

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, continued

Donated equity

This amount totalling \$26,909 (2016 - \$26,909) represents the value of donations bestowed upon the Credit Union on incorporation.

Defined benefit plan

This amount totalling \$637,481 (2016 - (\$50,870)) represents the net amount of actuarial gains and losses and other items recognised directly in other comprehensive income on the Group's defined benefit plan. (Note 14)

Reserve for interest on non-performing loans

This amount totalling \$2,750,622 (2016 - \$2,565,380) is created to set aside interest accrued on non-performing loans where certain conditions are met in accordance with International Accounting Standard (IAS) 39. The guidelines of Section 202 (2) of the Co-operative Societies Act Cap. 378A, however do not allow for the accrual of such interest. The interest is therefore set aside in a reserve and is not available for distribution to members.

23. Related Party Disclosures

Related parties include those entities and individuals that have the ability to control or exercise significant influence over the Group in making financial or operating decisions, and entities that are controlled, jointly controlled or significantly influenced by them.

The consolidated financial statements include the consolidated financial statements of the Group and the subsidiaries listed below:

Name of Entity	Country of Incorporation	Equity Interest %
BPW Financial Holdings Inc.	Barbados	100
Capita Financial Services Inc.	Barbados	100

Terms and conditions of transactions with related companies

The transactions with related parties are made at terms equivalent to those that prevail in arm's length transactions. For the years ended March 31, 2017 and March 31, 2016, the Group has not recorded any impairment of receivables relating to amounts owed by related companies.

(i) Compensation of key management personnel of the Group

		<u>2017</u>	<u>2016</u>
Short term employee benefits	\$	2,391,721	2,462,709
Post-employment benefits		<u>114,703</u>	<u>141,961</u>
Total compensation paid to key management personnel	\$	<u>2,506,424</u>	<u>2,604,670</u>