

BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Consolidated Financial Statements

For the year ended March 31, 2017

(Expressed in Barbados dollars)

22. Other Reserves

	<u>2017</u>	<u>2016</u>
Fair value reserve	\$ 1,449,287	862,384
Special funds	943,962	1,008,479
Donated equity	26,909	26,909
Defined benefit plan	637,481	(50,870)
Reserve for interest on non-performing loans	<u>2,750,622</u>	<u>2,565,380</u>
	<u>\$ 5,808,261</u>	<u>4,412,282</u>

Fair value reserve

The fair value reserve represents the net effect of fair value gains or losses on available-for-sale investment securities held.

The movement on the fair value reserve for the year is as follows:

	<u>2017</u>	<u>2016</u>
Balance, beginning of year	\$ 862,384	542,324
Unrealised fair value gains (losses)	<u>586,903</u>	<u>320,060</u>
Balance, end of year	<u>\$ 1,449,287</u>	<u>862,384</u>

Special funds

The special reserve funds comprise the following:

- (i) **Social Outreach Fund**
The Social Outreach Fund was created to provide charitable donations to members in need of financial assistance.
- (ii) **Education Fund**
The Education Fund was established to provide grants and scholarships to members pursuing educational programmes.
- (iii) **Development Fund**
In June 2004, the general membership approved the establishment of the Development Fund to assist with the exploratory cost relating to projects of a developmental nature.
- (iv) **BCCUL Training/Education Fund**
The BCCUL Training/Education Fund was instituted in June 2002 to finance the education of credit union members and the general public in credit union philosophy and operations.
- (v) **BPWCCUL Foundation**
This fund was established in June 2009 to fund major philanthropic initiatives undertaken by the Credit Union.