Aero Services' members' portfolios. This can only be done with continued teamwork between the Board of Directors, Committees and staff. Our goal is to ensure that each part of the Aero Services machinery is well oiled and functional through the upkeep and maintenance of its processes and procedures. Transparency and accountability continue to be our watchwords.

Denise Zephrine
CHAIRMAN
SUPERVISORY COMMITTEE

REPORT OF THE EDUCATION COMMITTEE & YOUTHLINK COMMITTEE

Seated:
Sasha Jameson, Janelle Precilla

Standing:
Lester Young, Anne Joseph,
Ann McPherson, Jenna Leigh Bobb

INTRODUCTION

Dear Valued Members,

At the first Board of Directors meeting following the Annual General Meeting in 2020, the Board of Directors selected members to serve on the Education Committee. In keeping with Bye-laws 41(a), five (5) core members and one (1) co-opt member was selected to serve on the Education Committee for the term 2020/2021. Mrs. Esther Richards was appointed as the Board of Directors Representative / liaison for the Committee.

The Education Committee held its first meeting for term 2020/2021 on October 13, 2020. At this meeting, Mr. Lester Young was elected to the post of Chairman and Mrs. Sasha Jameson was elected to the post of Secretary. The other members of the Education Committee for term 2020/2021 comprised of Mrs. Anne Joseph, Mrs. Janelle Precilla, Ms. Jenna-Leigh Bobb and Ms. Ann Mc Pherson (co-opted). The Committee set about planning an adjusted calendar of events for term 2020/2021. These events included:

1. Covid-19 Awareness Webinar held on August 29th, 2020.
2. Awards of Excellence held on November 12th, 2020.
3. Covid-19 Vaccine Awareness Webinar held on April 16th, 2021.
4. Mixology DIY to be hosted on May 1st, 2021.
5. Public Speaking and Anxiety Webinar to be hosted on May 8th, 2021. (Postponed)

From October 2020 to April 2021, the Education Committee held twelve (12) meetings.

Name	Role	Meetings attended
Lester Young	Chairman	12
Sasha Jameson	Secretary	9
Anne Joseph	Core Member	12
Janelle Precilla	Core Member	11
Jenna-Leigh Bobb	Core Member	12
Ann Mc Pherson	Co-Opted Member	6

The Covid-19 pandemic has impacted the world from the latter part of 2019 and continues to date, resulting in worldwide adjustments to the new normal. Aero Services Credit Union was not spared and had to adjust the way it did business also. As a direct result, the Education Committee had to cancel its annual Spelling Bee competition, annual cricket competition and altered how events were accustomed to being hosted due to Public Health Regulations. The Committee, through strict adherence to physical distancing under the Public Health Regulations was able to host an altered in-person Awards of Excellence. The Education Committee also partnered with the Tobago Committee by donating $5,000 from the committee's budget with the main purpose of rendering aid and assistance to our Tobago members who were adversely impacted by the Covid-19 Pandemic.

COVID-19 AWARENESS WEBINAR

The Education Committee hosted this webinar on August 29th, 2020 through a foreign company called SEAMIST, with the purpose of educating the membership about the effects and precautions of this new virus that has affected the world. This webinar was provided at no cost to the Credit Union nor the membership. A total of twenty-nine persons registered; however, only twenty-one persons were present for the webinar. This was a well-received and interactive session.

AWARDS OF EXCELLENCE

The ASCU Awards of Excellence was held on November 12th, 2020 with a total of thirty-eight (38) students registering. There were twenty (20) SEA students, ten (10) CSEC students, eight (8) CAPE students along with eighteen (18) SIA students. The Awards of Excellence program was renamed the 'Evin Andrews Awards of Excellence' in honor of Mr. Evin Andrews who was an extraordinary member with exemplary service in multiple capacities within the Credit Union. The function was hosted at the Phillip Habib Hall of the Aero Services Compound. However, we were only able to host the top three students in each category due to the Public Health Regulations as a result of the Covid-19 Pandemic.

This year, the top student in each category received an electronic device (Tablet), shares certificates and branded items donated by Caribbean Airlines Ltd, whilst the second and third place students each received share certificates and Caribbean Airlines branded items. All other awardees, who were not able to attend, each received share certificates. The SEA, CSEC and CAPE students received share certificates valued at $400, $500 and $600 respectively. This was a very successful event despite the necessary adjustments to the programme.

TOP AWARDEES

COVID-19 VACCINE AWARENESS WEBINAR
As Trinidad & Tobago rolled out its vaccination program, the Education Committee listened to a member from the general membership who asked for education surrounding vaccination. The Education Committee thought it prudent and grasp the opportunity to educate the entire membership on the need to be vaccinated, addressing any concerns persons may have pertaining to vaccination. This webinar was facilitated by the North Central Regional Health Authority at no cost to the Credit Union nor the membership. It was hosted on Friday 16thApril with fifty-two members registering.

CONCLUSION
We, the Education Committee, wish to express our heartfelt thanks and appreciation to the Board of Directors and Board Representative/ Liaison, Mrs. Esther Richards, for their invaluable guidance and assistance to the Education Committee for term 2020/2021. A special thanks to the members of staff at the Aero Services Credit Union. Lastly and by no means least, the entire Aero Services Credit Union membership for their continued support and participation of the Education Committee's initiatives for the year 2020/2021. It has been indeed our pleasure serving and contributing to enriching the life of our members.

Co-operatively Yours,

Lester Young
CHAIRMAN
EDUCATION COMMITTEE

REPORT
YOUTHLINK COMMITTEE

TERM: 2020 – 2021

The YouthLink (YL) Committee held its first meeting on October 11th, 2020 after the 48th Annual General Meeting (AGM) on September 5th, 2020 and the following members were elected to serve on the committee for the 2020 – 2021 term:

Lyndell Byer	Chairman
Chrystal Richards	Secretary
Safi Rennie	Core Member
Isaiah Simmons	Core Member
Nichole Quamina	Core Member
Daniel Byer	Co-opted Member
Candida Wade	Co-opted Member
Aleksei Voisin	Co-opted Member

The YouthLink Committee's scheduled events, such as the AGM Cooler Cruise and ASCU Children's Christmas Party which were cancelled, in turn, lessened the number of meetings that are normally held by the Committee. Therefore, for the period September 2020 to April 2021, the YouthLink (YL) Committee held four (4) meetings; three being virtual and one in-person.

Attendance were as follows:

Name	Role	Meetings attended
Lyndell Byer	Chairman	4
Chrystal Richards	Secretary	4
Isaiah Simmons	Core	4
Safi Rennie	Core	3
Nichole Quamina	Core	3
Daniel Byer	Co-opted	4
Aleksei Voisin	Co-opted	4
Candida Wade	Co-opted	2

Seated: Safi Rennie, Aleksei Voisin, Chrystal Richards, Daniel Byer, Lyndell Byer, Isaiah Simmons

CLOSING REMARKS

The YouthLink Committee understands the global impact the Novel Coronavirus (Covid-19) Pandemic has on the world and by extension Aero Services Credit Union. It came swiftly and caused a rocky transitioning period and as such, the social events that are usually scheduled by the Committee were cancelled as there was still uncertainty concerning outdoor events.

The YouthLink Committee continues to meet and plan for virtual engagement with the membership for the 2021-2022 term. In addition, the Committee is currently in discussion with ASCU staff regarding the Aero Access platform by increasing engagement with and enrollment of members with hopes of implementing an onboarding plan to assist members with this easy-to-use platform, which will make their interactions with ASCU easier and timelier.

We, the YouthLink Committee look forward to being of service to the members of Aero Services Credit Union either virtually or in-person as the opportunities arise and look forward to a productive 2021-2022 term.

Respectfully,

Lyndell Byer
CHAIRMAN
YOUTHLINK COMMITTEE

REPORT OF THE TOBAGO COMMITTEE

Standing: Walton Walker, Natasha Alleyne, Melvern Mayers, Cindy Stewart-Lewis, Jason Guy
Tobago CSR (above, left): Candis Craig

COMMITTEE MEMBERS

Cindy Stewart- Lewis	Chairman
Natasha Alleyne	Secretary
Walton Walker	Member
Melvern Mayers	Member
Jason Guy	Member

YEAR IN REVIEW FROM OCTOBER, 2020

Four events were planned for the latter part of 2020; however, none was executed due to the COVID-19 Pandemic that shook our country and economy. The budget was reduced and as a result, everything was kept at a minimal. From the budget allocated for Tobago, only one event could have been hosted and the Committee decided to forego other ideas and assist members who were affected by the pandemic.

