



ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LTD

***THEME: 55 Years of Sincerity,
Accountability and Commitment
to Service.***

53rd Annual General Meeting

***Management Reports and
Financial Statements for the Year
ended December 2023***

Thursday, 29th August, 2024

The SVGPCCU Conference Hall, Kingstown

BROTHERS IN CO-OPERATION

Men and women of the Nation

Join us in co-operation for our social elevation. Hasten to the call.
The present is the time for action, let no selfish class or faction. Here
among you spread distraction, come one and all

Refrain

Hand in hand on pressing all our wrongs redressing. Work and we
right soon shall see. Wide scattered many a blessings. Earnest true
Co-operation. Be our glorious aspiration. Till we see among the na-
tion . Love for one and all

Be our efforts never tiring, each success a new inspiring
Here's work for you, come and make each man a brother
If you're strong come help another
Strong and weak can aid each other
If their hearts be true

See the banner waving o'er us, hear the men who've gone before us.
Sending back the shouting chorus, keep the flag unfurled. Theirs'
the seed that now up-springing. Hope to many a heart is bringing
All our moans we'll change to singing
Aye, through the world

CREDIT UNION PRAYER

Prayer of St. Francis of Assisi

Lord, make me an instrument of your 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
And it's in pardoning that we are pardoned
And it's in dying that we are born to Eternal
Life

Bless, O Lord our deliberations and grant
that whatever We may say and do will have
thy blessing and guidance Through Jesus
Christ our Lord
Amen

National Anthem of St. Vincent & the Grenadines

Music By: Joel Bertram Miguel and Lyrics by Phillis Joyce Mc Clean Punnett

Saint Vincent, Land so beautiful, with joyful hearts we pledge to thee
Our loyalty and love, and vow to keep you ever free.

Chorus:

What e'er the future brings, our faith will see us through.
May peace reign from shore to shore, and God bless and keep us true.

2. Hairoun, Our fair and blessed Isle, Your mountains high, so clear and green,
Are home to me, though I may stray, A haven, calm, serene.
3. Our little sister islands are those gems, the lovely Grenadines,
Upon their seas and golden sands the sunshine ever beams.

VISION

To progressively engage all Stakeholders in the activities of the society with a view to maximize returns and results in the interest of the membership



MISSION

To improve the economic welfare of its members through effective utilization of all resources

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ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LTD
NOTICE AND AGENDA OF THE 53RD ANNUAL GENERAL MEETING

The 53rd Annual General Meeting of the St. Vincent Automotive Cooperative Society Limited takes place at the St. Vincent Red Cross Headquarters, on Thursday, August 29, 2024 at 5:00 p.m.

Agenda-Open Session

1. Call to order
2. Prayer & Credit Union prayer
3. National Anthem
4. Credit Union Song
5. Silent tribute
6. Apologies for Absence
7. Chairman's Remark
8. Remarks by the Minister of Co-operatives
9. Fraternal Greetings

Closed Session

1. Ascertainment of Quorum
2. Minutes of the 52nd Annual General Meeting
3. Amendments and conformation of minutes
4. Matters Arising
5. Reports
 - i. Board of Directors
 - ii. Treasurer's Report
 - iii. Auditor's Report 2023
 - iv. Supervisory and Compliance Committee
 - v. Recommendation of the Board
6. Election of officers
7. Appointment of Auditor
8. Any others Business
9. Vote of Thanks
10. Adjournment

Yours Co- operatively

Sis. La Fleur Benn
Secretary

STANDING ORDERS

1. (a) A member is to stand when addressing the Chair.
(b) Speeches to be clear and relevant to the subject before the meeting.
2. A member shall only address the meeting when called upon by the chairman to do so, after which he shall immediately take his seat.
3. No member shall address the meeting except through the chairman.
4. A member shall not speak on the subject twice except:
 - (a) The mover of a motion— who has the right to reply
 - (b) He rises to object or explain (with the permission of the chair).
5. The mover of a procedural Motion.—(Adjournment lay on the table, Motion to Postpone) to have no right to reply.
6. No speeches are to be made after the “Question” has been put and carried or negated.
7. A member rising on a “Point of Order” to state the point clearly and concisely. (A “Point of Order” must have relevance to the “Standing Order”).
8. (a) A member should not “Call” another member “To Order” but may draw attention of the chair to a “Breach of Order”.
(b) In no event shall a member call the Chair to order.
9. A “Question” should not be put to the vote if a member desires to speak on it or move an amendment to it except, that a procedural Motion, the “Previous Question”” Proceed to next Business” or the closure: “that the question be not put” may be moved at any time.
10. Only one amendment should be done before the meeting at one and the same time.
11. When a motion is withdrawn any amendment to it falls.
12. The chairman to have the right to a “Casting Vote”.
13. If there is equality of voting on an amendment, and if the chairman does not exercise his casting vote, the amendment is lost.
14. Provision is not to be made for protection by the chairman from vilification (Person Abuse).
15. No member shall impute improper motives against another member.

BOARD OF DIRECTORS



Chairperson
Sis. Ena Walters



Deputy Chairman
Bro. Richard Cumberbatch



Secretary
Sis. La Fleur Benn



Treasurer
Bro. Viraj Soleyn



Director
Bro. Richard Browne



Director
Sis. Donnette O'Neil



Interim Manager
John Hall

CHAIRMAN'S REMARKS TO THE 53rd ANNUAL GENERAL MEETING

August 29, 2024

Theme: 55 years of Sincerity, Accountability, and Commitment to Service

Brothers and sisters, fellow co-operators, stakeholders, members and friends, a pleasant good afternoon. I am indeed honoured to stand before you, as Chairman of the Board of Directors, to welcome you to this our 53rd Annual General Meeting (AGM), which is being held under the theme '*55 years of Sincerity, Accountability, and Commitment to Service*' and to thank you for taking the time out from your busy schedule to be with us today.

Fifty-five (55) years ago on April 14, 1969, our pioneers saw the need and thought it fit to establish this our noble institution that has served our people and our communities over the years. Thanks to Sir David Jack, Hon. Jerome Burke MP, Bro. Calvin Nichols OBE, Bro. Elton Anderson, all of blessed memory, Sis Sylvia Stoddard - our first five Chairpersons of the Board of Directors - and to the many who served after for taking the mantle, charting the way and leaving a rich legacy for us to follow. It is because of their hard work and dedication that we stand proud of our beloved institution today.

The year 2023 commenced with much uncertainty and was an extremely challenging one for SACS. As previously announced, the Service Station was scheduled for temporary closure and to be handed over to Rubis on December 31, 2022, for the commencement of the long awaited *Raze and Rebuild Project* on the January 1, 2023. However, due to unforeseen circumstances, the project was unable to start on that date. We were then told that the project would commence at the end of March 2023; this too did not materialise because, Rubis was unable to obtain approval from the Physical Planning Division to commence the works. As such, the Board of Directors took the decision to request the services of the severed workers on a month by month basis, and the operations continued as usual. I must take this opportunity to profusely thank you our valued workers for your dedication, understanding and unwavering support in spite of the circumstances.

The previous financial year saw the departure of a number of our valued fisher-folk customers, who plied their trade in the Rose Place area, due to their relocation as a result of the commencement of the Port Modernization Project in the area. Although this resulted in a significant loss of revenue at that time, SACS persevered. The year 2023 was no different.

The uncertainty of 2023 was a severe hindrance to our operations. The pending temporary closure that could have occurred at any time resulted in a significant loss of revenue for the year. Thus, our activities

were curtailed to reflect the change. Again, Rubis was unable to commence the project as planned. In spite of this, SACS realized an increase in the sale of fuel for the year. This can be attributed to the boost in activities within the construction sector, increase in the vehicle stock and, by extension, a boost in the economy. I am, therefore, pleased to report the following financial achievements that were realized at the end of the period:

Share Capital of:	\$950,156.00
Net Profits of:	\$167,856.00
Total Assets of:	\$3,777,091.00
Reserves and Retained Earnings of:	\$ 1,825,392.00

Brothers and sisters, fellow co-operators, members, stakeholders and friends, your continued support throughout the years and your presence with us today speak volumes. We, therefore, look forward for another productive, very interactive and successful AGM. Thank you.

Sis Ena Walters
Chairperson

**MINUTES OF THE 52nd ANNUAL GENERAL MEETING OF THE
ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY (SACS) LIMITED
WHICH WAS HELD ON NOVEMBER 16, 2023
AT THE RED CROSS BUILDING**

OPEN SESSION

PRESENT	Bro. Mikous Augustus	-	Chairman
	Bro. Richard Cumberbatch	-	Deputy Chairman
	Sis. Cecelia J. Williams	-	Treasurer
	Sis. Ena Walters	-	Secretary
	Bro. Richard Browne	-	Director
	Sis. Donnette O'Neil	-	Director
	Bro. Gregory Hall	-	Director/Interim Manager

1.0 CALL TO ORDER

- 1.1 Chairman of the St. Vincent Automotive Co-operative Society (SACS) Limited - Bro. Mikous Augustus – called the meeting to order at 5:10 p.m.

2.0 PRAYER

- 2.1 Bro. Richard Cumberbatch opened the meeting with a prayer, which was then followed by recitation of the Credit Union Prayer by all present.

3.0 NATIONAL ANTHEM

- 3.1 A melodious rendition of the St. Vincent and the Grenadines National Anthem was sung by all.

4.0 SILENT TRIBUTE

4.1 One minute of silence was observed in honour of those members of SACS who passed away since the hosting of the 52nd Annual General Meeting.

5.0 APOLOGIES FOR ABSENCE

5.1 Apologies were offered for the following members:

- (1) Sis. Edlena Adams
- (2) Bro. Alastair Alexander
- (3) Bro. Cecil ‘Blazer’ Williams
- (4) Bro. Andre Antrobus

6.0 CHAIRMAN’S REPORT

6.1 In his opening remarks, Bro. Mikous Augustus expressed his gratitude to everyone for taking the time out to attend the meeting. He noted that the year 2022 was a challenging one for SACS. He further commented that the Society had to deal with a major undertaking during the year, that is, commencement of the Port Modernization Project at Rose Place. The Board of Directors, management and staff had to grapple with a major change that resulted from the initiation of this project: relocation of fisherfolks from Rose Place to Lowmans Bay. This movement led to a loss of revenue for SACS since these persons were regular patrons of the Society and purchased large quantities of fuel. Bro. Augustus stated that the Board of Directors was cognisant of the challenges faced by the displaced fisherfolks and thus participated in a series of discussions with stakeholders, the management of RUBIS, Port Authority and the Agricultural Input Warehouse (AIW), operators of the Kingstown Fish Market, about the provision of service pumps at Lowmans Bay and Little Tokyo. Permission was still being awaited from the relevant authority to set up the pumps at the sites identified.

