

# BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Non-consolidated Financial Statements

For the year ended March 31, 2015

(Expressed in Barbados dollars)

## 2. Accounting Policies...(continued)

### (c) Summary of significant accounting policies...(continued)

#### h) Property and equipment

Property and equipment are carried at cost less accumulated depreciation and accumulated impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the Credit Union and the cost of the item can be measured reliably. All other repairs and maintenance are included in the statement of income during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and these are included in the statement of income. The assets' residual values, useful lives and depreciation methods are reviewed and adjusted, if appropriate, at each statement of financial position date.

Items of property and equipment are depreciated from the date they are available for use. Depreciation is recognised in the statement of income on the straight-line basis, at rates designed to write off the cost of the assets over the periods of their estimated useful lives. Land is not depreciated.

The following annual rates apply:

Buildings	2% - 4%
Motor vehicles	20%
Furniture and equipment	10% - 33.33%
Leasehold improvements	10% - 33.33%

#### i) Employee benefits

##### **Defined benefit plan**

The Credit Union has a defined benefit plan for its employees.

A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. The Credit Union operates a defined benefit pension plan for its eligible employees, which requires contributions to be made to a separately administered fund.

The Credit Union's net obligation in respect of its defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.