

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)

26. Capital Management, continued

Capital adequacy and the use of regulatory capital are monitored daily by the Credit Union's management, employing techniques based on policies and guidelines regulated by the Co-operative Societies Act.

The Credit Union's approach to managing capital did not change during the period.

Regulatory capital requirement

Under governing legislation which became effective March 31, 2008, the Credit Union 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 20)

The Credit Union has complied with all externally imposed capital requirements.

27. 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 Credit Union, in accordance with section 132 of the Co-operative Societies Act. The Credit Union 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 18) and are disclosed within the respective notes.