6.2 Despite the challenges experienced during the reporting year by SACS, the Chairman highlighted the following financial position of SACS:

· Share Capital	-	\$949,963.00
· Net profit	-	\$79,781.00
· Total Assets	-	\$3,678,273.00
· Reserved and Retained Earnings	-	\$1,566,953.00

6.3 The following updates were provided by the Chairman:

- A suitable location was identified for the construction of a new service station, but the Board of Directors agreed to continue searching for an alternative venue because the cost of this site was exorbitant.
- A Human Resource Policy was developed, out of which a performance management tool was completed. The inaugural application of this tool was the appraisal of the manager's performance. Unfortunately, evaluation of staff was not undertaken due to the resignation of the manager.
- The ground floor and the top floor of the SACS administrative building are rented.
- In the third quarter of 2022, RUBIS advised that the 'Raze and Rebuild' of the SACS service station would take between six (6) to eight months (8) to complete, commencing January 2023. SACS was requested to hand over the facility by December 31, 2022.
- A decision was made to sever staff of the Service Station with effect from December 31, 2022, and award them their severance payments. Regrettably, towards the close of the month, RUBIS indicated that the planned 'Raze and Rebuild' would have to be deferred to March 2023. Staff were asked to continue their employment with SACS until this date, a request to which some of them complied; others indicated that they had already gained employment elsewhere but would facilitate the request until they were ready to assume duties at their new job places.
- In December 2022, the manager, Bro. Eardley Martin, resigned with effect from January 30, 2023. The Board of Directors made the decision to utilize the services of Director John Hall as Interim Manager until the completion of the 'Raze and Rebuild' Project.

7.0 REMARKS BY MINISTER WITH RESPONSIBILITY FOR CO-OPERATIVES

- 7.1 Bro. Kwesi Cato, Chief Inspector of Co-operatives, extended greetings and delivered brief remarks on behalf of the Hon. Orande Brewster, Minister with Responsibility for Co-operatives.
- 7.2 In his presentation, Bro. Cato commented that SACS can be deemed as a standard-bearer among non-financial co-operatives in St. Vincent and the Grenadines, in terms of its business operations. He further added that the Society must be complimented for making a profit while weathering several seen and unseen challenges.

8.0 GREETINGS

- 8.1 Fraternal greetings were proffered by the following:
- i. General Employees Co-operative Credit Union Ltd.
 - ii. Police Co-operative Credit Union Ltd.
 - iii. St. Vincent and the Grenadines Co-operative League Ltd.

CLOSED SESSION

1.0 ASCERTAINMENT OF QUORUM

- 1.1 Bro. Kwesi Cato – representative of the Co-operative Division – ascertained that the members present duly constituted a quorum and accordingly granted permission for the proceedings to commence.

2.0 ADOPTION OF AGENDA

- 2.1 There were no amendments made to the agenda and a motion for its adoption was put forward by Bro. Cools Vanloo, which was seconded by Bro. Clarence Harry.

3.0 MINUTES OF THE 51st ANNUAL GENERAL MEETING

3.1 Amendments and Confirmation

- 3.1.1 The minutes were circulated prior to the hosting of the Annual General Meeting and were thus assumed to have been read.
- 3.1.2 The following amendments were made to the Minutes of the 51st Annual General Meeting:
- (i) On page 7 under the citations of the Board of Directors, *Bro. John Hall's designation was changed from Manager to Interim Manager.*
 - (ii) The last sentence in Section 6.1 (Under Section 6.0 Chairman's Report) on page 11 was amended to read: *Additionally, he noted that despite the prevailing circumstances of 2021, the Society was still able to generate a net profit of \$79,781.00.*
 - (iii) The second sentence in Section 4.1.2 (Under section 4.0 Reports) on page 14, was amended to read: *In his presentation, he noted that Sis. Ena Walters, Bro. Richard Cumberbatch, and Sis. Donnette O'Neil were elected to serve on the Board of Directors.*

- (iv) The third sentence in Section 4.1.2 (Under section 4.0 Reports) on page 14 was amended to read: *Additionally highlighted in the report were (i) a financial overview of the financial performance of SACS for the year ended December 31, 2021, ...*
- (v) The third sentence in Section 4.3.2 was amended to read: *He emphasised that there was no departure from International Financial Reporting Standards in preparation of the report...*
- (vi) Under Section 4.3.2 and under the subsection titled Discussion, *Sis Sandra John was changed to Sis Patricia John.*
- (vii) On page 17, the results of the election were not properly displayed due to a printing error and thus should read:

NOMINEE	NOMINATED BY WHOM
Bro. Richard Browne	Bro. Alastair Alexander Bro. Mac Arthur Robertson (second)
Bro. Brian Alexander (declined nomination)	Bro. Clarence Harry
Bro. Jerome Burke (declined nomination)	Sis. Cecelia J. Williams
Bro. Joel Jack (declined nomination)	Sis. Ena Walters
Bro. John Gregory Hall	Sis. Cecelia J. Williams Bro. Eardley Martin (second)

- (viii) The following sentence was added below the election results: *Bro. Richard Browne and Bro. John Gregory Hall were elected to the Board of Directors because the other persons nominated declined their nominations.*

- (ix) Item 5.2.4 on page 17 was amended to read: *Bro. John Gregory Hall and Bro. Richard Browne will serve one three-year term on the Board of Directors in the first instance.*
- (x) In Sub-section 8.3 on page 18, *Ms Kern Williams-Davy* was changed to *Mrs. Kern Williams-Davy*.
- (xi) On page 19, the last paragraph under the section titled *Statement of Financial Position*, the net profit of \$79,781,00.00 was changed to \$79,781.00.

3.1.3 The minutes of the 51st Annual General Meeting were confirmed on a motion moved by Bro. Clarence Harry and seconded by Bro. Brian Alexander.

3.2 Matters Arising from the Minutes of the 51st Annual General Meeting

- 3.2.1 Sis. Patricia John enquired about the status of the review of the bye-laws and was advised by Chairman Bro. Mikous Augustus that no work was undertaken on the document.
- 3.2.2 Bro. Cools Vanloo enquired about whether the review is usually undertaken by a Select Committee or by the Board of Directors. He was advised by the Chairman that each member of the Board is given a section of the document to review, following which all components are put together for discussion. Bro. Vanloo suggested that members of SACS should also be involved in the review process, a recommendation which the Chairman said would be noted.
- 3.2.3 Bro. Brian Alexander enquired about the status of the debit card facility offered by SACS. He was informed by Bro. Mikous Augustus that the facility was introduced but there were some teething problems being experienced with its implementation. He further commented that staff were trained in its usage and SACS was working assiduously to iron out these problems. Additionally, some members were using the debit card facility.
- 3.2.4 Bro. Clarence Harry enquired about the status of the 'Raze and Rebuild Project' and was advised by Bro. Mikous Augustus that the activity should have commenced in March 2023, but the Planning Division did not give permission for the process to be carried out. Furthermore, RUBIS brought in engineers to St. Vincent and the Grenadines to make a presentation to the Planning Division, a session which was attended by Interim Manager Bro. John Gregory Hall. The engineers pointed out that after the 'Raze and Rebuild' the service station would be much safer than the present time because of the

safety features which would be put in place. Moreover, traffic congestion would be practically non-existent because there would be two lanes servicing eight (8) customers at one time. Bro. Augustus stated that he could not provide any information as to when the project would commence since permission has to be first given by the Planning Division. He also noted that because of delay in start of the project, new attendants were hired on a month-to-month basis at the service station to replace the ones who were severed and had sought employment elsewhere, even though they were offered the option of staying on until the 'Raze and Rebuild Project' commenced.

3.2.5 Sis. Patricia John requested clarification as to how Bro. John Gregory Hall, a member of the Board of Directors, was able to be appointed to the position of Interim Manager. Bro. Mikous Augustus advised her that the Board of Directors has the authority to appoint an Interim Manager from among itself. He further added that this appointment will not go on indefinitely. At this juncture, Sis. Ena Walters stated that guidance on the matter was sought from the relevant authority, who advised that the Co-operatives Act makes provision for this type of appointment. She further added that the Board of Directors initially thought that this arrangement would have lasted for six (6) months and felt that it was not prudent to hire a new manager at that time. Sis. Walters reiterated that at the time that the manager, Mr. Eardley Martin, resigned, there was not enough time to undertake succession planning or coaching of a new manager, hence the appointment of an Interim Manager. Additionally, the Board of Directors was operating under the assumption that during the period January to August 2023, the service station would have been closed. She reassured the meeting that the post would eventually be advertised.

3.2.6 Bro. Cools Vanloo was of the view that RUBIS had dislocated SACS, resulting in a loss of revenue for the entity. Additionally, he opined that the staff were severed, some of whom would have worked for many years with the organisation. He believed that SACS should have claimed compensation from RUBIS for these happenings. Bro. Mikous Augustus stated that even though the staff were severed, SACS could not have claimed compensation because its operations continued as normal. Bro. Richard Cumberbatch intimated that no compensation was due since the lease arrangement with SACS had expired and there was no obligation on the part of RUBIS to renew same. He noted that RUBIS had earlier communicated in writing that it was going to take back the service station effective the end of December 2022. Furthermore, the lease arrangement from this time has been on a month-to-month basis. However, a letter-of-intent was received from RUBIS regarding its intention of renewing the initial leasing agreement with SACS. This communication was forwarded to SACS' legal counsel. Bro. Cecil 'Blazer' Williams and Bro. Jerome Burke commented that something more substantial than a letter-of-intent was needed but were advised by Bro. Augustus that no contractual arrangements could be undertaken until the Raze and Rebuild was completed.

3.2.7 Bro. Cools Vanloo requested updates on the following which were reported in the Chairman's 2022 report, and was provided with the following comments by Bro. Mikous Augustus:

- I. Review of the Bye-Laws: No work was undertaken on the document.
- II. SACS' Contributory Savings Plan for Staff: This was not implemented because the focus was on the Raze and Rebuild Project.
- III. Expansion of services in conjunction with RUBIS: This will be undertaken under the Raze and Rebuild Project as soon as permission is received from the Planning Division.
- IV. Broadening of SACS' Investment Portfolio: Some work has been done; some investments undertaken.
- V. SACS' Strategic Plan for 2021 to 2023: This has been completed.
- VI. Development and improvement of Job Descriptions for staff: This has been completed.
- VII. Development of a Human Resource Policy: This is still in progress.
- VIII. Formal review of the manager's performance for 2021: This has been completed

3.2.8 Bro. Cools Vanloo suggested that the quantities of fuel sold should also be included in the AGM report instead of just the sales figures. Bro. Mikous Augustus indicated that this suggestion would be noted.

3.2.9 Bro. Clarence Harry enquired about whether SACS had received any monies from CLICO. He was advised by Bro. Mikous Augustus that no monies were received.

3.2.10 Bro. Clarence Harry queried about the status of the published list of members who possessed no beneficiaries, telephone numbers and addresses on their records. Bro. Augustus commented that some records were updated and that the process was ongoing. Sis. Patricia John enquired about the information that was needed for updating the list. Bro. Augustus provided the following information that was needed: address, contact information, beneficiary. He also stated that some members need to increase their number of shares because the amount they possessed was less than what was required according to the Co-operative Law.