The Committee met in October 2020 after the AGM which was held on September 05, 2020 and ideas as well as suggestions were given to make our end of year event successful despite the negative elements throughout the year. The task was given for committee members to gather information from Swissport, Caribbean Airlines and Airport's Authority to ascertain how many persons were affected, in what way and what our distribution method would entail. When all the information was gathered, it was reported that twenty-eight (28) members who worked at the ANR International Airport and environs were affected through job loss and decreased income. It was decided that they would all receive food vouchers. The members who received assistance and the Tobago Committee express our heartfelt thanks for the extra funds given to assist this venture by the Education Committee, since the amount catered for was above our budget allocation. This I would say is a true sense of teamwork.

This venture made us realize the importance of reaching out to members in different ways. It was decided that the Committee will continue to follow up on members who received assistance and determine the way forward.

Best Regards

Cindy Stewart Lewis
CHAIRMAN

REPORT OF THE NOMINATING COMMITTEE

INTRODUCTION

Directors appointed to serve on the Nomination Committee were:

Mr. Earle Joseph
Mr. Wayne Nunes
Mr. Courtney Demming

The Committee in issuing its invitation to the membership, emphasized the importance of persons 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 an orientation session.
5. A deadline date of May 3rd, 2021 was given for the submission of applications. No late submissions were entertained by the Nominations Committee.

OUTGOING OFFICERS

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

The Board of Directors

(1) Mr. Brent Gaspard, can serve again and has indicated his willingness to so do.
(2) Mr. Martin Franklin, can serve again and has indicated his willingness to so do.
(3) Mrs Phyllis Wickham-Stewart, can serve again and has indicated her willingness to so do.
(4) Ms. Cecily Jerome, can serve again and has indicated her willingness to so do.
(5) Mrs. Esther Richards, can serve again and has indicated her willingness to so do.

Supervisory Committee

(1) Mr. Angel Landeau
(2) Ms. Denise Zephrine
(3) Ms. Michelle Highly
(4) Ms. Candace Richards
(5) Ms. Judith Oliver Rose

Credit Committee

(1) Ms. Nerissa Alleyne
(2) Mr. Mikki Martinez
(3) Ms. Sharon Lee Sing Barnes
(4) Ms. Mavis Edwards
(5) Mr. Heston Mitchell
(6) Mr. Anthony Dominic Mora
(7) Ms. Elizabeth Aqui

All members, including Alternates, of both the Supervisory and Credit Committees are outgoing.

A total of twenty (20) applications were received for consideration using the criteria of membership status of the nominee, proposer and seconder with the Society. The Committee wishes to advise the Annual General Meeting that twenty (20) applications were approved.

Below are the names of the twenty (20) nominees.

CREDIT COMMITTEE
Mr. Mikki Martinez
Ms. Mavis Edwards
Ms. Elizabeth Aqui
Ms. Sharon Lee Sing Barnes
Ms. Nerissa Alleyne
Mr. Anthony Dominic Mora
Mr. Heston Mitchell
Ms. Cynthia Kennedy

BOARD OF DIRECTORS
Mr. Martin Franklin
Ms. Jacqueline O'Neil Lewis
Ms. Esther Richards
Ms. Cecily Jerome
Mr. Brent Gaspard
Ms. Phyllis Wickham-Stewart

SUPERVISORY COMMITTEE
Ms. Denise Zephrine
Mr. Angel Landeau
Ms. Candace Richards
Ms. Michelle Highly
Ms. Judith Oliver Rose
Mr. Dylunn Borde

The Nominating Committee has scheduled an Orientation Session (virtual/hybrid) for all approved nominees for **Thursday 20th May 2021 at 5.30pm** at the ASCU Head Office Compound.

The Committee wishes to convey its gratitude and appreciation to the Board of Directors for the opportunity given to conduct this exercise.

Co-operatively yours

Earle Joseph
CHAIRMAN – NOMINATION COMMITTEE

NOTICE OF WHEREABOUTS

We are seeking your assistance in locating the following persons. 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 will be kept confidential.

FIRST NAME	LAST NAME		ADDRESS	
Avalon	Charles	Farm 202 Nicaragua Road	Waller Field	Arima
Calne	Wiltshire	58 Glen Road	Scarborough	Tobago
Candice	Spence-Villafana	Lp# 89 St. Marie	Emmanuel Road	Cumuto
Dorian	Patrick	Lp# 51 Michael Street	Kelly Village	Caroni
Francine	Phillip	Building 14 Apt 4-2 East	Maloney Gardens	D'abadie
Kevon	Bethelmy	#6 Railway Road	Guaico	Sangre Grande
Lenus	Charles	376 Picoplate Avenue	Maloney Gardens	Maloney
Letitia	Mendez	Francis Street	Arima Old Road	Arima
Louisa	Walcott	#3 Garnet Lane	Belmont	
Lydia	Joseph	Pole 10B Subero Street	Arima	
Martin	Bangura	7 Third Drive	Mt D'or	Champ Fleur
Sharon	Dyer	Race Course Road	Evergreen Simon Road	Arima
Stephon	Herbert	Building 5 Waterhole	Apt 4-3 Harding Place	Cocorite
Terrence	Warde	5 Mahabirville Street	Malabar	Arima
Theron	Brassey	#24 Shelbourne Street	Plymouth	Tobago
Abby	Williams	Lp #6 Carnbe	Tobago	
Akilah	Duncan	#4903	Ahamad Charles Cresent	Phase 4
Ann Marie	Redon	10 Taylor Street	Woodbrook	Port of Spain
Anthony	Sagar	8 Chinette Alley	Oxford Street	Port of Spain
Anthony	Isaac	10 Sage Street	Cocorite	
Ashly	Byer	8 Kelly Gardens	Kelly Village	Caroni
Aurea	Walter	50 Pinto Road	Arima	
Aveion	Ramsey	#69 Main Road	Todd's Road	Chaguanas
Brent	Mc Kenna	Chinapoo Village	Morvant	Laventille
Brian	Briggs	296 La Horquetta Blvd	Arima	
Cherrie Ann	Dedier	#59 Maraj Street	Five Rivers	Arouca
Cindy	Lee Wing	#18 Mt Lambert Circular R	UPSTS N/W/7	Mount Lambert
Clinton	De Verteuil	Lp52 Mt Pleasant Road	Arima	
Collins	Mitchell	4 Canefarm Road	Tacarigua	
Curt	Smart	#30 Piarco Village	Piarco	
Damian	Badal	Wattley Circular	Mt. Pleasant Road	Arima
Damian	Johnson	#6 Boundary Road Apt2	Arouca	Arouca
De Lano	Hospedales	#142 12th Avenue	Bon Air Gardens	Arouca
Denzil	Edwards	Cashew Park	Abercromby St	St. Joseph
Dexter	Charles	34 Kelly Gardens	Sieunarine Trace	Caroni
Dominique	Bruce	54 Browne Street	El Dorado Road	Tunapuna
Ecliffe	Lewis	1/2 Mm Lopinot Road	Arouca	
Emboya	James Chack On	285 Flamingo Avenue	Couva	
Fernando	Gonzales	18 Mucurapo Road	St. James	Port of Spain
Francisco	Medina-Diaz	Town House –10B	St. Benedict Gardens	Tunapuna
Gabriel	Lashley	Woodlands	Moriah	Tobago
Gillian	Jack	#7 Jackson Street	Curepe	
Haydn	Mitchell	# 5102 Snyder Avenue	Apt. 2 Brooklyn Ny 11203	USA
Hazel Ann	Nancoo	51 Diamond Crescent	Bon Air Gardens	Arouca

