

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)

23. Other Reserves, continued

Reserve for interest on non-performing loans

This amount totalling \$3,234,150 (2018 - \$2,972,743) is created to set aside interest accrued on non-performing loans where certain conditions are met in accordance with IFRS 9 (2018 – 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.

24. 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, 2019 and March 31, 2018, 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>2019</u>	<u>2018</u>
Short term employee benefits	\$	2,422,213	2,204,300
Post-employment benefits		<u>142,378</u>	<u>119,839</u>
Total compensation paid to key management personnel	\$	<u>2,564,591</u>	<u>2,324,139</u>

(ii) Transactions with key management personnel of the Group

The Group 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.