

BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Non-consolidated Financial Statements

For the year ended March 31, 2017

(Expressed in Barbados dollars)

21. Other Reserves, continued

(iii) Donated equity

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

(iv) 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 Credit Union's defined benefit plan. (Note 13)

(v) 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.

22. Related Party Disclosures

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

Terms and conditions of transactions with related parties

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 Credit Union has not recorded any impairment of receivables relating to amounts owed by related parties.

Compensation of key management personnel

	<u>2017</u>	<u>2016</u>
Short term employee benefits	\$ 1,671,161	1,600,773
Post-employment benefits	<u>85,335</u>	<u>99,083</u>
Total compensation paid to key management personnel	\$ <u>1,756,496</u>	<u>1,699,856</u>

Transactions with key management personnel

The Credit Union enters into transactions, arrangements and agreements involving directors, senior management and their related concerns in the ordinary course of business at commercial interest and commission rates.