NOTICE OF WHEREABOUTS

FIRST NAME	LAST NAME		ADDRESS	
Heather	Rodriguez	14 3rd Street West	Dinsley Gardens	Trincity
James	Mc Donald	41 Walker Street	Frederick Settlement	Caroni
Jason	Flaviney	15 Karamath Development	Manahmbre	Princess Town
Jennifer	Ramos	104 Recreation Road	Capildeo Lands	Arima
Joan	De Verteuil	Millar Street	Off King Street	Glencoe
Joanne	O'Garro	Lp#17 Caroni Savannah Road	Chaguanas	
Judy-Ann	Duncan	4 Freeman Road	St. Augustine	
Judy-Ann	Nelson	8 William Street	Success Village	Laventille
Kearlene	Sandy	11 Dove Street	Scarborough	Tobago
Keegan	Ali	Lp#54 El Carmen Street	Foster Road	Sangre Grande
Keigen	Alexander	2A Mc Kenzie Trace	Glen Road Scarborough	Tobago
Kern	Mc Pherson	54 Signal Hill Old Road Tobago		
Kevin	Walter Wilson	430 Chameleon Avenue	La Horquetta North	Arima
Kevon	Fraser	#18 Marcus Avenue	Valencia	Arima
Kim Sue	Maynard	Bldg 5A Cleaver Hts	T-Hse Unit 1	Arima
Lamisha	Jeffers	37 Concorde Gardens		Arima
Larry	Sylvester	Church Street	Griffith Drive	Carapo
Laurence	De Leon	Lp# 85 Mausica Old Road	Arima	
Lesley Ann	Richards Pope	#293 Veronique Street	Mt Pleasant Road,	Arima
Luzan Krystal	Narcis	21 Myra Drive	Sherwood Arima	
Lyndon Daniel	Garcia	Lp 1076 Eastern Main Road	Manzanilla	
Matthew	Williams	#1 Village Street	Bon Accord Tobago	
Michael	John	Dow Village Settlement	California	
Nandie	King	#2 Benjamin Drive	Laventille Ext Road	Morvant
Neil	Mungal	# 87 Orange Grove Rd	St Augustine	St. Augustine
Nelton	Augustine	12 Mora Street	Orange Grove Road	Trincity
Nigel	Hinds	10 Butterfly Avenue	Pleasantville	San Fernando
Okiela	Gray	Lp 21 Beaupreas Road	Paramin Hill	Maraval
Onika	Anderson	Lot 113 9-8th Avenue	Bon Air Gardens	Arouca
Oral	Seifert	21 John Shaw Avenue	Arima	
Raiferann S.	Briggs	14 Avocado Drive	Santa Rosa Heights	Arima
Ramchand	Rampersad	90 Sancho Road	New Grant	Princess Town
Ravi	Seunath	#34 Beckles St.	South Esparance Village	San Fernando
Rebecca	Wolfe	Oasis Apts	Bldg 2 Apt 1E	Diego Martin
Reynold	Abraham	155 Windward Raod	Hope Village	Tobago
Robert	Augustus	Cameron Road	Petit Valley	
Rosa	Mahabir	4 San Antonio Gardens	Santa Cruz	
Rosie	Baptiste	P.o Box 8071	National Mail Centre	Piarco
Ryan	Cyrus	Whim Village	Tobago	
Sean	Seenath	Las Lomas #1	Chin Chin Road	Cunupia
Sheldon	Cassa	223 Southern Main Road	La Romain	
Sherlon	Tidd	12 Sixth Street	Mt. Lambert	
Stephanie	Khan	P. O. Box 1413	Wrightson Rd. Post Office	
Syamkaran	Singh	Main Rd	Kelly Village	Caroni
Theodore	Keizer	36 West Hill	Cascade	
Tyrell	Crosby	3 Springlands Avenue	Valsayn	
Uster	Phillips	187 Eastern Main Road	Tacarigua	
Wayne	Thomas	#10 Eastern Main Road	Laventille	
Wendy-Ann	Remy	145 Chestnut Drive	Bregon Park	D'abadie
Yolanda	Mitchell	29A David Street	East Dry River	Port of Spain
Zephrin	Toppin	Lp#10 Golden Grove Road	Canaan	Tobago

AERO SERVICES CREDIT UNION
CO-OPERATIVE SOCIETY LIMITED

FINANCIAL STATEMENTS

Chartered Accountants
& Business Advisors

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2020

Chartered Accountants
& Business Advisors

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

INDEX

Statement of Management Responsibilities

Management is responsible for the following:

- preparing and fairly presenting the accompanying financial statements of Aero Services Credit Union Co-operative Society Limited, which comprise the statement of financial position as at 31 December 2020, the statements of comprehensive income, appropriated funds and undivided surplus and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;

- ensuring that the Credit Union keeps proper accounting records;

- selecting appropriate accounting policies and applying them in a consistent manner;

- implementing, monitoring and evaluating the system of internal control that assures security of the Credit Union's assets, detection/prevention of fraud, and the achievement of committee operational efficiencies;

- ensuring that the system of internal control operated effectively during the reporting period;

- producing reliable financial reporting that comply with laws and regulations; and

- using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the International Financial Reporting Standards (IFRSs), as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where the IFRSs presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Credit Union will not remain a going concern for the next twelve months from the reporting date; or up to the date the accompanying financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.

President	General Manager (Ag)
May 25, 2021	May 25, 2021

Cor. Orange Grove Road & Priority Bus Route, Tacarigua, Trinidad, W.I.
T: 868.640.9902, 868.640.6416 or 868.640.6418 F: 868.640.7783 e: ascu@aeroservicescu.com

INDEPENDENT AUDITORS' REPORT

The Members
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 31 December 2020, the statements of comprehensive income, appropriated funds and undivided surplus and cash flows for the year then ended, together with the notes and schedules 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 Aero Services Credit Union Co-operative Society Limited as at 31 December 2020 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Aero Services Credit Union Co-operative Society Limited in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and the Board of Directors for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the 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.

The Board of Directors is responsible for overseeing the credit union's financial reporting process.

Telephone: (868) 235-5063
Address: 111 Eleventh Street, Barataria, Trinidad, West Indies
Mailing Address: PO Box 10205, Eastern Main Road, San Juan

Partners: Renée-Lisa Philip Mark K. Superville

PKF

Chartered Accountants
& Business Advisors

INDEPENDENT AUDITORS' REPORT (Cont'd)

Auditors' Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the 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 the Board of Directors 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.

PKF

Barataria
TRINIDAD
25 May 2021

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION

ASSETS

	Notes	31 December 2020 ($)	31 December 2019 ($)
Cash Resources:			
Cash in hand and at bank	5	14,691,320	13,174,288
Investments	6	110,691,514	100,710,336
Total Cash Resources		125,382,834	113,884,624
Other Assets:			
Accounts receivable and prepayments	7	4,082,226	6,596,545
Other investments	8	28,927,601	26,232,794
Loans to members	9	124,277,094	144,559,236
Fixed assets	10	18,654,016	18,923,116
Total Assets		**301,323,771**	**310,196,315**

LIABILITIES AND MEMBERS' EQUITY

	Notes	2020 ($)	2019 ($)
Liabilities:			
Accounts payable and accruals	11	1,539,482	1,754,064
Members' deposits	12	36,219,715	42,101,176
Unclaimed dividends and shares	13	4,460,194	4,197,546
Proposed honoraria	14	298,829	468,483
Members' shares	15	196,098,156	195,814,919
Total Liabilities		238,616,376	244,336,188
Members' Equity:			
Reserve Fund		20,105,847	19,200,837
Education Fund		3,159,345	2,836,142
Development Fund		502,722	502,722
Revaluation Reserve		7,361,462	9,011,970
Special Reserve Fund		226,648	226,648
Undivided Surplus		31,351,371	34,081,808
Total Members' Equity		62,707,395	65,860,127
Total Liabilities and Members' Equity		**301,323,771**	**310,196,315**

These financial statements were approved by the Board of Directors and authorised for issue on 25 May 2021 and signed on their behalf by:

President | **General Manager (Ag.)** | **Chairperson Supervisory Committee**

(The accompanying notes form part of these financial statements)

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

	Schedules	For the year ended 31 December 2020 ($)	2019 ($)
Income:			
Interest on loans		15,159,911	17,677,836
Investment income		6,161,291	7,201,989
Rental income		159,644	190,515
Entrance fees		7,885	13,209
Miscellaneous income		217,640	189,132
Service charge		37,083	112,638
Net fair value gains on financial assets at FVTPL		3,529,451	7,461,438
Bad debts recovered		11,724	45,072
Total Income		25,284,629	32,891,829
General and Administrative Expenses:			
Personnel cost	1	4,713,541	4,499,363
Operational cost	2	2,608,102	3,114,239
Financial cost (net)	3	662,327	1,069,541
Administrative cost	4	306,988	565,844
Credit impairment on loans and receivables	5	5,133,745	2,839,246
Risk management	6	1,039,068	1,055,301
Rental expenses		514,272	524,666
Depreciation		697,842	504,119
Officers' and committee expenses	7	620,314	1,131,179
Amortisation of bond premium		17,182	13,240
Total General and Administrative Expenses		16,313,381	15,316,738
Net Surplus for the year		**8,971,248**	**17,575,091**

(The accompanying notes form part of these financial statements)

6.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF APPROPRIATED FUNDS AND UNDIVIDED SURPLUS

31 DECEMBER 2020

2020	Reserve Fund ($)	Education Fund ($)	Development Fund ($)	Revaluation Reserve ($)	Special Reserve Fund ($)	Undivided Surplus ($)	Total ($)
Balance as at 1 January 2020	19,200,837	2,836,142	502,722	9,011,970	226,648	34,081,808	65,860,127
Add: Net surplus for the year	-	-	-	-	-	8,971,248	8,971,248
(i) 10% to Reserve Fund	897,125	-	-	-	-	(897,125)	-
(ii) 5% of the balance to the Education Fund	-	403,706	-	-	-	(403,706)	-
	20,097,962	3,239,848	502,722	9,011,970	226,648	41,752,225	74,831,375
Entrance fees	7,885	-	-	-		(7,885)	-
Meetings and conferences	-	(39,864)	-	-	-	39,864	-
FA Revaluation Reserve	-	-	-	(1,650,508)	-	-	(1,650,508)
Education Committee expenses	-	(40,639)	-	-	-	40,639	-
Dividends and interest rebates paid - 2019	-	-	-	-	-	(10,473,472)	(10,473,472)
Balance at 31 December 2020	20,105,847	3,159,345	502,722	7,361,462	226,648	31,351,371	62,707,395

