

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)

16. Deposits, continued

Concentration of deposits

Deposits (excluding interest payable) comprised the following:

	<u>2019</u>	<u>2018</u>
Personal	\$ 1,142,018,623	1,023,487,305
Commercial	<u>30,377,533</u>	<u>29,666,194</u>
	<u>\$ 1,172,396,156</u>	<u>1,053,153,499</u>

At March 31, 2019, deposits pledged as security for loans to members and not available for withdrawal totalled \$ 340,815,873 (2018 - \$321,699,755). The average yield of deposits during the year was 2.4% (2018 - 2.5%).

17. Loans Payable

The Housing Credit Fund loans were repayable over twenty-five years and were secured by an equivalent value of first legal mortgages over residential properties. In 2018, the Credit Union fully repaid the remainder of its Housing Credit Fund loans. The interest rate on all loans then was 3.00%.

18. Other Liabilities

Other liabilities is comprised of the following:

	<u>2019</u>	<u>2018</u>
Accounts payable and accrued expenses	\$ 4,396,883	4,790,935
Amounts payable re Goodwill Credit Union (Note 27)	89,236	89,144
Fair value adjustment - staff loans (i)	2,910,793	2,910,176
Interest rebate payable	203,026	203,026
Unallocated receipts to members	<u>3,188,332</u>	<u>2,092,161</u>
	<u>\$ 10,788,270</u>	<u>10,085,442</u>

(i) Fair value adjustment staff loans

The fair value adjustment - staff loans represents the deferred interest income on staff loans associated with the difference between the market value and the carrying value of the loans as a result of the interest rates on the staff loans being lower than the market interest rate. This balance is partially offset by the prepaid employee benefit recorded and included in other assets (Note 15). The deferred interest income will be recognised over the term of the staff loans.