

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)

21. Other Reserves

Other reserves is comprised of the following:

	<u>2019</u>	<u>2018</u>
Fair value reserve (i)	\$ 1,055,000	820,000
Special funds (ii)	803,309	697,258
Donated equity (iii)	26,909	26,909
Defined benefit plan (iv)	(546,240)	1,001,965
Reserve for interest on non-performing loans (v)	<u>3,234,150</u>	<u>2,972,743</u>
	<u>\$ 4,573,128</u>	<u>5,518,875</u>

(i) Fair value reserve

The fair value reserve represents the net effect of fair value gains or losses on FVOCI (2018 - available-for-sale) investment securities held. The movement on the fair value reserve for the year is as follows:

	<u>2019</u>	<u>2018</u>
Balance, beginning of year	\$ 820,000	1,125,000
Unrealised fair value (loss) gain	<u>235,000</u>	<u>(305,000)</u>
Balance, end of year	<u>\$ 1,055,000</u>	<u>820,000</u>

(ii) Special funds

The special reserve funds comprise the following:

a) Social Outreach Fund

The Social Outreach Fund was created to provide charitable donations to members in need of financial assistance.

b) Education Fund

The Education Fund was established to provide grants and scholarships to members pursuing educational programmes.

c) Development Fund

In June 2004, the general membership approved the establishment of the Development Fund to assist with the exploratory cost relating to projects of a developmental nature.

d) BCCUL Training/Education Fund

The BCCUL Training/Education Fund was instituted in June 2002 to finance the education of credit union members and the general public in credit union philosophy and operations.

e) BPWCCUL Foundation

This fund was established in June 2009 to fund major philanthropic initiatives undertaken by the Credit Union.