

BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Consolidated Financial Statements

For the year ended March 31, 2014

(Expressed in Barbados dollars)

24. Financial Risk Management...(continued)

24.2 Credit risk... (continued)

Aging analysis of past due but not impaired loans and advances:

	2014			
	1-30 days	31-60 days	61-90 days	Total
Loans and advances:				
Consumer	\$ 46,809,759	17,681,129	3,646,138	68,137,026
Mortgages	23,767,045	6,063,700	2,538,375	32,369,120
Business	<u>809,638</u>	<u>599,402</u>	<u>126,189</u>	<u>1,535,229</u>
Total	\$ <u>71,386,442</u>	<u>24,344,231</u>	<u>6,310,702</u>	<u>102,041,375</u>

	2013			
	1-30 days	31-60 days	61-90 days	Total
Loans and advances:				
Consumer	\$ 46,331,063	11,238,111	4,241,175	61,810,349
Mortgage	22,911,341	6,982,495	3,563,579	33,457,415
Business	<u>243,939</u>	<u>334,209</u>	<u>594,457</u>	<u>1,172,605</u>
Total	\$ <u>69,486,343</u>	<u>18,554,815</u>	<u>8,399,211</u>	<u>96,440,369</u>

Impairment assessment

For accounting purposes, the Group uses an incurred loss model for the recognition of losses on impaired financial assets. This means that losses can only be recognised when objective evidence of a specific loss event has been observed. Triggering events include the following:

- Significant financial difficulty of the customer.
- A breach of contract such as a default of payment.
- Where the Group grants the customer a concession due to the customer experiencing financial difficulty.
- It becomes probable that the customer will enter bankruptcy or other financial reorganisation.
- Observable data that suggests that there is a decrease in the estimated future cash flows from the loans.