4.0 REPORTS

4.1 Board of Directors

4.1.1 The report was accepted as being read.

4.1.2 Bro. Mikous Augustus presented the Board of Directors' report to the 52nd Annual General meeting for the year ending December 31, 2022. He presented the following financial and operational reviews:

4.1.2.1 *Financial Review*

- Sales increased by \$3,619,145.00 or 36.62% when compared to 2022, due to several price increases in gasoline and diesel during 2021 as well as an increase in the sale of liquid propane gas (LPG).
- The ground floor and top floor of the administrative building continue to be rented.
- Selling expenses increased by \$129,321.00 or 39.94%.
- General and administrative expenses decreased by \$17,868.00 or by 6.46%.
- Cash and cash equivalents increased by \$165,785.00 or 29.8%, resulting in a total figure of \$721,833.00.
- Total current liabilities was \$556,119.00.
- Current assets increased by \$277,127.00 or 18.19%, compared to 2021.
- Total assets increased by \$241,408.00 or 7.02%.
- Total liabilities increased by \$251,743.00 or 26.67%, mainly due to accrued severances and services for expenses incurred in late December 2022 which had to be settled with RUBIS.
- Retained Earnings and Reserves amounted to \$1,566,953.00.
- Issued shares totalled \$949,693.00.
- A net profit of \$79,781.00 was generated.

4.1.2.2 *Operational Review*

- Gasoline and diesel sales increased by 29.27%.
- There were eight (8) price movements on fuel and three (3) on LPG.

- Profit margins on gasoline and diesel are fixed at \$0.76 and \$0.61 per gallon, respectively, and do not affect profit directly.
- SACS won the Mystery Shoppers' component of the RUBIS Retail Reward Programme three (3) times in 2022, co-shared the first place in 2015 and placed second in 2019.

4.1.3 With respect to the schedule of Directors and their tenure, Bro. Mikous Augustus reported the following:

- Bro. Mikous Augustus was elected for a second three-year term in 2020 and is thus not eligible for re-election.
- Bro. Richard Cumberbatch has served two years of his three-year term.
- Sis. Ena Walters has served two years of her three-year term.
- Sis. Donnette O'Neil, who completed the remaining two years of a three-year term which was vacated when a director resigned, was eligible for re-election of a term of three years.
- Bro. Richard Browne and Bro. John Gregory Hall have both served one year of their three-year term.

4.1.4 The Board of Directors recommended that 0% dividend be paid on shareholders' investment and that a rebate of 1% be made on members' purchases.

4.1.5 The Board of Directors' Report was confirmed on a motion moved by *Bro. Clarence Harry* and seconded by *Sis. Patricia John*.

Discussion

- Bro. Curtis King enquired about who was responsible for setting the profit margin on gasoline and diesel and was advised by Bro. Mikous Augustus that the margin is set by the government.
- Bro Cools Vanloo questioned whether the \$0.69 received on each gallon of gasoline was gross profit and whether RUBIS was paid from this amount, a question to which Bro. Mikous Augustus answered in the affirmative. Bro. Augustus further added that all of SACS' expenses are paid from this sum. He stressed the need for increased sales volume to bolster profit.
- There were some queries concerning the number of Board of Directors' meetings held and the number of meetings attended by each member of the Board. Bro. Mikous Augustus explained that the number of meetings attended were based on when the tenure of each member commenced. A view was expressed that the manner in which the information was laid out was confusing and that a note should be added to same to provide greater clarity. This suggestion was noted by the Chairman.

4.2 Treasurer

4.2.1 The report was taken as read since it was circulated prior to the hosting of the AGM.

4.2.2 Sis. Cecelia J. Williams presented the Treasurer's report for the financial year ended December 31, 2022. She gave a synopsis of SACS' fiscal position at the end of 2022, relative to assets and liabilities. Sis. Williams reported that SACS was able to realize a total comprehensive income of \$79,781.00 for 2022, a decrease of \$90,270.00. She further reported the following:

	<u>2022</u>	<u>2021</u>
ASSETS		
Total Assets	\$3,678,273.00 ¹	\$3,436,865.00
Investment Securities	\$690,339.00	\$656,273.00
¹ Represented by an increase in cash equivalent of \$165,785.00		
SHAREHOLDERS' EQUITY		
Total Shareholders' Equity	\$2,516,646.00	\$2,526,981.00
Long-term Liabilities	\$605,508.00	\$698,763.00
Current Liabilities	\$556,119.00	\$211,121.00
INCOME		
Total Revenue	\$14,712,450.00	\$11,093,305.00
EXPENSES (together with finance cost)		
Total Expenses	\$748,781.00	\$638,581.00

4.2.3 The Treasurer's Report was adopted on a motion moved by *Bro. Clarence Harry* and seconded by *Bro. John Gregory Hall*.

Discussion

- Bro. Vanloo expressed the view that the financial statements showed that something was wrong with SACS' business model and that the entity cannot continue to rely on the sale of gasoline as its only major source of revenue. He also noted that SACS, despite making a profit, was not able to pay dividend

to its shareholders. He further commented that other service stations generate a significant amount of revenue from the operations of their convenience stores, something which SACS should also consider. Sis. Cecelia J. Williams reminded Bro. Vanloo that the convenience store operated by SACS is very small and thus its offerings are limited. She further added that severance payments to workers helped to increase expenses for 2022 and reduced SACS's profitability. Bro. Mikous Augustus responded to Bro. Vanloo's comments by stating that the present configuration of SACS' compound cannot facilitate a larger convenience store than the one that is currently operated. He, however, stated that in the new development proposed by RUBIS, there is inclusion of a larger, properly configured convenience store which will offer more products and accommodate more patrons.

4.3 Auditor

- 4.3.1 The Auditor's Report was assumed to have been read since it was circulated prior to the hosting of the AGM.
- 4.3.2 The report was presented by Bro. Reuben John (of BDO Chartered Accountants) who indicated that an Unqualified Report was issued for the financial statements of SACS for the period January 01 to December 31, 2022. He further added that there was no departure from International Financial Reporting Standards in preparation of the report and that the aforesaid document honestly reflected the finance position and performance of SACS during the period under review. Moreover, he intimated that only the standards that were relevant to SACS were applied.
- 4.3.3 Bro. Reuben John stated that while internal controls were tested, not all controls were subjected to this process. He noted that these controls are what are utilised to safeguard SACS' assets and ensure that information generated by the system is an accurate reflection of what transpired during the year. Thus, the controls that were tested were those which could likely result in errors. To give management an appreciation of the approach used during the audit, preliminary discussions were held to address the internal control deficiencies identified. Bro. John noted that if the firm of BDO Chartered Accountants was re-appointed as auditors, a follow-up audit would be undertaken to see if efforts were made to correct the deficiencies.
- 4.3.4 Bro. Reuben John mentioned that on page 4 of the Auditor's Report, the adjusted profit under the stated profit of 2021 was \$170,051.00 and on page 30 an adjusted figure of \$140,877.00 (in the form of inventories), when added together yielded a profit of \$310,928.00 for the previous year. He further stated that the Balance Sheet and Income statement were restated to reflect the change.

4.3.5 The Auditor's Report was adopted on a motion moved by *Bro. Samuel Goodluck* and seconded by *Bro. Andrew Little*.

Discussion

- Bro. Samuel Goodluck suggested that provision could be made monthly for severance. He was advised by Bro. Reuben John that the International Accounting Standard does not demand that this be done; it, however, makes provision for vacation leave payment and gratuity. Bro. Mikous Augustus stated that SACS had an account set aside for severance, but it was still regarded as an expense.
- Sis. Patricia John enquired about the possibility of SACS filing for bankruptcy if a situation arose where the company was not in good financial standing due to the entity being closed for eight (8) months (if planning approved the Raze and Rebuild Project). She also enquired about the possibility of Planning Division turning down the application for the permission to undertake the Raze and Rebuild Project, citing government's possible expansion of the Milton Cato Memorial Hospital as a reason. Regarding the first enquiry, she was reassured by Bro. Mikous Alexander that SACS' investments can take of its liabilities and that liabilities were not likely to spike; bankruptcy was thus not a consideration. He further advised that SACS assets were intact. About Sis. John's second enquiry, he advised that management would have to deal with that issue.
- Bro. Cools Vanloo expressed the view that RUBIS had ample time and opportunities to relocate the service station within the same vicinity. He suggested that the company could have gone to the Anglican Church and explore the possibility of leasing its property which is located behind of Victoria Park.
- Bro. John Gregory Hall commented that the fuel storage tanks at the service station were due for replacement and with any leakage from same, the government can shut down operations. He, however, stated that RUBIS' engineers from Barbados promised that the new tanks to be installed during the Raze and Rebuild Project would be safer than those currently being utilised. He further added that the service station has been located at the same venue since 1969 and it was the hospital, which was expanded towards the station, an indication that there was some level of trust on the part of the government. Bro. Mikous Augustus added that equipment safety was a component of the Raze and Rebuild Project.
- Bro. Curtis King intimated that the government has a right to acquire property and that for some time there has been discussions on the expansion of the hospital. This expansion, he stated, could include the area occupied by the SACS Service Station.

4.4 Supervisory and Compliance Committee

4.4.1 The report was circulated in advance of the meeting and was assumed to have been read.

4.4.2 Bro. Leroy James presented the Supervisory and Compliance Committee. In his presentation, Bro. James gave an overview of the committee relative to its mandate and scope of work undertaken for fiscal year 2022. He reported that the committee focused on the following during the reporting period:

- Ordering procedures and processing of payment vouchers
- Recording stock, fuel receipts and issues
- Cashier's and Attendants' sheets
- Internal checks and controls to prevent fraud, and cash control
- Budget and monthly financial reports, and controlling receivables – policies and procedures
- Accounting for wages and shares
- Service Station

4.4.3 As per 'Recording stock, fuel receipts and issues', Bro. James reported that documents revealed that the amount of fuel often ordered does not correlate with the quantity received. He emphasised that if, for example, 1,000 gallons of fuel were ordered from RUBIS, only 970 gallons were delivered, but SACS was billed for the 1,000 gallons. He stated that this issue has been going for an extended period and that the Supervisory and Compliance Committee was very concerned about this discrepancy and wanted to have the matter investigated and rectified.

4.4.4 With regard to 'Service Station', Bro. James stated that there needs to be a solution to the backup with of vehicles on the main road, because most customers with their fuel tanks on the left side of their vehicles have wait to access the pumps on the right side of the court. He further stated that the board of Directors needs to urgently renew the search for lands to construct a service station, to cater for any uncertainties that may confront SACS.

4.4.5 The Supervisory and Compliance Report was adopted on a motion moved by *Bro. Samuel Goodluck* and seconded by *Bro. Brian Alexander*.

Discussion

- Bro. Curtis King enquired as to whether the Supervisory and Compliance Committee had reported the shortages in fuel quantities delivered by RUBIS and if any recommendations were made to settle the matter. He added that Bro. Leroy James should have included actual figures of shortages in his report. Bro. James responded by stating that the matter was brought to the attention of the previous manager, who indicated he had raised the matter with the Board of Directors. Sis. Ayana Evans-Lyttle also stated

that the previous manager did say that the matter was reported to the Board. Bro. Mikous Augustus indicated that no such issue was brought to the Board's attention.

- Bro. Richard Cumberbatch commented that the former manager kept a log of the fuel shortages over a month's duration. Also, the manager held meetings with the manager of RUBIS, and had advised him that SACS would only pay for the quantity of fuel delivered.
- Bro. Curtis King expressed the view that there was a breakdown in communication between the Board of Directors and the Supervisory and Compliance Committee. Bro. Mikous Augustus noted that at least two (2) meetings were set with the committee, but none came to fruition. He further added that one of the meetings was not convened because the then Chairman of the committee said that the meeting could not be hosted at the time of request.
- Sis. Sandra John enquired about whether the Interim Manager, Bro. John Gregory Hall, was paid a stipend for attending Board of Directors' meetings. She was advised by Bro. Mikous Alexander that Bro. Hall was not being paid for his attendance at the meetings.

