

# BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

(Expressed in Barbados dollars)

## 18. Loans Payable

Loans payable is comprised of the following:

	<u>2016</u>	<u>2015</u>
National Insurance Board (i)	\$ 14,895,558	25,929,471
Housing Credit Fund (ii)	24,310,401	26,105,471
ECHMB (iii)	<u>1,805,371</u>	<u>-</u>
	\$ <u>41,011,330</u>	<u>52,034,942</u>

- (i) During the financial year, the Credit Union repaid a 6 percent fixed rate loan which was acquired from the National Insurance Board in January 2010 and was due to mature in February 2030.

The National Insurance Board loans amounting to \$14,895,558 (2015 - \$25,929,471), which were acquired prior to March 31, 2011, are repayable over an average period of seventeen years and are secured by an equivalent value of first legal mortgages over residential properties funded by the loan proceeds. The interest rates on these loans ranged from 5.25% to 6.00% (2015 - 5.25% to 6.00%) at year end.

- (ii) The Housing Credit Fund loans are repayable over twenty-five years and are secured by an equivalent value of first legal mortgages over residential properties. The interest rate on all loans at year end was 3.00% (2015 - 4.25%).

- (iii) The Eastern Caribbean Home Mortgage Bank loan is comprised of cash proceeds from the collateralized borrowing as discussed in Note 12.

The Group has not had any defaults of principal, interest or other breaches with respect to its loans payable during the years ended March 31, 2016 and 2015.