(The accompanying notes form part of these financial statements)

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF APPROPRIATED FUNDS AND UNDIVIDED SURPLUS (CONTINUED)

31 DECEMBER 2020

2019	Reserve Fund ($)	Education Fund ($)	Development Fund ($)	Revaluation Reserve ($)	Special Reserve Fund ($)	Undivided Surplus ($)	Total ($)
Balance as at 1 January 2019	17,430,119	2,375,138	504,722	9,011,970	226,648	27,849,432	57,398,029
Add: Net surplus for the year	-	-	-	-	-	17,575,091	17,575,091
(i) 10% to Reserve Fund	1,757,509	-	-	-	-	(1,757,509)	-
(ii) 5% of the balance to the Education Fund	-	790,879	-	-	-	(790,879)	-
	19,201,362	3,172,198	504,722	9,011,970	226,648	42,993,555	75,110,455
Entrance fees	13,209	-	-			(13,209)	-
Meetings and conferences	-	(232,039)	-	-	-	232,039	-
Education Committee Expenses	-	(97,836)	-	-	-	97,836	-
IFRS 9 Model expense	-	-	(2,000)	-	-	2,000	-
Dividends and interest rebates paid - 2018	-	-	-	-	-	(9,112,993)	(9,112,993)
Balance at 31 December 2019	19,200,837	2,836,142	502,722	9,011,970	226,648	34,081,808	65,860,127

(The accompanying notes form part of these financial statements)

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

STATEMENT OF CASH FLOWS

	For the year ended 31 December	
	2020	**2019**
	($)	**($)**
Cash Flows from Operating Activities:		
Net surplus for the year	8,971,248	17,575,091
Amortisation of bond premium	17,182	13,240
Credit impairment provision on loans and receivables	5,133,745	2,839,246
Net FV (gains)/losses on financial assets classified at FVTPL	(3,529,451)	(7,461,438)
Depreciation	697,842	504,119
(Gain)/loss on FOREX	(165,218)	(319,467)
Accrued interest income	(2,305,641)	(2,047,203)
	8,819,707	11,103,588
Net change in accounts receivables and prepayments	2,475,095	384,209
Net change in inventory	-	51,229
Net change in accounts payable, accruals and honoraria	(384,237)	415,035
Net change in loans to members	15,187,621	327,626
Net change in members' deposit	(5,881,461)	217,643
Cash provided by Operating Activities	20,216,725	12,499,330
Cash Flows from Investing Activities:		
Net change in fixed assets	(2,079,251)	(967,693)
Net change in other investments	(4,942,965)	1,044,003
Net change in investments	(1,749,890)	(3,359,788)
Cash used in Investing Activities	(8,772,106)	(3,283,478)
Cash Flows from Financing Activities:		
Net change in unclaimed funds	262,648	2,362,731
Dividends and interest rebates paid	(10,473,472)	(9,112,995)
Increase in Members' Shares	283,237	3,107,404
Cash used in Financing Activities	(9,927,587)	(3,642,860)
Net change in cash resources	1,517,032	5,572,992
Net cash resources, beginning of year	13,174,288	7,601,296
Net cash resources, end of year	**14,691,320**	**13,174,288**
Represented by:		
Cash in hand and at bank	**14,691,320**	**13,174,288**

(The accompanying notes form part of these financial statements)

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

1. **Registration and Objectives:**

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

2. **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 amortised cost and fair value of 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 Credit Union'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) **New Accounting Standards and Interpretations -**

i) The Society has not applied the following standards, revised standards and interpretations that have been issued but are not yet effective as they either do not apply to the activities of the Society or have no material impact on its financial statements.

IFRS 1 First-time Adoption of Financial Reporting Standards - Amendments regarding subsidiary as first-time adopter (effective for accounting periods beginning on or after 1 January 2022).

IFRS 3 Business Combinations - Amendments regarding the definition of a business (effective for accounting periods beginning on or after 1 January 2020).

IFRS 3 Business Combinations - Amendments regarding the reference to the conceptual framework (effective for accounting periods beginning on or after 1 January 2022).

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. **Summary of Significant Accounting Policies (Cont'd):**

c) **New Accounting Standards and Interpretations (cont'd) -**

IFRS 4	Insurance Contracts - Amendments regarding the interest rate benchmark reform (effective for accounting periods beginning on or after 1 January 2021).
IFRS 4	Insurance Contracts - Amendments regarding IFRS 17 and the extension of the temporary exemption from applying IFRS 9 (effective for accounting periods beginning on or after 1 January 2023).
IFRS 7	Financial Instruments: Disclosures - Amendments regarding additional disclosures arising from interest rate benchmark reform (effective for accounting periods beginning on or after 1 January 2021).
IFRS 9	Financial Instruments - Amendments regarding fees in the 'ten percent' test for derecognition of financial liabilities (effective for accounting periods beginning on or after 1 January 2022).
IFRS 16	Leases - Amendments regarding Covid-19 related rent concessions (effective for accounting periods beginning on or after 1 June 2020).
IFRS 16	Leases - Amendments regarding the interest rate benchmark reform (effective for accounting periods beginning on or after 1 January 2021).
IFRS 16	Leases - Amendments regarding the accounting treatment of lease incentives (effective for accounting periods beginning on or after 1 January 2022).
IFRS 17	Insurance Contracts (effective for accounting periods beginning on or after 1 January 2023).
IAS 1	Presentation of Financial Statements - Amendments regarding the definition of material (effective for accounting periods beginning on or after 1 January 2020).
IAS 1	Presentation of Financial Statements - Amendments regarding the classification of liabilities as current and non-current (effective for accounting periods beginning on or after 1 January 2023).
IAS 7	Statement of Cash Flows - Amendments regarding the definition of material (effective for accounting periods beginning on or after 1 January 2020).

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. **Summary of Significant Accounting Policies (Cont'd):**

c) **New Accounting Standards and Interpretations (cont'd) -**

IAS 16 Property, Plant and Equipment - Amendments regarding proceeds before intended use (effective for accounting periods beginning on or after 1 January 2022).

IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Amendments regarding onerous contracts and cost of fulfilling a contract (effective for accounting periods beginning on or after 1 January 2022).

IAS 41 Agriculture - Amendments regarding taxation in fair value measurements (effective for accounting periods beginning on or after 1 January 2022).

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.

Increases in the carrying amount arising on revaluation of land and buildings are credited to the Revaluation Reserve in Shareholders' Equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in equity; all other decreases are charged to the Statement of Comprehensive Income. When revalued assets are sold, the amounts included in the Revaluation Reserve are transferred to Retained Earnings.

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

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. **Significant Accounting Policies (Cont'd):**

e) **Financial instruments -**

Financial assets

All recognised financial assets that are within the scope of International Financial Reporting Standard (IFRS) 9 are required to be subsequently measured at amortised cost or fair value on the basis of:

(i) the entity's business model for managing the financial assets; and
(ii) the contractual cash flow characteristics of the financial assets.

The credit union reassesses its business models each reporting period to determine whether they have changed. No such changes have been identified for the current year.

Principal is the fair value of the financial asset at initial recognition. Interest is consideration for the time value of money and for credit and other risks associated with the principal outstanding. Interest also has a profit margin element.

Initial measurement

All financial instruments are initially measured at the fair value of consideration given or received.

The credit union measures fair values in accordance with IFRS 13, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The credit union uses a fair value hierarchy that categorises valuation techniques into three levels:

(i) Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Assets and liabilities are classified as Level 1 if their value is observable in an active market. The use of observable market prices and model inputs, when available, reduces the need for management judgement and estimation, as well as the uncertainty related with the estimated fair value.

(ii) Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; and inputs other than quoted prices that are observable for the asset or liability.

(iii) Level 3 inputs are unobservable inputs. Assets and liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. Significant Accounting Policies (Cont'd):

e) **Financial instruments (cont'd) -**

Financial assets (cont'd)

Subsequent measurement

Those financial assets such as members' loans and receivables, which are held within a business model with the sole objective of collecting contractual cash flows which comprise principal and interest only, are subsequently measured at amortised cost. Gains/losses arising on remeasurement of such financial assets are recognised in profit or loss as movements in Expected Credit Loss. When a financial asset measured at amortised cost is derecognised, the gain/loss is reflected in profit or loss.