5.0 RECOMMENDATION OF THE BOARD OF DIRECTORS

- 5.1 The Board of Directors' recommendation of a 1% rebate on members' purchase was put before the meeting.
- 5.2 Bro. Clarence Harry enquired about the value of the 1% and was advised by Bro. Mikous Augustus that he had requested this figure from Interim Manager Gregory Hall but did not receive same.
- 5.3 The Board of Directors' recommendation of a 1% rebate on members' purchase was endorsed on a motion moved by *Bro. Samuel Goodluck* and seconded by *Bro. Clarence Harry*.

6.0 ELECTION OF OFFICERS

6.1 Board of Directors

- 6.1.1 Bro. Mikous Augustus and Sis. Cecelia J. Williams both completed two consecutive three-year terms and thus retired from their posts as Directors on the Board. Sis. Donnette O'Neil, who completed the remaining two years of a three-year term which was vacated when a director resigned, was eligible for re-election for a term of three years. Thus, there were three vacant positions on the Board.

6.1.2 The following persons were nominated to fill the vacant positions:

NOMINEE	NOMINATED BY WHOM
Bro. Viraj Soleyn	Bro. Artimus Lowman Bro. Brian Alexander (second)
Sis. Donnette O’Neil	Bro. Richard Browne Sis. Cecelia J. Williams (second)
Sis. La Fleur Benn	Bro. Brian Alexander Bro. Samuel Goodluck (second)

6.1.3 Nominations were closed on a motion moved by Bro. Clarence Harry and seconded by Bro. Brian Alexander.

6.1.4 Bro. Viraj Soleyn, Sis. Donnette O’Neil and Sis. La Fleur Benn were elected unopposed to serve on the Board of Directors, each for a three-year term.

6.2 Appointment of Auditor

6.2.1 The firm of BDO Chartered Accounts was nominated to be the Auditor for SACS on a motion moved by Sis. Cecelia J. Williams and seconded by Bro. David Telesford. A motion for nominations to be closed was proffered by Bro. Clarence Harry and seconded by Bro. Richard Browne. BDO Chartered Accounts was appointed as Auditor for SACS for financial year ending December 31, 2023.

6.3 Supervisory and Compliance Committee

6.3.1 Bro. Leroy James served a three-year term and was thus eligible for re-election to another three-year term. Sis. Edlena Adams served two consecutive three-year terms and was not eligible for re-election. Sis. Lauramay Pope-Williams retired due to ill-health after serving a three-year term. There were, therefore, three vacant positions on the Committee.

6.3.2 The following persons were nominated to fill the vacant positions:

NOMINEE	NOMINATED BY WHOM
Bro. Leroy James	Sis. Cecelia J. Williams Bro. Richard Browne (second)
Bro. Brian Alexander	Sis. Cecelia J. Williams Sis. Donnette O’Neil (second)
Bro. Artimus Lowman (declined nomination)	Bro. Richard Browne
Sis. Ayana Evans-Lyttle	Bro. Clarence Harry Bro. Mikous Augustus

6.1.3 Nominations were closed on a motion moved by Bro. Clarence Harry and seconded by Bro. Mikous Augustus.

6.1.4 Bro. Leroy James, Bro. Brian Alexander and Sis. Ayana Evans-Lyttle were elected unopposed to serve on the Supervisory and Compliance Committee, each for a three-year term.

7.0 ANY OTHER BUSINESS

7.1 There was no other business discussed.

8.0 VOTE OF THANKS

8.1 Bro. John Gregory Hall congratulated the Board of Directors, management and staff of SACS for their continued dedication to SACS. He further commended all new persons elected, as well as those who were re-elected, to the Board of Directors and the Supervisory and Compliance Committee, respectively.

- 8.2 Bro. John Gregory Hall invited Ms Helen Bailey and Ms Greta Richardson, respectively, to present tokens of appreciation to Bro. Mikous Augustus and Sis. Cecelia J. Williams, in that order.
- 8.3 Sis. Cecelia J. Williams expressed gratitude for being given the opportunity to serve on the Board of Directors for six (6) years. She further stated that she will always be available to serve SACS.
- 8.4 Sis. Ena Walters expressed gratitude for being afforded the opportunity to serve for six years (two consecutive three-year terms) on the Board of Directors. On behalf of the Board of Directors, she thanked everyone (including co-operative affiliates) for attending the 52nd AGM. She extended special gratitude to the Auditors and Sis. Cecelia J. Williams for her outstanding contribution to SACS. A special word of appreciation was offered for members of SACS for their continued loyalty.

9.0 ADJOURNMENT

- 9.1 The meeting was adjourned at 8:15 p.m. on a motion moved by *Bro. Clarence Harry* and seconded by *Bro. John Gregory Hall*.

Read and signed as an accurate record on this the _____ day of _____, 2024

Bro. Mikous August
CHAIRMAN

Sis. Ena Walters
SECRETARY

Report of the Board of Directors
To the 53rd Annual General Meeting of
The St. Vincent Automotive Co-operative Society Ltd. For the
Year Ended December 31, 2022.

1.0 Introduction

I am indeed honored to present the Board of Directors' Report, for the year ending December 31, 2023, on the operations of this our beloved Institution. It is because of you, our valued members and customers, that we can present a favorable report for yet another year.

As noted earlier, the year commenced with much uncertainty. This was basically due to the cancellation of the commencement of the Razed and Rebuild Project on more than one occasion. As a result, we had to revise the budget to reflect the changes effected because of these cancellations.

Similarly, the Board of Directors, having accepted the resignation of the manager in December 2022, saw his departure one month later at the end of January, 2023. Due to the pending closure, the decision was taken to install Director Hall as Interim Manager for the period prior to the commencement of the project. This decision was deemed as most practical and is sanctioned by the SVG Co-operative Societies Act 12 of 2012, section 54 subsection 2. The Interim Manager's appointment took effect on January 15, 2023. The intent of the Board in this regard, was to advertise the position and employ a new Manager on the recommencement of operation of the Service Station following the project. Unfortunately, up to the end of the financial year, Rubis was yet to gain the awaited Physical Planning approval for the project.

In an effort to alleviate the problems at the Service Station, temporary measures were taken to address pertinent issues for optimal operations. Some of the electrical issues were addressed. As valued members and patrons, I know you feel our pains of the malfunctioning of the old, outdated pumps from time to time, the congestion of traffic during peak periods due to the inadequacy of space utilization, among other things. All of these are problems that will be addressed by the long awaited project.

2.0 Financial Overview of the Society's Performance

Notwithstanding the prevailing circumstances, SACS performed remarkably well. The following are some highlights of the financial performance, as at December 31, 2023:

Recorded gasoline sales for the year stood at 681,552 imperial gallons, revenue of \$10,376,433.00 and diesel 167,039 imperial gallons, revenue of \$2,625,014.00. As projected, there was an increase in diesel sales in the amount of \$ 133,009.00 in comparison to \$2,495,151 in 2022, some 5.33%.

3.0 Statement of Financial Position

The financial period saw an increase in cash and cash equivalent of some \$28,649.00 or 3.97%. There was also an increase in total assets of \$ 98,818.00 or 2.69%; Issued Shares \$958,958.00. After meeting all financial obligations, SACS realized a net profit of totaling \$167,856.00. These and other financial undertakings will be detailed in the Treasurer's report.

4.0 Operational Activities

During the year, discussions continued for the enhancement the operations of SACS, optimizing all possible avenues to ensure effective management of the Organisation's resources. The possibility of having service pumps at Lowmans Bay and at the Kingstown Fish Market was discussed in partnership with Rubis. However, the Board was unable to convene the requested meetings with the appropriate governing bodies to propel the same.

It was also agreed that the savings would realize more interest if placed in fixed deposits instead of in a current savings account. Thus, in addition to the deposit at GECCU, the decision was made to establish a deposit account with the SVG Police Cooperative Credit Union Limited at a rate of 4% annually for five years.

The leases for the renting of the top and ground floors of the Administrative Building were renewed during the year with the Government's Employees Assistance Program (EPA) and the Universal Church of the Kingdom of God, respectively.

5.0 Training

It is said that the best investment one can make is investing in one's employees, that is, human capital. It is also said that for excellent business, if you take care of your employees, they will in turn take care of your customers. With this in mind, the Staff at the Service Station was engaged in *Personnel Development Training Sessions* in the areas of *Customer Service Excellence and Workplace Ethics*. Based on feedback, the training was enthusiastically received, and there is evidence that the knowledge garnered is applied in daily practice. Additionally, the Board of directors has directed that more frequent staff meetings should be convened to ascertain the concerns of staff and to ensure that these matters are addressed.

6.0 Board Meetings

Regular monthly meetings continued on the third Thursday of every month with special meetings convened as the need arose. The duration of the meetings basically ran from 4:30 to 7:30/8:00PM.

Table 1: Meetings and Attendance

Names	Number of Meetings	Meetings Attended
Bro. Mikous Augustus	13	11
Bro. Richard Cumberbatch	13	12
Sis. Cecelia J. Williams	13	10
Sis. Ena Walters	13	13
Sis Donette O'Neil	13	12
Bro. Richard Browne	13	13
Sis. La Fleur Benn	13	2
Viraj Soleyn	13	2

Table 2: Directors Tenure

Names	Date Elected	Years Served	Balance Due	Terms
Bro. Richard Cumberbatch	May 2018	3	0	Sec. Term
Sis. Ena Walters	Oct.21	3	0	First Term
Sis Donette O'Neil	Oct.21	1	2	Sec. Term
Bro. Richard Browne	Oct.22	2	1	First Term
Sis. La Fleur Benn	Nov.23	1	2	First Term
Viraj Soleyn	Nov.23	1	2	First Term

(Bro. Richard Cumberbatch is due for retirement and will not be eligible for re-election. However, Sis. Ena Walters served a first term of three years and is eligible for re-election for a second term of three years).

Table 3: Staff Compliment

NAMES	Position
Administration:	
John G. Hall	Interim Manager
Kern Williams-Davy	Accountant
Zonia Williams	Accounts clerk
Service Station:	
Greta Baptiste-Richardson	Operations supervisor
Cordel Pierre-Alexander	Cashier
Helen Bailey	Cashier
Noelisse Williams	CSA/Relief cashier
Victoria Jordan	CSA
Rosetta Bobb	CSA
Stephanie James	CSA
Ariann Williams	CSA
Jaheem Sprott	CSA
Peaulett Williams	Office attendant/cleaner
Artemas Lowman	Security Officer



Administrative Staff



Service Station Staff Members



A special heartfelt THANK YOU to Ms. *Victoria Jordan* for her hard work and dedication to the Society and on achieving CSA of the year.



7.0 Recommendations

Regular monthly meetings continued on the third Thursday of every month with special meetings as the need arose. The duration of the meetings basically ran from 4:30 to 7:30/8:00PM.

8.0 Conclusion

Brothers and Sisters, in spite of the prevailing circumstances, the dire need for the upgrading of the Service Station and the uncertainty of when the Raze and Rebuilding Project will take place, the year 2023, was evidence that with *sincerity, accountability and renewed commitment to service*, SACS continues to persevere.

