

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)

28. Capital Management, continued

Regulatory capital requirement

Under governing legislation which became effective March 31, 2008, the Group is required to transfer from net surplus for the year an amount equivalent to the greater of 25% of net surplus or 0.5% of total assets until the capital to total assets ratio equals 10%. (Note 22)

For Capita Financial Services Inc., the Central Bank of Barbados requires that the entity (a) hold the minimum level of the regulatory capital and (b) maintain a certain ratio of total regulatory capital to the risk-weighted asset at or above the internationally agreed minimum of 8%.

The Group has complied with all externally imposed capital requirements.

29. Goodwill Co-operative Credit Union Limited

At a Special General Meeting on October 25, 2014, the members of Goodwill Co-operative Credit Union Limited ("Goodwill") approved the transfer of Goodwill's assets and liabilities to the Group, in accordance with section 132 of the Co-operative Societies Act. The Group subsequently held a Special General Meeting on January 29, 2015, where its members approved the acceptance of the transfer.

The Financial Services Commission effectively approved the cancellation of the registration of Goodwill Co-operative Credit Union Limited on April 16, 2015.

The total assets and liabilities of Goodwill are recorded within Other Assets (Note 15) and Other Liabilities (Note 19) and are disclosed within the respective notes.