Those financial assets which are held within a business model with the objectives of (i) collecting contractual cash flows which comprise principal and interest only, as well as (ii) selling the financial assets, are subsequently measured at Fair Value Through Other Comprehensive Income (FVTOCI). Gains/losses arising on re-measurement of such financial assets are recognised in OCI as '*Items that may be reclassified subsequently to P&L*' and are called '*Net FV gain/(loss) on financial assets classified as at FVOCI*'.

All other financial assets are subsequently measured at Fair Value Through Profit and Loss (FVTPL). Gains/losses arising on remeasurement of such financial assets are recognised in profit or loss as '*Net FV gain/(loss) on financial assets classified at FVTPL*'. When a financial asset measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss.

Gains/losses arising on remeasurement of equity investments, which the credit union has opted, irrevocably, to measure at FVTOCI, are recognised in OCI as '*Items that may not be reclassified subsequently to P&L*' and are called '*Net FV gain/(loss) on equity financial assets classified as at FVOCI*'. When an equity investment measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but instead, transferred within equity.

Reclassification

If the business model under which the credit union holds financial assets changes, the financial assets affected are reclassified accordingly from the first day of the first reporting period following the change in business model. Equity instruments which the credit union opted to treat at FVTOCI cannot be reclassified.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. Significant Accounting Policies (Cont'd):

e) Financial instruments (cont'd) -

Impairment

Financial assets are amortised costs are impaired at one of two levels:

(i) Twelve-month Expected credit loss (ECL) - These are losses that result from default events that are possible within twelve months after the reporting date. Such financial assets are at 'Stage 1'.

(ii) Lifetime ECL - These are losses that result from all possible default events over the life of the financial instrument. Such financial assets are at 'Stage 2' or 'Stage 3'.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the twelve-month ECL.

ECL is a probability-weighted estimate of the present value of credit losses, measured as the present value of the difference between (i) the cash flows due to the credit union under contract; and (ii) the cash flows that the credit union expects to receive, discounted at the asset's effective interest rate.

Performing financial assets – Stage 1

For performing assets and those expected to perform normally, the loss allowance is the 12-month expected credit loss and is done immediately at initial recognition of asset.

Significant increase in credit risk – Stage 2

When an asset becomes 90 days past due, the Credit Union considers that a significant increase in credit risk has occurred and the asset is deemed to be at Stage 2 and the loss allowance is measured as the lifetime ECL.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. **Significant Accounting Policies (Cont'd):**

e) **Financial instruments (cont'd) -**

Credit-impaired financial assets – Stage 3

A financial asset is 'credit-impaired' when events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about one or more of the following events:

(i) significant financial difficulty of the borrower or issuer;
(ii) a breach of contract such as a default or past due event;
(iii) granted to the borrower of a concession that the lender would not otherwise consider;
(iv) the disappearance of an active market for a security because of financial difficulties; or
(v) the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

The credit union assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date. There is a rebuttable presumption that financial assets that are in defaulted for more than ninety (90) days are credit impaired. The credit union also considers a financial asset to be credit impaired if the borrower is unlikely to pay its credit obligation. To determine this, the Credit Union takes into account both qualitative indicators such as unemployment, bankruptcy, divorce or death and quantitative indicators, such as overdue status. The Credit Union used its historical experience and forward-looking information that is available without undue cost or effort. If there has been a significant increase in credit risk the credit union will measure the loss allowance based on lifetime rather than twelve-month ECL.

Modification and Derecognition of Financial Assets

The credit union renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. This occurs particularly where, although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened. The revised terms usually include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan and /or a reduction in the amount of cash flows due. When a financial asset is modified, the Credit Union assesses whether this modification results in derecognition of the original loan, such as when the renegotiation gives rise to substantially different terms.

In the case where the financial asset is derecognised, the new financial asset will have a loss allowance measured based on twelve-month ECL. If, however, there remains a high risk of default under the renegotiated terms, the loss allowance will be measured based on lifetime ECL.

When the modification does not result in derecognition, the credit union will measure loss allowance at an amount equal to lifetime ECL.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. **Significant Accounting Policies (Cont'd):**

e) **Financial instruments (cont'd) -**

Write-off

Loans and receivables are written off when the Credit Union has no reasonable expectations of recovering the financial asset, for example, when the Credit Union determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay. A write-off constitutes a derecognition event. Subsequent recoveries resulting from the Credit Union's enforcement activities will result in gains.

Financial liabilities

Since the Credit Union does not trade in financial liabilities, and since there are no measurement or recognition inconsistencies, all financial liabilities are initially measured at fair value, net of transaction costs and subsequently, at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to the net carrying amount on initial recognition. Financial liabilities recognised at amortised cost are not reclassified.

Critical accounting judgements and key sources of estimation uncertainty

Business model assessment:

The credit union reassesses its business models each reporting period to determine whether they continue to be appropriate and if there needs to be a prospective change to the classification of financial assets. This assessment includes judgement regarding:

(i) how the performance of the assets is evaluated and measured; and
(ii) the risks that affect the performance of the assets and how these risks are managed.

Significant increase of credit risk:

The credit union computes twelve-month ECL for Stage 1 assets and lifetime ECL for Stage 2 or Stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Assessing whether there has been a significant increase in credit risk required judgement takes into account reasonable and supportable forward-looking information.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. Significant Accounting Policies (Cont'd):

e) Financial instruments (cont'd) -

Establishing groups of assets with similar credit risk characteristics:

When ECL is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The credit union monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. Judgement is required in determining whether and when to move assets between portfolios.

Valuation models and assumptions used:

The credit union uses various valuation models and assumptions in measuring the fair value of financial assets, as well as in estimating ECL. Judgement is applied in identifying the most appropriate valuation model for each type of asset, as well as in determining the assumptions to be used for each model.

Key sources of estimation uncertainty

Probability of default (PD):

PD is an estimate of the likelihood of default over a given period of time, the calculation of which includes historical data, assumptions and expectations of future conditions. PD constitutes a key input in measuring ECL.

Loss Given Default (LGD):
LGD is an estimate of the percentage loss arising on default, and is based on the difference between the contractual cash flows due and those that the credit union would reasonably expect to receive, taking into account cash flows from collateral. It requires forecasting the future valuation of collateral taking into account sale discounts, the time and cost associated with realising collateral and seniority of claim. LGD is a key input in measuring ECL.

Fair value measurement and valuation process:
In estimating the fair value of a financial asset or a liability, the credit union uses market-observable data to the extent it is available. Where such Level 1 inputs are not available, the credit union uses valuation models to determine the fair value of its financial instruments.

Exposure at Default (EAD):
EAD is an estimate of the **total loss incurred when a member defaults,** taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest. EAD is a key input in measuring ECL.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. **Significant Accounting Policies (Cont'd):**

e) **Financial instruments (cont'd) -**

Credit risk

Credit risk is the risk that a member will default on his contractual obligations resulting in financial loss to the credit union. Credit risk mainly arises from loans, and because it represents the credit union's main income generating activity, credit risk is the principal risk for the credit union.

Credit risk management

The Board of Directors along with the credit union's credit committee are responsible for managing the credit union's credit risk by:

(i) ensuring that the credit union has appropriate credit risk practices, including an effective system of internal control, to consistently determine adequate allowances in accordance with the credit union's policies and procedures, International Financial Reporting Standards and relevant supervisory guidance;

(ii) identifying, assessing and measuring credit risk across the credit union, from an individual financial instrument to the portfolio level;

(iii) creating credit policies to protect the credit union against the identified risks, including the obtaining collateral from borrowers, performing robust ongoing credit assessment of borrowers, and continually monitor exposures;

(iv) as far as possible, limiting concentrations of exposure by type of loan, industry, credit rating, geographic location, etc.;

(v) establishing a robust control mechanism for loan approval;

(vi) categorising exposures according to the degree of risk of default;

(vii) developing and maintaining processes for measuring ECL; and

(viii) providing guidance to promote best practice in the management of risk.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. Significant Accounting Policies (Cont'd):

e) **Financial instruments (cont'd) -**

Significant increase in credit risk

The credit union presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than thirty (30) days past due, unless the credit union has reasonable and supportable information that demonstrates otherwise. The credit union has monitoring procedures to ensure that significant increase in credit risk is identified before default occurs.

Measurement of ECL

The key inputs used for measuring ECL are:

(i) probability of default (PD);
(ii) loss given default (LGD); and
(iii) exposure at default (EAD).

