

BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Non-consolidated Financial Statements

For the year ended March 31, 2019

(Expressed in Barbados dollars)

1. Corporate Information

The Barbados Public Workers' Co-operative Credit Union Limited (the "Credit Union") was registered on May 6, 1970, and continued under the Co-operatives Societies Act of Barbados 1990-23. Its registered office is located at "Olive Trotman House", Keith Bourne Complex, Belmont Road, St. Michael.

The principal activities of the Credit Union are the provision of savings products and credit facilities to its members and to educate them in co-operative principles.

2. Accounting Policies

(a) Basis of preparation

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

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

(b) New standards, amendments and interpretations mandatory for the first time for the financial year

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning January 1, 2018 and have been applied in preparing these non-consolidated financial statements. None of these have a significant effect on the non-consolidated financial statements except IFRS 9 disclosed below.

In 2014, the IASB issued IFRS 9, *Financial Instruments* replacing IAS 39, *Financial Instruments: Recognition and Measurement*. IFRS 9 includes revised guidance on the classification and measurement of financial assets, forward-looking 'expected credit loss' model ("ECL model") for assessing the impairment of financial assets and a new general hedge accounting model. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, FVOCI and FVTPL. The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. IFRS 9 eliminates the previous IAS 39 categories of held to maturity, loans and receivables and available for sale.