I will like to personally take this opportunity to thank you the members, valued Shareholders, the Board of Directors, the Supervisory and Compliance Committee, Management and Staff for your continued unwavering support and commitment throughout the year. Special thanks to Bro. Richard Cumberbatch who retires at this meeting, for his support, insight and vivid recollection of event that aided in sound decision making. It is because of you that we were able to again realize another successful year of operations. .

Again heartfelt thank you as we celebrate fifty-five (55) years of Sincerity, Accountability and Commitment to Service.

Sis Ena. Walters
Chairperson

**TREASURER'S REPORT
TO THE 53rd ANNUAL GENERAL MEETING**

Brothers and sisters, I am pleased to present to you an overview of the St. Vincent Automotive Co-operative Society Ltd.'s (SACS) financial results for the year ended December 31, 2023.

Table 1: Financial Performance

The following is a synopsis of SACS' performance for the financial year ended December 31, 2023 with comparative figures from 2022 financial year.

	2023	2022	Increase (Decrease)	Increase (Decrease) % 2023 over 2022	Increase (Decrease) % 2022 over 2021
Total Assets	\$3,777,091	\$ 3,678,273	\$98,818	2.69%	7.02%
Investment Security	\$755,375	\$690,339	\$65,036	9.42%	5.19%
Cash Resources	\$750,482	\$721,833	\$28,649	3.97%	29.80%
Property, Plant and Equipment	\$1,915,023	\$1,877,525	\$37,498	2.00%	1.87%

Total Assets amounted to \$3,777,091.00 for the year ended December 31, 2023. This resulted in an increase of \$98,818.00 over the \$3,678,273.00 for December 2022. This increase is mainly due to:

Investment Security

This portfolio amounted to \$755,375.00 reflecting an increase of \$65,036.00 when compared to \$690,339.00 from 2022. This is mainly attributed to the investment of \$99,000.00 in the St. Vincent and the Grenadines Police Co-operative Credit Union, where \$50,000.00 was taken from the Bank of St. Vincent and the Grenadines Ltd. shares and a further \$49,000.00 from a special savings account in GECCU.

Cash Resources

Cash resources has increased by \$28,649.00 to \$750,482.00 from \$721,833.00, a percentage increase of 3.97%.

Table 2: Shareholder's Equity

	2023	2022	Increase (Decrease)	Increase (Decrease) % 2023 over	Increase (Decrease) % 2022 over 2021
Share Capital	\$950,156	\$949,693	\$463	0.05%	0.60%
Reserves	\$770,543	\$654,782	\$115,761	17.68%	0.89%
Retained Earnings	\$1,054,849	\$912,171	\$142,678	15.64%	-2.33%
Total Shareholder's Equity	\$2,775,548	\$2,516,646	\$258,902	33.37%	-0.84%

Total Shareholder's' equity increased by \$258,902 to 2,775,548 for the financial year ended December 31, 2023

Table 3: Income

	2023	2022	Increase (Decrease)	Increase (Decrease) % % 2023 over 2022	Increase (Decrease) % 2022 over 2021
Gasoline	\$10,901,901	\$11,347,523	\$(445,622)	-3.93%	32.63%
Diesel	\$2,628,160	\$2,495,151	\$133,009	5.33%	29.27%
Oils	\$99,577	\$94,157	\$5,420	5.76%	1.35%
Batteries	\$6,149	\$8,851	\$(2,702)	-30.53%	-4.24%
Accessories	\$21,126	\$23,076	\$(1,950)	-8.45%	-4.85%
Propane Gas	\$429,441	\$510,276	\$(80,835)	-15.84%	18.58%
Phone Credit	\$164,456	\$181,844	\$(17,388)	-9.56%	4.90%
Other Income	\$82,142	\$51,574	\$30,568	59.27%	-4.03%
Total Income	\$ 14,332,952	\$ 14,712,452	\$(379,500)	-2.58%	75.40%

Sales

Total gasoline sales per gallon were 689,612 at an average of \$15.81 while total diesel sales per gallon were 167,039 at an average of \$15.73.

The two highest months for the sale of gasoline were March and December, respectively, while for Diesel, they were September and December.

Table 4: Expenses

	2023	2022	Increase (Decrease)	Increase (Decrease) % 2023 over 2022	Increase (Decrease) % 2022 over 2021
Total Expense	\$657,567	\$748,781	\$(91,214)	-12.18%	24.49%
Selling Expenses	\$318,787	\$453,129	\$(134,342)	-29.65%	39.94%
Finance Cost	\$33,133	\$36,731	\$(3,598)	-9.80%	-3.30%
Administrative Ex- penses	\$305,647	\$258,921	\$46,726	18.05%	-6.46%

Expense of Note

Building Repairs – balance in building repairs as of 2022 was \$2,378.00 while in 2023 it is \$7,442.00, resulting in an increase of \$5,064.00 year over year. This increase is mainly due to the repairs done to the shutter doors of the ground floor of the administrative building.

Equipment Repairs – Balance on this account is \$12,762.00 as at 2023. This account consisted mainly of upholstery of chairs, computer repairs and air conditioning services.

Fuel Run Back – This account is the cost of wrong fueling of a vehicle (diesel instead of gas and vice versa). This cost is the cost of all mechanical repairs required to drain the tank of the vehicle and any necessary repairs to the vehicle. Fuel run back for the financial year ended 2023 totalled \$6,165.00. The bulk of the expense is due to the wrong fueling of a diesel truck that required draining of the tank and repairs to the engine and fueling system.

Conclusion


With this past financial year concluded, SACS grew despite the various global economic challenges. This can be seen by the increase in the total assets and the reduction of total expenditures.

I take this opportunity to thank you for your time in allowing me to make this presentation and for the support that the management, staff and our volunteers has rendered over this past financial period of 2023.

Thank you.

Viraj Soleyn

Treasurer



**ST. VINCENT AUTOMOTIVE CO-OPERATIVE
SOCIETY LIMITED**

Financial Statements

**As at and for the year ended December 31,
2023**



ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED

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ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED

CORPORATE INFORMATION

REGISTERED OFFICE

Kingstown
St. Vincent and the Grenadines

BOARD OF DIRECTORS

Ena Walters	Chairman
Richard Cumberbatch	Deputy Chairman
LaFleur Ben	Secretary
Vinaj Soleyn	Treasurer
Donnette O'Neil	Director
Richard Browne	Director

MANAGER - INTERIM

John Hall

SOLICITORS

Cecil A. Blazer Williams

FINANCIAL INSTITUTIONS

Bank of St. Vincent and the Grenadines Ltd.
The St. Vincent Co-operative Bank Limited

AUDITORS

BDO Eastern Caribbean
Chartered Accountants



Tel: 784-456-2669
Tel: 473-435-2669
bdovc@bdoecc.com
www.bdoecc.com

The Financial Services Centre
P.O. Box 561
Kingstown Park
St. Vincent and the Grenadines

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
St. Vincent Automotive Co-operative Society Limited
Kingstown
St. Vincent

Opinion

We have audited the financial statements of St. Vincent Automotive Co-operative Society Limited ("the Society"), set out on pages 3 to 30, which comprise the statement of financial position as at December 31, 2023, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

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

Management is responsible for the preparation and fair presentation of financial statements in accordance with IFRS, 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT (CONT'D)

To the Shareholders of
St. Vincent Automotive Co-operative Society Limited
Kingstown
St. Vincent

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 skepticism throughout the audit. We also:

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

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

BDO Eastern Caribbean
Kingstown, St. Vincent and the Grenadines
Date

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Statement of Financial Position
As at December 31, 2023
(Expressed in Eastern Caribbean Dollars)

	Note	2023 \$	2022 \$
Assets			
Property, plant, and equipment	8	1,915,023	1,877,525
Total non-current assets		1,915,023	1,877,525
Inventories	9	65,560	105,143
Trade and other receivables	10	277,697	272,667
Cash and cash equivalents	11	750,482	721,833
Investment securities	12	755,375	690,339
Prepayments		12,954	10,766
Total current assets		1,862,068	1,800,748
Total assets		3,777,091	3,678,273
Equity			
Stated capital	15	950,156	949,693
Statutory reserve		488,230	462,877
Revaluation reserve	16	282,313	191,905
Retained earnings		1,054,849	912,171
Total equity		2,775,548	2,516,646
Liabilities			
Long-term loan	14	574,437	605,508
Total non-current liabilities		574,437	605,508
Accounts payable and accrued liabilities	13	203,922	269,143
Dividend and rebate payable		159,349	192,425
Current portion of long-term loan	14	63,835	94,551
Total current liabilities		427,106	556,119
Total liabilities		1,001,543	1,161,627
Total equity and liabilities		3,777,091	3,678,273

The notes on pages 8 to 31 are an integral part of these financial statements.

APPROVED FOR ISSUE BY THE BOARD AND SIGNED ON ITS BEHALF BY:


 Ena Walters - Chairman


 Viraj Soleyn - Treasurer

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Statement of Profit or Loss and Other Comprehensive Income
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

	Note	2023 \$	2022 \$
Revenue	17	14,332,952	14,712,452
Cost of sales	18	(13,610,342)	(14,013,907)
Gross profit		722,610	698,545
General and administrative expenses	19	(311,104)	(258,921)
Selling expenses	20	(322,999)	(453,129)
Operating profit (loss)		88,507	(13,505)
Other income			
Interest income		22,026	25,588
Miscellaneous income	21	17,484	20,208
Rental income		72,972	72,972
		200,989	105,263
Finance cost		(33,133)	(36,731)
Net income		167,856	68,532
Other comprehensive income			
Items that may be or may be reclassified subsequently to profit or loss			
Unrealized gain in equity shares		-	11,249
Total comprehensive income		167,856	79,781
The following expense is included in the above:			
Depreciation expense	8	59,909	40,516

The notes on pages 7 to 30 are an integral part of these financial statements.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Statement of Changes in Equity
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

	Share capital	Treasury Shares	Statutory Reserve	Revaluation reserve	Retained earnings	Total
	\$	\$	\$	\$	\$	\$
Balance as at January 1, 2022	963,565	(19,565)	452,197	196,826	933,958	2,526,981
Net income for the year	-	-	-	-	68,532	68,532
Other comprehensive income:						
Unrealized gain in equity shares	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	11,249	11,249
Appropriation	-	-	-	-	79,781	79,781
Shares reissued	-	-	10,280	-	(10,280)	-
Shares redeemed	(2,387)	8,080	-	-	-	8,080
Entrance fees	-	-	-	-	-	(2,387)
Revaluation amortization	-	-	400	-	-	400
Dividends	-	-	-	(4,921)	4,921	-
Rebates	-	-	-	-	(38,129)	(38,129)
Balance as at December 31, 2022	961,178	(11,485)	462,877	191,905	912,171	2,516,646
Net income for the year	-	-	-	-	167,856	167,856
Total comprehensive income	-	-	-	-	-	-
Appropriation	-	-	25,178	-	(25,178)	-
Shares reissued	-	2,683	-	-	-	2,683
Shares redeemed	(2,220)	-	-	-	-	(2,220)
Entrance fees	-	-	175	-	-	175
Revaluation surplus	-	-	-	90,408	-	90,408
Dividends	-	-	-	-	-	-
Balance as at December 31, 2023	958,958	(8,802)	488,230	282,313	1,054,849	2,775,548