The credit union measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The credit union's financial instruments are grouped on the basis of shared risk characteristics, such as:

i) credit history;
ii) sector of employment;
iii) type of payment;
iv) type of loan;
v) disposable income;
vi) years of employment; and
vii) value of collateral relative to the financial asset

The groupings are reviewed on a regular basis to ensure that each grouping is comprised of homogenous exposures.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. Significant Accounting Policies (Cont'd):

e) Financial instruments (cont'd) -

Collateral held as security

The credit union holds the following types of collateral to mitigate credit risk associated with financial assets:

General loans	Shares and deposits in the credit union and Deed of Mortgage on property *
Vehicle loans	Deed of Mortgage on vehicles

*The Credit Union holds residential properties as collateral for some general loans granted to its members. The value of the collateral for these loans is typically based on the value at origination, updated based on changes in house prices. For credit-impaired loans, the value of collateral is based on the most recent appraisals.

Assets obtained by taking possession of collateral

The Credit Union obtained the following assets during the year by taking possession of collateral held as security against loans held at the year end. The Credit Union's policy is to realise collateral on a timely basis.

Shares	157,173
Motor Vehicles	205,000
Total assets obtained by taking possession of collateral	362,173

Forward-looking information incorporated in the ECL models

In moving forward, a 5-year rolling dataset would be used to update the data. This system will be advantageous as it would gradually allow for old data on loan performance to eventually exit the dataset used to collect the credit risk. The second major advantage of the 5-year rolling dataset is that new data would be continuously being entering the dataset, thus, the estimated probabilities would always reflect reasonably current compliance behaviour from members who received loans from the Credit Union.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

2. **Significant Accounting Policies (Cont'd):**

f) **Revenue recognition -**

Loan Interest

Interest charged on all loans to members is calculated on the monthly outstanding balance at interest rates ranging from 0.30% to 1.3% on a monthly basis.

Loan interest income is recognized solely upon receipt.

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.

g) **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.

h) **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 31 December 2020 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$6.7143** 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 Comprehensive Income.

i) **Comparative information -**

Where necessary, comparative data has been adjusted to conform with changes in presentation in the current year.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

3. Financial Risk Management:

Financial risk factors

The Credit Union 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 Credit Union 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 Credit Union 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.

Bonds

The Credit Union invests mainly in medium term bonds consisting of fixed rate instruments.

The market values of the fixed rate bonds are not very sensitive to changes in interest rates. The market values of the floating rate bonds are sensitive to changes in interest rates. The longer the maturity of the bonds, the greater is the sensitivity to changes in interest rates. Because these assets are being held to maturity and are not traded, any changes in market values will not impact the Statement of Comprehensive Income

Loans

The Credit Union 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 when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the reporting date. The Credit Union 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 Credit Union'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.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

3. **Financial Risk Management:**

Financial risk factors

b) Credit risk (cont'd) -

The Credit Union'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 Credit Union has policies to limit the amount of exposure to any single financial institution.

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

Collateral and other credit enhancements

The Credit Union employs a range of policies and practices to mitigate credit risk. The most common is of pledging share and other deposits already lodged at the Credit Union, accepting other collateral – mortgages and/or assignment of other assets e.g. premises, property, shares, life insurance policies. This collateral is reviewed periodically. For loans considered credit impaired the Credit Union takes possession of collateral held to mitigate potential credit losses.

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 Credit Union 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 Credit Union 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 Credit Union. The Credit Union employs various asset/liability techniques to manage liquidity gaps. Liquidity gaps are mitigated by the marketable nature of a substantial segment of the Credit Union's assets as well as generating sufficient cash from new and renewed members' deposits and shares.

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

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

3. **Financial Risk Management (Cont'd):**

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 Credit Union's measurement currency. The Credit Union is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the United States Dollar. The Credit Union'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 Credit Union's information technology and control systems as well as the risk of human error and natural disasters. The Credit Union'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 Credit Union.

g) **Reputation risk -**

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

Fair value estimation

The fair values of the Credit Union's financial assets and liabilities approximates to their carrying amounts at the reporting date.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

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 Credit Union'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 credit union makes estimates and assumptions concerning the future. However, 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 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, available for sale or loans and receivables.

ii) Which depreciation method for investment properties and fixed assets are used.

iii) *Business model assessment:*
The Credit Union reassesses its business models each reporting period to determine whether they continue to be appropriate and if there need to be a prospective change to the classification of financial assets. This assessment includes judgement regarding:

- how the performance of the assets is evaluated and measured; and
- the risks that affect the performance of the assets and how these risks are managed.

iv) *Significant increase of credit risk:*
The credit union computes twelve-month ECL for Stage 1 assets and lifetime ECL for Stage 2 or Stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Assessing whether there has been a significant increase in credit risk required judgement takes into account reasonable and supportable forward-looking information.

v) *Establishing groups of assets with similar credit risk characteristics:*
When ECL is measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The Credit Union monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. Judgement is required in determining whether and when to move assets between portfolios

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

4. **Critical Accounting Estimates and Judgments (Cont'd):**

vi) *Valuation models and assumptions used:*
The Credit Union uses various valuation models and assumptions in measuring the fair value of financial assets, as well as in estimating ECL. Judgement is applied in identifying the most appropriate valuation model for each type of asset, as well as in determining the assumptions to be used for each model.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting 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 reporting 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) Probability of default (PD)

PD is an estimate of the likelihood of default over a given period of time, the calculation of which includes historical data, assumptions and expectations of future conditions. PD constitutes a key input in measuring ECL.

iii) Loss Given Default (LGD):

LGD is an estimate of the percentage loss arising on default, and is based on the difference between the contractual cash flows due and those that the Credit Union would reasonably expect to receive, taking into account cash flows from collateral. It requires forecasting the future valuation of collateral taking into account sale discounts, the time and cost associated with realising collateral and seniority of claim. LGD is a key input in measuring ECL.

iv) Fair value measurement and valuation process

In estimating the fair value of a financial asset or a liability, the credit union uses market-observable data to the extent it is available. Where such Level 1 inputs are not available, the credit union n uses valuation models to determine the fair value of its financial instruments.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

4. **Critical Accounting Estimates and Judgments (Cont'd):**

v) Exposure at Default (EAD)

EAD is an estimate of the total loss incurred when a member defaults, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest. EAD is a key input in measuring ECL.

vi) Plant and equipment

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

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

	31 December 2020 ($)	31 December 2019 ($)
Cash in hand	384,381	247,831
JMMB Band Limited	856,308	315,832
First Citizens Bank Limited	1,013,380	116,310
RBC Royal Bank (Trinidad and Tobago) Limited		
- Current account	12,197,346	9,600,708
- US$ Savings account	60,318	2,328,742
- Tobago	179,587	564,865
	14,691,320	13,174,288

6. **Investments:**

Financial assets at amortised cost	31 December 2020 ($)	31 December 2019 ($)
Fixed deposits/loan notes	37,079,150	32,080,133
Financial assets at fair value through profit and loss -		
Money market funds	3,231,057	9,690,659
Managed portfolios	58,497,569	50,541,844
Bonds	11,883,738	8,397,700
	110,691,514	100,710,336

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

7. Accounts Receivable and Prepayments:

	31 December 2020 ($)	31 December 2019 ($)
Interest receivable	2,305,641	2,047,203
Payroll deductions receivable	862,187	1,419,252
Other receivables	356,455	1,578,041
Prepayments	233,322	306,387
Value Added Tax	363,845	1,245,662
	4,121,450	6,596,545
Less: impairment provision	(39,224)	-
	4,082,226	6,596,545

8. Other Investments:

	31 December 2020 ($)	31 December 2019 ($)
Financial assets at amortised cost		
Bonds	5,520,277	368,600
Financial assets at fair value through profit and loss -		
Quoted equity investments	20,363,629	22,777,814
Unquoted equity investments	250,100	250,100
Bonds	2,031,900	2,116,000
Mutual funds	761,695	720,280
	28,927,801	26,232,794

In August 2016, the Credit Union invested in a **US$250,000** Bond offered by the Government of St. Vincent and the Grenadines (GSVG) with an interest rate of 7% .The principal and interest due on this bond is being amortized over a period of ten (10) years with equal semi-annual installments of **US$17,590.**

From inception, and up to February 2021, installments have been remitted on a timely basis through the Eastern Caribbean Central Security Depository. The balance outstanding as at 31 December 2020 was **US$169,981** with the next installment due in August 2021.

Due to the volcanic eruptions in April 2021, there is some doubt as to whether the GSVG will be able to continue these installments on a timely basis. As at February 2021, the Credit Union has received total principal repayments of **US$91,660** and interest payments of **US$66,652.**

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

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.

