

BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

(Expressed in Barbados dollars)

1. Corporate information

Barbados Public Workers' Co-operative Credit Union Limited and its subsidiaries ("the Group") are registered under the relevant financial, co-operative and corporate legislations within the countries in which they operate.

The parent company, Barbados Public Workers' Co-operative Credit Union Limited ('the Credit Union') is a company incorporated and domiciled in Barbados with its registered office at Olive Trotman House, Keith Bourne Complex, Belmont Road, St. Michael.

On 23 March 2010, the Group incorporated a 100% owned subsidiary, BPW Financial Holdings Inc., the principal activity of which is to hold the capital investments of the Group.

On 27 August 2010, BPW Financial Holdings Inc. obtained 100% control over Clico Mortgage & Finance Corporation now renamed Capita Financial Services Inc.

On September 11, 2015, Capita Financial Services Inc. incorporated a 100% owned subsidiary, Capita Insurance Brokers Inc., the principal activity of which is provision of insurance broker services.

The Group provides savings products, credit facilities, lease financing, brokerage services and serves as a general and life insurance agent to its customer base. The Group's operations span across Barbados and St. Lucia.

2. Accounting Policies

(a) Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). These consolidated financial statements have been prepared on a historical cost basis, except for fair value through other comprehensive income (2018: available for sale) and fair value through the profit or loss (FVTPL) investments which have been measured at fair value.

These consolidated financial statements are expressed and presented in Barbados dollars which is the functional currency, rounded to the nearest dollar.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Credit Union and its subsidiaries, disclosed in Note 1. The consolidated financial statements of the subsidiaries are prepared for the same reporting year end as the Credit Union, using consistent accounting policies. All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The consolidated financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.