The notes on pages 7 to 30 are an integral part of these financial statements.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Statement of Cash Flows
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

	Note	2023 \$	2022 \$
Cash flows from operating activities			
Profit for the year		167,856	68,532
Adjustments for:			
Depreciation expense	8	59,909	40,516
Interest expense		33,133	36,731
Interest and dividend income		(22,026)	(26,329)
Cash flows from operating activities before changes in working capital			
		238,872	119,450
Increase in trade and other receivables		(5,030)	(58,040)
(Decrease)/increase in inventories		39,583	(18,975)
Increase in prepaid expenses		(2,188)	(261)
(Decrease)/increase in accounts payable and accrued liabilities		(65,220)	231,291
(Decrease)/increase in rebate payable		(33,076)	78,641
Cash generated from operating activities			
		172,941	352,106
Interest paid		(33,133)	(36,731)
Net cash generated from operating activities			
		139,808	315,375
Cash flow from financing activities			
Proceed from reinsurance of shares		2,683	8,080
Entrance fee received		175	400
Shares redeemed		(2,220)	(2,387)
Dividends paid		-	(38,129)
Rebates paid		-	(58,080)
Loan repayments		(61,787)	(58,189)
Revaluation surplus		90,407	-
Net cash generated from (used in) financing activities			
		29,258	(148,305)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(97,407)	(4,797)
Dividends and interest received		22,026	26,329
Investment in financial assets		(65,036)	(22,817)
Net cash used in investing activities			
		(140,417)	(1,285)
Net change in cash and cash equivalents			
		28,649	165,785
Net cash and cash equivalents - beginning of year			
		721,833	556,048
Net cash and cash equivalents - end of year			
	11	750,482	721,833

The notes on pages 7 to 30 are an integral part of these financial statements.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

1. Reporting entity

St. Vincent Automotive Co-operative Society was registered on July 14, 1969, as a Co-operative Society. The Society is subjected to the Co-operative Society Act No. 12 of 2012 of St. Vincent and the Grenadines. The Society is exempted from income tax in accordance with Section 241 of the Co-operative Society Act, No. 12 of 2012. The Cooperative's registered office is in Kingstown. The Society's principal line of business is marketing of petroleum product and automotive accessories.

2. Basis of accounting

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and its interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements were authorized for issue by the Board of Directors on _____.

(b) Basis of preparation

These financial statements have been prepared on a historical cost basis, except land and building which are carried at revalued amounts.

3. Functional and presentation currency

These financial statements are presented in Eastern Caribbean dollars, which is the Society's functional currency. All financial information presented in Eastern Caribbean dollar has been rounded to the nearest dollar, unless otherwise indicated.

4. Use of estimates and judgments

The preparation of the financial statement in conformity with IFRS requires management to make estimates, based on assumptions and judgements. Management also makes judgements, other than those involving estimations, in the process of applying the accounting policies. The estimates and judgement affect (1) the reported amount of assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended, and (2) the carrying amounts of assets and liabilities in the next financial year.

The estimates, and the assumption underlying them, as well as the judgement are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements that have a significant effect on the amounts recognised in the separate financial statements, and estimates that can cause a significant adjustment to the carrying amounts of asset and liabilities in the next financial year include the following:

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

4. Use of estimates and judgments (cont'd)

(i) Key sources of estimation uncertainty

(a) Determination of impairment allowance

Note 5(j) describes management's approach to estimating the impairment allowances on financial and non-financial assets. Management exercises its judgment in concluding whether or not a particular indicator or group of indicators constitutes objective evidence of impairment. Further, if management judges that an asset or group of amounts may be impaired, it calculates the recoverable amount. The calculation of this estimate requires management to make assumptions about the amount and timing by future cash flows from the asset(s) and appropriate discount rate. These judgments and assumptions give rise to uncertainty.

(b) Useful lives of property, plant and equipment

As noted in note 5(a) the useful life of each asset is reviewed at least at each reporting date and if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The assumptions regarding residual values give rise to estimation uncertainty.

(c) Net realizable value of inventories

Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realize. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the balance sheet date to the extent that such events confirm conditions existing as at that date. Estimates of net realizable value also take into consideration the purpose for which the inventories are held.

(d) Fair value of financial instrument

There are no quoted market prices for the Society's financial assets and financial liabilities. The carrying amount less impairment allowance of receivables are assumed to approximate their fair values. The carrying amounts of trade payables and other current liabilities approximate fair values due to the short-term maturities of these liabilities.

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

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

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

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

5. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods in these financial statements.

(a) Property, plant, and equipment

(i) Recognition and measurement

Items of property, plant, and equipment, except land and building, are measured at cost, less accumulated depreciation, and impairment losses.

Land and building are initially recognized at cost and subsequently carried at revalued amounts based on valuations by a professionally qualified appraiser. Changes in fair value are recognized in other comprehensive income and accumulated in the revaluation reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation reserve is recognized in profit or loss.

If significant parts of an item of property, plant or equipment have different useful lives, they are accounted for as separate items (major components) of property, plant, and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that future economic benefits associated with the expenditure will flow to the Society.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less the estimated residual values using the reducing balance method over the useful lives and is generally recognised in profit or loss. Land is not depreciated.

The estimated useful lives of property, plant and equipment are as follows:

Building	-	2.5%
Office furniture and equipment	-	20-33%
Station equipment	-	33%

(b) Dividends distribution

Dividends to the Society's members are recognized in the financial statements are approved by the Society Members.

(c) Member's rebates

Member's rebates on purchases are recognized and charged to selling expenses in the profit and loss on approval by directors.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

5. Significant accounting policies (cont'd)

(d) Entrance Fees

Members are charged a membership fee, at the time of approval of their membership, which is credited to the reserve in members' equity.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value (NRV). The cost of inventories is based on the first-in, first-out principle and includes expenditure incurred in acquiring the inventory and bringing them to their existing location and condition.

NRV is the estimated selling price in the ordinary course of business less estimated cost to sell. In the event that NRV is lower than cost, the decline shall be recognized in profit or loss.

When inventories are sold, the carrying amount of those inventories shall be recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses in inventories shall be recognized as an expense in the period the write-down or loss occurs.

The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

(f) Financial instruments

(i) Financial assets

The Society classifies its financial assets into one category discussed below, depending on the purpose for which the asset was acquired. Financial assets are not reclassified subsequent to their initial recognition unless the Society changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Amortised cost

These assets arise principally from the provision of goods to customers (e.g., trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Society's financial assets measured at amortised cost comprise trade and other receivables, investment securities and cash and cash equivalents.

Cash and cash equivalents include cash on hand, deposits held at call banks and for the statement of cash flows - bank overdraft. Bank overdrafts are shown as a current liability in the statement of financial position.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
 Notes to the Financial Statements
 For the year ended December 31, 2023
 (Expressed in Eastern Caribbean Dollars)

5. Significant accounting policies (cont'd)

(f) Financial instruments (cont'd)

(i) Financial assets (cont'd)

Financial assets at Fair value through other comprehensive income (FVTOCI)

On initial recognition of a debt or equity investment that is not held-for-trading, the Society may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. They are carried at fair value with changes in fair value recognized in other comprehensive income.

For debt investments, interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

For equity investments, dividends are recognized in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount. Other net gains and losses are recognized in other comprehensive income and are never reclassified to profit or loss.

The Society classifies investment in equity securities as being at FVTOCI.

Financial assets at Fair value through profit or loss (FVTPL)

All financial assets not classified as measured at amortized cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the Society may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

The Society does not have any assets held for trading nor does it voluntarily classify any financial assets as being at FVTPL.

(ii) Financial liabilities

Financial liabilities at FVTPL

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of recent actual pattern of short-term profit taking. They are carried in the statements of financial position at fair value with changes in fair value recognized in profit or loss.

The Society does not have any liabilities held for trading nor has it designated any financial liabilities as being at FVTPL.

Other financial liabilities

This classification pertains to financial liabilities that are not held for trading or not designated as at FVTPL upon the inception of the liability. Included in this category are liabilities arising from borrowings or operations.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

5. Significant accounting policies (cont'd)

(f) Financial instruments (cont'd)

(ii) Financial liabilities (cont'd)

The financial liabilities are recognized initially at fair value and are subsequently carried at amortized cost, taking into account the impact of applying the effective interest method of amortization (or accretion) for any related premium, discount and any directly attributable transaction costs.

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

Accrued expenses are liabilities to pay for goods or services that have been received or supplied but have not been paid, invoiced, or formally agreed with the supplier. It is necessary to estimate the amount and timing of accruals; however, the uncertainty is generally much less than for provisions.

Trade and other payables are recognized initially at the transaction price and subsequently measured at amortized cost using the effective interest method.

Other financial liabilities comprise due to related Co-operative, trade and other payables, dividend and rebate payable and long-term loan.

(g) Income tax

St. Vincent Automotive Cooperative Society's operations are exempted from income tax in accordance with Section 241 of the Cooperative Society Act, No. 12 of 2012.

(h) Revenue recognition

Revenue is recognized when the Society satisfies a performance obligation by transferring control over a good or a service to the customer. The amount of revenue recognized is the amount of the transaction price allocated to the satisfied performance obligation.

The transaction price is allocated to each performance obligation in the contract on the basis of the relative standalone selling prices of the promised goods. The individual standalone selling price of a good that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

The transaction price is the amount of consideration in the contract to which the Society expects to be entitled in exchange for transferring the promised goods. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component.

Revenues are earned primarily in the retailing of petroleum products and automotive accessories.

Revenue is recognized at a point in time following the timing of satisfaction of the performance obligation which is upon delivery of goods, or performance of service.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

5. Significant accounting policies (cont'd)

(i) Finance cost

The Society's finance cost comprises interest expense on long-term loan.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

(j) Impairment

(i) Financial assets

The Society recognizes loss allowances (expected credit loss) on financial assets measured at amortized costs. The Society applies the simplified approach to provide for expected credit losses for trade and other receivables. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECL.

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Society on terms that the Society would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

The Society considers evidence of impairment both at a specific asset and collective level. All individually significant assets are assessed for specific impairment. All individually significant assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Society uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against receivables or held-to-maturity investment securities. Interest on the impaired asset continues to be recognized. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

5. Significant accounting policies (cont'd)

(j) Impairment (cont'd)

(ii) Non-financial assets

The carrying amounts of the C's non-financial assets, other than inventories are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(k) Foreign currencies transactions

Transactions in foreign currencies are translated to the functional currency of the Society at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognized in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

6. New standards, interpretations and amendments that became effective during the year

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Society's annual financial statements for the year ended December 31, 2023 except for the adoption of new standards and interpretations below.

New standards impacting the company have been adopted in the annual financial statements for the year ended 31 December 2023, and which have given rise to changes in the Society's accounting policies are:

- IFRS 17 Insurance Contracts;
- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements);
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors);
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes); and
- International Tax Reform - Pillar Two Model Rules (Amendment to IAS 12 Income Taxes) (effective immediately upon the issue of the amendments and retrospectively).

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2023. See the applicable notes for further details on how the amendments affected the Society.

IFRS 17 Insurance Contracts

IFRS 17 was issued by the IASB in 2017 and replaces IFRS 4 for annual reporting period beginning on or after 1 January 2023.