	31 December	
	2020 ($)	2019 ($)
Loans to members	139,405,807	154,593,428
Less: Allowance for expected credit losses	(15,128,713)	(10,034,192)
	124,277,094	144,559,236
Allowance for expected credit losses -		
Balance brought forward	10,034,192	7,194,946
Expected credit losses - Current year	5,094,521	2,839,246
Balance carried forward	15,128,713	10,034,192

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

10. Fixed Assets:

	Freehold land ($)	Land and building – Tacarigua ($)	Computer equipment and software ($)	Office furniture and equipment ($)	Telephone system ($)	Security equipment ($)	ASCU Sporting Complex ($)	Motor vehicle ($)	Work in progress ($)	Total ($)
Cost										
Balance as at 1 January 2020	5,200,000	11,460,305	1,576,226	2,061,243	211,710	200,986	1,552,876	256,596	653,518	23,173,460
Additions	-	15,169	12,659	13,327	-	16,296	-	-	1,387,734	1,445,185
VAT Adjustment	-	252,168	61,811	161,137	3,246	9,158	3,463	38,489	106,894	636,366
Revaluation	800,000	(3,715,004)	-	-	-	-	-	-	-	(2,915,004)
Transfers	-	987,362	16,177	399,537	1,400	-	-		(1,405,837)	(1,361)
Disposals	-	-	(1,883)	-	-	-	-	-	-	(1,883)
Balance as at 31 December 2020	6,000,000	9,000,000	1,664,990	2,635,244	216,356	226,440	1,556,339	295,085	742,309	22,336,763
Accumulated Depreciation										
Balance as at 1 January 2020	-	1,069,526	1,272,182	1,243,855	166,897	91,613	225,581	180,690	-	4,250,344
Charge for the year	-	212,022	101,143	141,901	9,244	10,874	28,453	18,978	-	522,615
VAT Adjustment	-	-	46,222	67,813	8,950	5,960	19,119	27,163	-	175,227
Revaluation	-	(1,264,495)	-	-	-	-	-	-	-	(1,264,495)
Disposals	-	-	(944)	-	-	-	-	-	-	(944)
Balance as at 31 December 2020	-	17,053	1,418,603	1,453,569	185,091	108,447	273,153	226,831	-	3,682,747
Net Book Value										
Balance as at 31 December 2020	6,000,000	8,982,947	246,387	1,181,675	31,265	117,993	1,283,186	68,254	742,309	18,654,016
Balance as at 31 December 2019	5,200,000	10,390,779	304,044	817,388	44,813	109,373	1,327,295	75,906	653,518	18,923,116

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

10. **Fixed Assets (Cont'd):**

	Freehold land ($)	Land and building – Tacarigua ($)	Computer equipment and software ($)	Office furniture and equipment ($)	Telephone system ($)	Security equipment ($)	ASCU Sporting Complex ($)	Motor vehicle ($)	Work in progress ($)	Total ($)
Cost										
Balance as at 1 January 2019	5,200,000	10,817,764	1,380,801	1,667,552	211,710	177,228	1,552,876	256,596	941,240	22,205,76
Additions	-	3,652	195,425	21,154	-	23,758	-	-	723,704	967,69
Transfer of work in progress	-	638,889	-	372,537	-	-	-	-	(1,011,426)	
Balance as at 31 December 2019	5,200,000	11,460,305	1,576,226	2,061,243	211,710	200,986	1,552,876	256,596	653,518	23,173,46
Accumulated Depreciation										
Balance as at 1 January 2019	-	841,958	1,190,270	1,121,443	156,909	82,049	194,723	158,873	-	3,746,22
Charge for the year	-	227,568	81,912	122,412	9,988	9,564	30,858	21,817	-	504,11
Balance as at 31 December 2019	-	1,069,526	1,272,182	1,243,855	166,897	91,613	225,581	180,690	-	4,250,34
Net Book Value										
Balance as at 31 December 2019	5,200,000	10,390,779	304,044	817,388	44,813	109,373	1,327,295	75,906	653,518	18,923,11
Balance as at 31 December 2018	5,200,000	9,975,806	190,531	546,109	54,801	95,179	1,358,153	97,723	941,240	18,459,54

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

11. Accounts Payable and Accruals:

	31 December 2020 ($)	31 December 2019 ($)
Audit fees	131,750	84,000
CUNA insurance	95,845	300,924
Fixed deposit interest payable	262,745	327,289
Other payables	422,027	287,694
Members' standing orders	28,698	29,162
Accruals	598,417	724,995
	1,539,482	1,754,064

12. Members' Deposits:

The interest rate varied between 1% to 4% per annum. Fixed deposits are held for a minimum of one year.

13. Unclaimed Dividends and Shares:

As per Article 8 (a) of the Bye-laws, if the whereabouts of a member is unknown to the Credit Union 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.

14. 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.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

15. Members' Shares:

According to the Bye-Laws of Aero Services Credit Union Co-operative Society Limited, the share capital of the Credit Union 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.

16. Reserve Fund:

The Reserve Fund, as per Article 22 of the Bye-Laws, may be used in the business of the Credit Union 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.

17. 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.

18. Development Fund:

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

19. Revaluation Reserve:

	31 December 2020 ($)	31 December 2019 ($)
Revalued amount	15,000,000	15,700,000
Net Book Value	(7,638,538)	(6,688,030)
	7,361,462	9,011,970

In September 2020, the land and buildings at the Credit Union's Head Office in Tacarigua and Lot#25 Oropune Road, off Factory Road, Piarco were revalued in September 2020 by Linden Scott & Associates Ltd at **$9,000,000** and **$6,000,000**, respectively.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

20. Special Reserve Fund:

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

21. Dividends:

The Board of Directors has proposed a dividend of 2.25 % on share balances up to **$750,000** and 1% on share balances above **$750,000** for the year ended 31 December 2020. This is not recorded as a liability in accordance with IAS #10.

22. Interest Rebate:

The Board of Directors has proposed a rebate payment of 12% on all interest paid on loans for the year ended 31 December 2020, 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.

23. 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.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

23. Fair Values (Cont'd):

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.

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 2020.

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.

24. Capital Risk Management:

The Credit Union 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 Credit Union's overall strategy remains unchanged from previous years.

The capital structure of the Credit Union consists of equity attributable to members, which comprises reserves and retained earnings.

25. Loan Commitments:

As at 31 December 2020, there were no loan commitments.

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

26. Capital Commitments:

As at 31 December 2020, the Credit Union has committed **$248,955** to capital expenditure for the replacement of the air-conditioning on the ground floor offices at its Head Office.

In June 2020, the Credit Union contracted Precision Air Control to supply and install of a Hisense VRF Air-conditioned System at a total price of **$497,909**, inclusive of VAT. The major benefits of the project include a reduction of the Society's energy bill and improved air quality at the Head Office. As at 31 December 2020, the Credit Union has paid **$248,955** on the project with an undisbursed amount of **$248,955** still outstanding.

27. 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 Credit Union.

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 December 2020 ($)	31 December 2019 ($)
Assets		
Loans to directors and key management personnel and related persons	7,267,351	6,345,367
Deposits and other liabilities		
Deposits held by directors and key management personnel and related persons	505,175	186,386
Shares held by directors and key management personnel and related persons	4,823,712	3,901,600
	5,328,887	4,087,986
Interest and other expenses		
Directors and key management personnel	742,463	611,540
Key management compensation		
Short-term benefits	2,243,585	2,001,265
Post employment benefits	116,118	59,440
	2,359,703	2,060,705

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

1. **Personnel Cost:**

	31 December 2020 ($)	31 December 2019 ($)
Ex-gratia and incentives	101,600	166,794
Gratuity	-	103,048
Salaries	3,860,125	3,473,654
Staff overtime	10,543	26,073
Staff NIS, pension and medical plan	642,250	640,220
Staff training and development	14,068	48,557
Staff uniforms	71,377	11,816
Staff welfare	11,485	25,817
Travelling and subsistence	2,093	3,384
	4,713,541	4,499,363

2. **Operational Cost:**

	31 December 2020 ($)	31 December 2019 ($)
Accounting services	196,452	180,899
Advertising	20,261	67,707
Audit fees	151,975	131,973
Cable expenses	5,749	5,882
Computer expenses	125,226	122,879
Courier	-	118
Electricity	59,814	60,659
Equipment repairs and maintenance	71,897	64,517
Green Fund Levy	113,388	353,980
Internet rental charges	17,517	18,673
Janitorial services	127,597	72,104
Legal and professional fees	528,163	827,586
Miscellaneous	48,648	20,176
Motor vehicle expenses	37,288	42,201
Office refreshments	41,991	37,857
Postage expense	1,880	19,578
Printing, stationery and office supplies	120,773	201,073
Promotions	118,221	194,365
Property maintenance cost	316,302	235,889
Rates and taxes	17,893	2,151
Security services	371,478	331,394
Telephones	115,589	122,578
	2,608,102	3,114,239

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

3. Financial Cost (net):

	31 December 2020 ($)	31 December 2019 ($)
Bank charges	37,687	25,555
Linx charges	24,000	24,000
Interest on members' fixed deposits	570,076	1,106,633
Foreign exchange (gain)/loss	(165,218)	(319,467)
Portfolio management fees	130,023	147,040
Debit card facility charges	65,759	85,780
	662,327	1,069,541

