

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)

2. Accounting Policies, continued

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

IFRS 9 retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The Credit Union has used the exemption not to restate comparative information for prior periods with respect to classification and measurement including impairment requirements. Differences in the carrying amounts of financial assets and financial liabilities resulting in the adoption of IFRS 9 are recognized in retained earnings as at April 1, 2018. Accordingly, the information presented for 2018 does not reflect the requirements of IFRS 9, but rather those of IAS 39.

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortized cost and debt investments at FVOCI, but not to investments in equity instruments. Under IFRS 9, credit losses are recognized earlier than under IAS 39. For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile.

The table below explains the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Credit Union's financial assets and financial liabilities as at April 1, 2018. The effect of adopting IFRS 9 on the carrying amounts of financial assets at April 1, 2018 relates solely to the new impairment requirements.

	Classification under IAS 39	Classification under IFRS 9	Carrying Amount under IAS 39	Carrying Amount under IFRS 9
Financial Assets				
Cash and cash equivalents	Amortized cost	Amortized cost	95,295,711	95,295,711
Term deposits	Amortized cost	Amortized cost	40,336,576	40,328,726
Sovereign debt securities	Amortized cost	Amortized cost	25,993,354	23,699,503
Equities securities	Available for sale	FVOCI	1,470,000	1,470,000
Equities securities	FVTPL	FVTPL	778,079	778,079
Loans and advances	Amortized cost	Amortized cost	958,067,067	958,638,944
Due from related companies	Amortized cost	Amortized cost	18,632,116	18,632,116
Total financial assets			1,140,572,903	1,138,843,079
Financial Liabilities				
Deposits	Amortized cost	Amortized cost	1,055,847,259	1,055,847,259
Reimbursable share	Amortized cost	Amortized cost	9,761,121	9,761,121
Other liabilities	Amortized cost	Amortized cost	10,085,442	10,085,442
Total financial liabilities			1,075,693,822	1,075,693,822