IFRS 17 introduces an internationally consistent approach to the accounting for insurance contracts. Prior to IFRS 17, significant diversity has existed worldwide relating to the accounting for and disclosure of insurance contracts, with IFRS 4 permitting many previous accounting approaches to be followed.

Since IFRS 17 applies to all insurance contracts issued by an entity (with limited scope exclusions), its adoption may have an effect on non-insurers such as the company. The company carried out an assessment of its contracts and operations and concluded that the adoption of IFRS 17 has had no effect on the annual financial statements of the Society.

Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements)

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure.

These amendments have no effect on the measurement or presentation of any items in the financial statements of the company but affect the disclosure of accounting policies of the Society.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

6. New standards, interpretations and amendments that became effective during the year (cont'd)

Definition of Accounting Estimates (Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors)

The amendments to IAS 8, which added the definition of accounting estimates, clarify that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors.

These amendments had no effect on the financial statements of the Society.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes)

In May 2021, the IASB issued amendments to IAS 12, which clarify whether the initial recognition exemption applies to certain transactions that result in both an asset and a liability being recognized simultaneously (e.g. a lease in the scope of IFRS 16). The amendments introduce an additional criterion for the initial recognition exemption, whereby the exemption does not apply to the initial recognition of an asset or liability which at the time of the transaction, gives rise to equal taxable and deductible temporary differences.

These amendments had no effect on the annual financial statements of the Society.

International Tax Reform - Pillar Two Model Rules (Amendment to IAS 12 Income Taxes)

In December 2021, the Organization for Economic Co-operation and Development (OECD) released a draft legislative framework for a global minimum tax that is expected to be used by individual jurisdictions. The goal of the framework is to reduce the shifting of profit from one jurisdiction to another in order to reduce global tax obligations in corporate structures. In March 2022, the OECD released detailed technical guidance on Pillar Two of the rules.

Stakeholders raised concerns with the IASB about the potential implications on income tax accounting, especially accounting for deferred taxes, arising from the Pillar Two model rules. The IASB issued the final Amendments (the Amendments) International Tax Reform - Pillar Two Model Rules, in response to stakeholder concerns on 23 May 2023.

The Amendments introduce a mandatory exception to entities from the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar Two model rules. The exception is effective immediately and retrospectively. The Amendments also provide for additional disclosure requirements with respect to an entity's exposure to Pillar Two income taxes.

Management of the company has determined that the entity is not within the scope of OECD's Pillar Two Model Rules and the exception to the recognition and disclosure of information about deferred tax assets and liabilities related to Pillar Two income taxes is not applicable to the company.

The amendments have no significant impact on the Society's financial statements.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

7. New, revised and amended standards and interpretations not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Society has decided not to adopt early.

The following amendments are effective for periods beginning on or after 1 January 2024:

- Liability in a Sale and Leaseback (Amendments to IFRS 16 Leases);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1 Presentation of Financial Statements);
- Non-current Liabilities with Covenants (Amendments to IAS 1 Presentation of Financial Statements); and
- Supplier Finance Arrangements (Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures)

The following amendments are effective for periods beginning on or after 1 January 2025:

- Lack of Exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates)

The company is currently assessing the impact of these new accounting standards and amendments. The company does not believe that the amendments to IAS 1 will have a significant impact on the classification of its liabilities, as the conversion feature in its convertible debt instruments is classified as an equity instrument and therefore, does not affect the classification of its convertible debt as a non-current liability. The company does not expect any other standards issued by the IASB, but are yet to be effective, to have a material impact on the Society.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

8. Property, plant, and equipment

	Land	Building	Office furniture	Station equipment	Total
	\$	\$	\$	\$	\$
Cost/revalued amount					
Balance as at January 1, 2022	420,600	1,586,000	208,491	24,854	2,239,945
Additions	-	-	-	4,797	4,797
Balance as at December 31, 2022	420,600	1,586,000	208,491	29,651	2,244,742
Balance as at January 1, 2023	420,600	1,586,000	208,491	29,651	2,244,742
Additions	28,040	62,367	6,000	1,000	97,407
Balance as at December 31, 2023	448,640	1,648,367	214,491	30,651	2,342,149
Accumulated depreciation					
Balance as at January 1, 2022	-	152,751	154,744	19,206	326,701
Depreciation for the year	-	35,456	4,234	826	40,516
Balance as at December 31, 2022	-	188,207	158,978	20,032	367,217
Balance as at January 1, 2023	-	188,207	158,978	20,032	367,217
Depreciation for the year	-	46,809	11,240	1,860	59,909
Balance as at December 31, 2023	-	235,016	170,218	21,892	427,126
Carrying amounts					
Balance as at January 1, 2022	420,600	1,433,249	53,747	5,648	1,913,244
Balance as at December 31, 2022	420,600	1,397,793	49,513	9,619	1,877,525
Balance as at December 31, 2023	448,640	1,413,351	44,273	8,759	1,915,023

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
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9. Inventories

	2023	2022
	\$	\$
Gasoline	29,407	39,239
Diesel	15,854	37,076
Oils	9,491	6,496
Batteries	769	1,367
Accessories	4,222	2,752
Propane gas	1,165	3,218
Phone credit	360	11,459
Other	4,292	3,536
	<u>65,560</u>	<u>105,143</u>

10. Trade and other receivables

	2023	2022
	\$	\$
Trade receivables	256,289	255,397
Less: Allowance for doubtful debts	(31,507)	(28,131)
Trade receivables - net	<u>224,782</u>	<u>227,266</u>
VAT refundable	49,571	41,837
Staff advances	-	-
Other receivables	3,344	3,564
	<u>277,697</u>	<u>272,667</u>

11. Cash and cash equivalents

	2023	2022
	\$	\$
Cash on hand	2,535	1,524
Cash at bank	747,947	720,309
Cash and cash equivalents in the statement of cash flows	<u>750,482</u>	<u>721,833</u>

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
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12. Investment securities

	2023	2022
	\$	\$
Financial assets at amortised cost		
Bank of St. Vincent and the Grenadines Limited		
1.5% Interest Certificate of deposit, due November 19, 2024	16,810	16,562
1.5% Interest Certificate of deposit, due September 30, 2024	27,061	26,661
	43,871	43,223
St. Vincent Cooperative Bank Limited		
1% Interest Certificate of deposit, due May 18, 2024	7,166	7,166
General Employees Co-operative Credit Union		
3% Interest Certificate of Deposit, due September 8, 2024	323,662	314,235
3% Interest Certificate of Deposit, due May 4, 2024	210,635	206,000
	534,297	520,235
SVG Teachers Co-operative Credit Union		
2.5% Interest Certificate of Deposit, due June 25, 2023	22,849	22,292
2.5% Interest Certificate of Deposit, due January 5, 2023	31,519	30,750
	54,368	53,042
Colonial Life Insurance Society Limited		
8% Interest Flexible Premium annuity, due on August 14, 2010	233,280	233,280
Less: Impairment	(233,279)	(233,279)
	1	1
Financial assets at FVTOCI		
Bank of St. Vincent and the Grenadines Limited shares	16,672	66,672
St. Vincent and the Grenadines Police Co-operative Credit Union Limited		
4% interest certificate of deposit, due May 4, 2024	99,000	-
	755,375	690,339

13. Trade and other payables

	2023	2022
	\$	\$
Trade payables	189,353	159,071
Accrued liabilities	10,585	103,528
Other liabilities	3,984	6,544
	203,922	269,143

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
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14. Long-term loan

	2023 \$	2022 \$
General Employee Co-operative Credit Union Ltd		
The loan of \$1,000,000 is repayable in monthly installments of \$8,000, inclusive of interest at a rate of 5% per annum. Security is provided by a registered first mortgage over property at Rose Place, Kingstown. The loan is due on August 31, 2032.		
	638,272	700,059
	638,272	700,059
Less: current portion due within one (1) year	(63,835)	(94,551)
Non-current portion	574,437	605,508

Security on long-term loan

Security is provided by a registered first mortgage over property at Rose Place, Kingstown.

15. Stated capital

	2023 \$	2022 \$
Authorized capital		
Ordinary shares, par value of \$5 each	Unlimited	Unlimited
Issues and fully paid - Ordinary Shares	958,958	961,178
Less: Treasury shares	(8,802)	(11,485)
	950,156	949,693

Treasury shares are shares repurchased by the Society and are available for reissue.

16. Revaluation reserve

The independent valuation report of August 8, 2023, on the Rose Place Property done by Edric A.R Lewis (Msc, Bsc. Hons. Dip, MVIVQS) showed the fair value of this asset to be \$1,424,850. This gave rise to a valuation surplus of \$90,408 as at December 31, 2023, which was reflected directly in the Society's equity.

The amortization of the revaluation surplus follow:

	2023 \$	2022 \$
Balance at January 1	191,905	196,826
Revaluation surplus/(amortization)	90,408	(4,921)
Balance at December 31	282,313	191,905

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

17. Revenue

The Society has disaggregated revenue into various categories in the following table which depicts the nature, amount, timing and uncertainty of revenue and cash flows as affected by economic data.

	2023 \$	2022 \$
Gasoline	10,901,901	11,347,523
Diesel	2,628,160	2,495,151
Oils	99,577	94,157
Batteries	6,149	8,851
Accessories	21,126	23,076
Propane gas	429,441	510,276
Phone credit	164,456	181,844
Other	82,142	51,574
	<u>14,332,952</u>	<u>14,712,452</u>

18. Cost of sales

	2023 \$	2022 \$
Gasoline	10,392,219	10,854,738
Diesel	2,519,126	2,382,262
Oils	78,449	72,822
Batteries	4,461	6,736
Accessories	15,562	17,792
Propane gas	394,221	472,598
Phone credit	167,099	170,920
Other	39,205	36,039
	<u>13,610,342</u>	<u>14,013,907</u>

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
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19. General and administrative expenses	2023 \$	2022 \$
Audit fee	12,000	12,598
Bank charges	11,461	5,992
Building maintenance	7,442	2,378
Cleaning	1,599	2,235
Depreciation	59,909	40,516
Directors' fees and meeting expenses	17,459	27,263
Donations	1,341	1,276
Electricity	8,434	8,529
Equipment maintenance	12,762	-
Finance charge	-	5,756
Insurance and licenses	18,147	16,069
Legal and professional fees	10,752	25
Miscellaneous expenses	1,618	1,536
Office expenses	3,685	1,132
Printing expenses	6,352	5,884
Salaries and wages	100,955	100,107
Security	10,944	11,544
Staff expenses	6,717	2,052
Supervisory committee and annual general meeting	11,542	7,556
Telephone	6,218	4,717
Travelling and accommodation	-	312
Training	679	160
Water	1,088	1,309
	311,104	258,921

20. Selling expenses	2023 \$	2022 \$
Advertising and promotion	8,517	10,866
Bad debts	3,376	20,868
Electricity	24,844	22,287
Maintenance	13,946	16,409
Miscellaneous	1,756	3,616
Rent	50,541	50,541
Salaries and wages	178,059	186,984
Security	34,700	34,700
Severance pay	-	100,559
Training	1,164	90
Uniforms	4,479	5,011
Water	1,617	1,198
	322,999	453,129

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED

Notes to the Financial Statements

For the year ended December 31, 2023

(Expressed in Eastern Caribbean Dollars)