4. Administrative Cost:

	31 December 2020 ($)	31 December 2019 ($)
Annual General Meeting	183,465	190,272
Anniversary Celebrations	20,750	-
Donations	22,270	18,646
Education Fund expense	40,639	97,836
Meetings and conferences	39,864	232,038
Special General Meeting	-	25,352
Strategic planning session	-	1,700
	306,988	565,844

5. Credit Impairment on Loans and Receivables:

	31 December 2020 ($)	31 December 2019 ($)
Credit impairment on loans	5,094,521	2,839,246
Credit impairment on receivables	39,224	-
	5,133,745	2,839,246

AERO SERVICES CREDIT UNION CO-OPERATIVE SOCIETY LIMITED

SCHEDULES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2020

6. Risk Management:

	31 December 2020 ($)	31 December 2019 ($)
CUNA LP and LS coverage	913,517	917,104
Fidelity guarantee	8,087	6,422
Fire insurance	23,327	22,198
Group life insurance	28,934	19,836
Directors' and officers' liability	26,203	22,629
Stabilization Fund	16,625	45,297
Public liability	1,590	5,120
Computer equipment	3,368	3,936
Cash in transit	11,798	12,759
Workmen's Compensation Insurance	5,619	-
	1,039,068	1,055,301

7. Officers' and Committee Expenses:

	31 December 2020 ($)	31 December 2019 ($)
Board and Committee allowances	235,919	243,776
Board and Committee other expenses	2,295	36,700
Board, Committee and staff Christmas activities	15,087	51,164
Ex-gratia	30,000	30,000
Refreshments	27,140	22,804
Social and Cultural Committee	34,158	278,983
Honoraria expense	275,715	467,752
	620,314	1,131,179

RESOLUTIONS

AUDITORS

Be it resolved that the firm Pannell Kerr Foster (PKF) be appointed as the External Auditors for the year 2021.

RECOMMENDATIONS

DISTRIBUTION OF SURPLUS

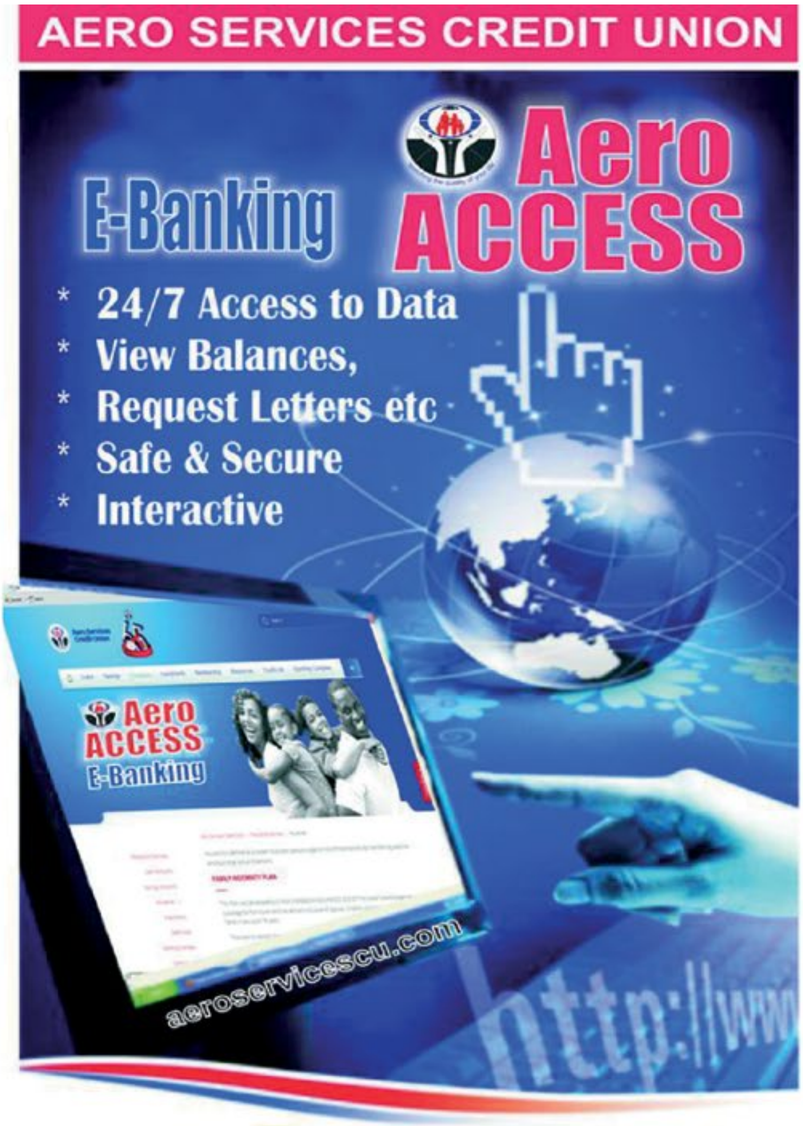
1) **Dividends**
Be it resolved that the Annual General Meeting approves the following:

1.1 A dividend of Two Point Two Five percent (2.25 %) on each member's shareholding up to $750,000 to be disbursed according to the member's request.
1.2 A dividend of one percent (1%) on each member's shareholding above $750,000 to be disbursed according to the member's request.
1.3 Twelve percent (12%) interest rebate on each member's loan, such rebate to be credited to member's Flex-A-Save account.

2) **Ex Gratia Payment**
1.1 *Be it resolved* that the sum of Twenty Thousand Dollars ($20,000) be allocated to the Education Committee.
1.2 *Be it resolved* that the sum of Five Thousand Dollars ($5,000) be allocated to the YouthLink Committee and a further sum of Five Thousand Dollars ($5,000) be allocated to the Tobago Committee

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.

NOTES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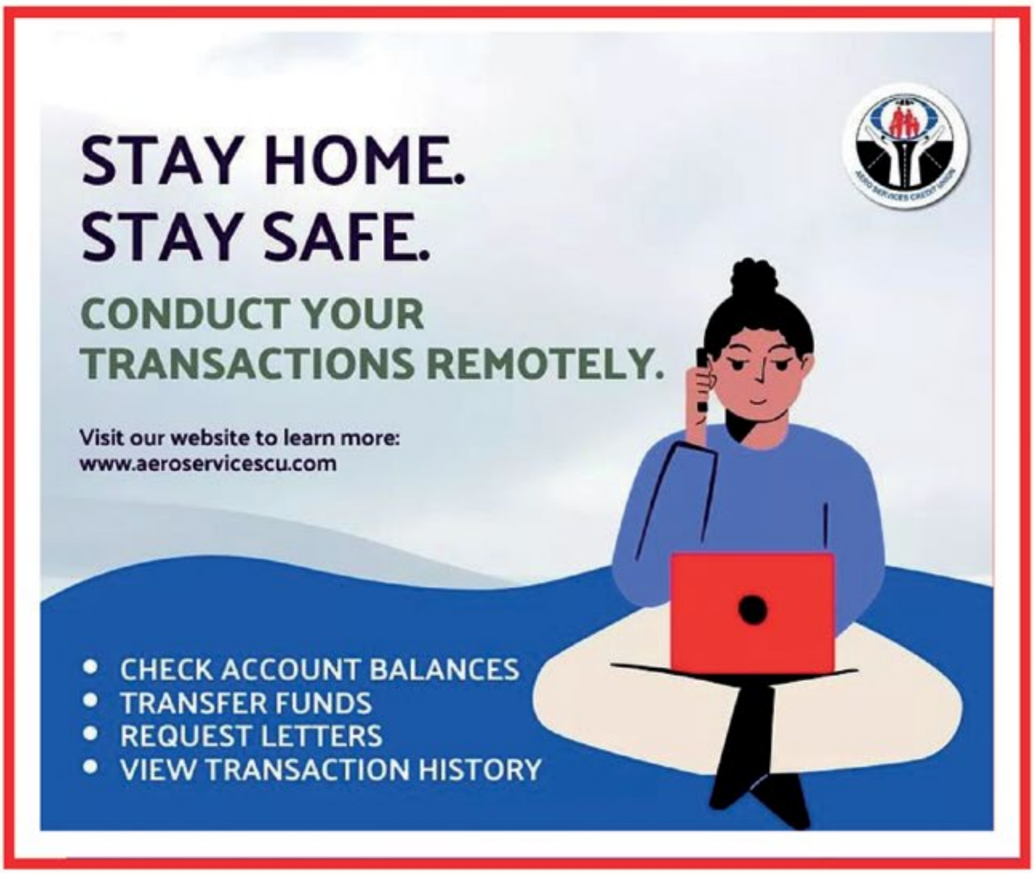
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