21. Miscellaneous income

	2023 \$	2022 \$
Admin charge on returned checks	205	360
Cash short\over	3,505	8,998
Gain on foreign exchange	2,580	2,008
Interest on investment	11,194	7,960
Dividend income on BOSVG shares	-	741
Miscellaneous income	-	141
	17,484	20,208

22. Financial instruments and financial risk management

(a) Accounting classifications and fair values

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

	2023 \$		
	Financial assets at amortised cost	Other financial liabilities	Total
Financial assets			
Trade and other receivables	277,697	-	277,697
Investment securities	755,375	-	755,375
Cash and cash equivalents	750,482	-	750,482
	1,783,554	-	1,783,554
Financial liabilities			
Dividend and rebate payable	-	(159,349)	(159,349)
Long-term loan	-	(510,602)	(510,602)
Accounts payable and accrued liabilities	-	(203,922)	(203,922)
	-	(873,873)	(873,873)

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

22. Financial instruments and financial risk management (cont'd)

	2022		Total
	Financial assets at amortised cost	Other financial liabilities	
Financial assets			
Trade and other receivables	272,667	-	272,667
Investment securities	690,339	-	690,339
Cash and cash equivalents	721,833	-	721,833
	<u>1,684,839</u>	-	<u>1,684,839</u>
Financial liabilities			
Dividend and rebate payable	-	(192,425)	(192,425)
Long-term loan	-	(700,059)	(700,059)
Accounts payable and accrued liabilities	-	(269,143)	(269,143)
	-	<u>(1,161,627)</u>	<u>(1,161,627)</u>

(b) Financial risk factors

The Society has exposure to the following financial risks from its use of financial instruments in its business:

- Credit risk
- Liquidity risk
- Market risk

Management seeks to minimize potential adverse effects on the financial performance of the Society by applying procedures to identify, evaluate and manage these risks, based on guidelines set by the Board of Directors.

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Society's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

Management analyses each new customer individually for creditworthiness before credit is offered. Sale limits are established for each customer and reviewed on a regular basis. Any sales exceeding those limits require approval from management.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
For the year ended December 31, 2023
(Expressed in Eastern Caribbean Dollars)

22. Financial instruments and financial risk management (cont'd)

(b) Financial risk factors (cont'd)

(i) Credit risk (cont'd)

To reduce exposure to credit risk, the Society performs ongoing credit evaluations of the financial conditions of its customers. Although the Society is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments, it does not expect any counterparties to fail to meet their obligations.

The carrying amount of financial assets represents the maximum credit exposure.

(ii) Liquidity risk

Liquidity risk is the risk that the Society will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Society's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Society's reputation.

Exposure to liquidity risk

The following are the contractual maturities of financial liabilities at reporting date. The amounts are gross and undiscounted and include estimated interest payments and excluding the impact of netting arrangements:

		2023 \$			
	Carrying amount	Contractual cash flows	1 year	2-5 Years	Over 5 years
Trade and other payables	203,922	(203,922)	(203,922)	-	-
Long-term loan	643,301	(787,923)	(63,835)	(472,754)	(315,169)
Dividend and rebate payable	159,349	(159,349)	(159,349)	-	-
	<u>1,006,572</u>	<u>(1,151,194)</u>	<u>(427,106)</u>	<u>(472,754)</u>	<u>(315,169)</u>
		2022 \$			
	Carrying amount	Contractual cash flows	1 year	2-5 Years	Over 5 years
Trade and other payables	269,143	(269,143)	(269,143)	-	-
Long-term loan	700,059	(882,474)	(94,551)	(378,203)	(409,720)
Dividend and rebate payable	192,425	(192,425)	(192,425)	-	-
	<u>1,161,627</u>	<u>(1,344,042)</u>	<u>(556,119)</u>	<u>(378,203)</u>	<u>(409,720)</u>

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
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22. Financial instruments and financial risk management (cont'd)

(b) Financial risk factors (cont'd)

(iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the value of the Society's assets, the amount of its liabilities and/or income. Market risk arises from fluctuations in the value of liabilities and the value of investments held. The Society is exposed to market risk on certain financial assets.

(a) Interest rate risk

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

With the exception of cash at bank balances, and long-term loan, the Society does not have any interest yielding or interest-bearing financial instruments. Amounts in the bank are used in the Society's routine operations and therefore are non-rate sensitive.

(b) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer, or factors affecting all instruments traded in the market. The Society has no significant exposure to such risks.

(iv) Interest rate risk

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

The Society's investments in fixed-rate debt securities and its fixed-rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. Investments in equity securities and short-term receivables and payables are not exposed to interest rate risk.

(v) Foreign currency risk

The Society is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currency of the Society entities. The currency giving rise to this risk is primarily the Eastern Caribbean dollar.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
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22. Financial instruments and financial risk management (cont'd)

(c) Fair values of financial instruments

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. Where an active market exists market price is used as the best evidence of the fair value of a financial instrument. Where no market price is available, the fair values presented have been estimated using present value or other estimation and valuation techniques based on market conditions existing at balance sheet dates.

Due to the short-term nature of the Society's financial instruments, the carrying values are deemed to be equivalent to the fair values of the Society's financial instruments.

23. Related party transactions

(a) Definition of related party

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the "reporting entity").

- (a) A person or a close member of that person's family is related to a reporting entity if that person:
- (i) has control or joint control over the reporting entity;
 - (ii) has significant influence over the reporting entity; or
 - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
Notes to the Financial Statements
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(Expressed in Eastern Caribbean Dollars)

23. Related party transactions (cont'd)

(a) Definition of related party (cont'd)

- (c) An entity is related to a reporting entity if any of the following conditions applies:
- (i) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - (ii) The entity is controlled, or jointly controlled by a person identified in (a).
 - (iii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

(d) Identity of related parties

The Society has related party relationships with directors, companies controlled by directors, shareholders, companies controlled by shareholders, and by management personnel.

In the normal course of business, the Society has the following transactions with its directors and key management personnel:

	2023	2022
	\$	\$
Sale of goods and services	38,015	49,212

(e) Key management personnel compensation

Key management personnel are those persons having authority and ability for planning, directing, and controlling the activities of the Society, directly or indirectly, including any directors of the Society.

	2023	2022
	\$	\$
Directors fees	17,459	27,263
Management compensation	60,000	57,600

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LIMITED
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24. Dividends and rebates

Subsequent to the reporting date, the Board of Directors proposed a _____% (2022: 0%) dividend on shareholders' investment and a _____% (2022: 1%) on members' purchases.

	2023	2022
	\$	\$
Dividends		76,377
Rebates		116,160
		192,537

The dividends and rebates proposed are recognised as a liability in the period succeeding their declaration.

ST. VINCENT AUTOMOTIVE CO-OPERATIVE SOCIETY LTD
REPORT OF THE SUPERVISORY AND COMPLIANCE COMMITTEE, ON
EXAMINATION OF THE SOCIETY'S RECORD FOR THE PERIOD
JANUARY - DECEMBER 2023

Members of the Supervisory and Compliance Committee, along with the Interim Manager, met and held an election in order to elect a Chairman and a Secretary.

Members of the Committee and their attendance at meetings were as follows:

Name	Position	Total Attendance: 8
Brian Alexander	Chairman	8
Ayana Evans-Lyttle	Secretary	7
Leroy James	Member	7

Mandate

The duties functions and powers of the Supervisory and Compliance Committee are enshrined in the Co-operative Societies Act # 12 of 2012 Sections 65-71, Sections 17 of the Co-operative Societies Regulations 2006 and the Bye-laws of the Society.

Scope

Prior to this report, the Committee was apprised by the Manager of aspects of the record keeping system that was in place. The Committee also met with Bro. Lance Stevenson, former manager of the Society. He emphasized that one of the main functions of the Supervisory and Compliance Committee is to safe guard the Society. Bro Stevenson implored the Committee to (i) pay special attention to the systems of acquisition, recording and dispensing of current assets since they are more liquid and could be easily dispensed of, and (ii) ensure that the system has appropriate checks and controls in place. Classes of current assets include: cash, stocks, short term and long term securities. This report covers the period January to December 2023.

The Committee created a work plan in order to understand and assess the astuteness of the implementation of policies and procedures of SACS by employees and the Board of Directors. During the examination of the records, the Interim Manager - Bro. John G. Hall - was on hand to provide pertinent documents and clarification when needed.

The Committee focused on the following tasks during the period January to December 2023. The conclu-

sions arrived at were as follows:

1. Ordering procedures and processing of payment vouchers

After careful examination of records along with discussion with the Interim Manager, the Committee concluded that:

- i) A sound accounting system exists for the ordering and receipt of goods for resale, and
- ii) That there are proper controls in place for this task.

2. Recording stock, fuel receipts and issues

All procedures relating to the process used by the staff for this task were adequate and satisfactory.

3. Cashier's and attendants' sheets

The committee examined all aspects of a large sample of sheets and found that the information was verified by at least three persons, who checked for correctness of the inventory and cash received at the end of each shift. The Committee is satisfied that the system in place was adequate, reliable and creditable.

4. Internal checks and controls to prevent fraud; and cash control

i) Cheques and Control

Upon examination of the related documents and procedures for use, the committee is satisfied that due care and attention is taken by management to ensure that transactions are verified before cheques are issued.

ii) Petty Cash

The Committee is satisfied that the current petty cash system is compliant with the procedures for recording petty cash.

iii) Cashier's Receipt

The Committee examined a large sample of Cashiers' report sheets and was satisfied that the current system that is in place, allows management to quickly identify, investigate and rectify unusual situations.

5. Budget and monthly financial reports; and controlling receivables – policies and procedures

i) Monthly financial reports

Sample budgets and monthly financial reports examined were found to be reflective of the corresponding actual monthly budget.

ii) Monthly receivables

Upon examination of the monthly receivables, it can be concluded that the Interim Manager and Staff adequately monitored the accounts and took necessary action to control members' credit total and to collect outstanding debts.

iii) Marketing

The Committee noted that a direct marketing strategy employed by management achieved a fifty-five percent target up to August 2023.

6.

Accounting for wages and shares

i. Accounting for wages - the Committee examined samples of payroll sheets and found the procedures used to be accurate, transparent and sound.

ii. Shares: The Committee is calling for continued effort by SACS to contact members in order to update their records, mainly those who joined in the earlier years. Remember, these members started the organization!

7. Service station

i. Operations: At times, there is a backup of vehicles on the main road due to most customers with fuel tanks on the left side of their vehicles waiting to access the pumps on the right side of the court. There needs to be a solution to this problem.

ii. The proposed 'Raze and Rebuild' Project: The Ministry of Planning did not give approval for this project. The Society is awaiting official word from RUBIS as to the way forward.

Conclusion

The Supervisory and Compliance Committee is satisfied that SACS's Management and Staff are in compliance with the Co-operative Societies Act#12 of 2012, SACS's bye-laws and other statutory and regulatory requirements.

The Committee advises that the Board should always examine various possibilities and be tactful and objective when taking actions in matters that may affect the smooth running of the organization.

The Supervisory and Compliance Committee is grateful to the management and staff for their support and co-operation during our period of service to the Society.

Bro. Brian Alexander
Chairman

Sis. Ayana Evans-Lyttle
Secretary

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THANK YOU FROM THE
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St. Vincent & the Grenadines

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