



UNAUDITED FINANCIAL STATEMENTS

MARCH 31, 2021

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**

(A Society Registered Under the Co-operative Societies Act)

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March 31, 2021

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Directors' Interim Report

For the First Quarter Ended March 31, 2021

On behalf of the Board of Directors of the Community & Workers of Jamaica Co-operative Credit Union, I am pleased to present the Unaudited Financial Statements for the period ended March 31, 2021. Driven by increased savings of \$1.7B the Credit Union recorded total assets of \$19.9B for the period, an increase of 10.4% or \$1.9B compared to the quarter ended March 31, 2020. This speaks to the confidence our members continue to have in the Credit Union. Surplus recorded for the quarter was \$19.6M which represents a 71% decrease relative to the corresponding quarter March 31, 2020. This reduction was due primarily to a \$66M increase in provision for credit losses over the same period reflecting the continued impact the pandemic, COVID-19 continues to have on the global and local economy.

There are signs of economic recovery as various vaccines are approved and “shut downs” begin to end allowing the global economy to slowly return to normalcy. A return to pre-covid levels is contingent on the success of the vaccination programme. The resulting new norm of doing business has challenged the Board and Management to continue to deliver and exceed the expectations of our members and other stakeholders. The Credit Union remains resolute to continue to deliver on its mission of enhancing the well-being of our Members.

Notwithstanding the improved outlook, our members in various sectors namely transport, agriculture and tourism continue to be negatively impacted by the pandemic. The current moratorium has provided the necessary reprieve to ease the burden on the affected members. The Board and management has assessed the financial implications that may result after all the moratoriums expire and is confident that the Credit Union remains resilient in its response.

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**

(A Society Registered Under the Co-operative Societies Act)

GROUP FINANCIAL PERFORMANCE

Surplus

Despite the impact of Covid-19, the Credit Union generated a surplus of \$19.6M for the quarter ended March 31, 2021. This compares to an amount of \$68.3M for the corresponding period in 2020. The March 31, 2021 quarter trailed the corresponding period by \$48.7M as a result of the increased levels in credit risk.

The Management continues to engage in strategies and prudent practices by seizing opportunities during the time of a crisis. This will continue to be pursued as we build a more resilient Credit Union.

Interest Income

In a declining interest rate environment interest income recorded a growth of over 7% for the quarter ended March 31, 2021. The Credit Union earned interest income of \$0.50 billion for the current period, compared to \$0.47 billion for the corresponding period in 2020.

Interest Expense

The management of cost continues to be a high priority of the Credit Union. Interest expenses declined by 9% for the quarter ended March 31, 2021 compared to the corresponding period in 2020. Total cost of funds for the quarter ended March 31, 2021 amounted to \$83M compared to \$91M in 2020.

Non-Interest Income

Non-Interest income remained relatively stable, delivering \$86M similar to the comparative quarter. Management continues to pursue opportunities for diversifying the incomes of the Credit Union.

Operating Expenses

The Credit Union continues to expend the necessary resources to ensure the health and well-being of our staff and members are not compromised while ensuring the customer experience is enhanced through digitilization as a continued response of service delivery during the pandemic. As a result, operating expenses increased by 6% or \$22M compared to the comparative quarter, March 31, 2020.

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**

(A Society Registered Under the Co-operative Societies Act)

GROUP FINANCIAL POSITION

Total Assets

The Credit Union was on target to execute its growth strategy by focusing on member engagement and enhanced experiences during the period. Despite COVID 19 the Credit Union experienced growth in all major areas of its operations. Total assets grew by 10.4% for the quarter ended March 31, 2021 compared to the quarter ended March 31, 2020, moving from \$18.0 billion to \$19.9 billion an increase of \$1.9 billion.

Loans and Savings

As a result of a contracted economy and a reduction in disposable income the loan portfolio grew by \$140M for the reporting quarter. As at March 31, 2021 the loan portfolio balance stood at \$12.8 billion.

The Credit Union applauds the high level of confidence and commitment of our Members as demonstrated by the significant increase in savings over the period. The Credit Union's savings portfolio grew significantly by 12% for the quarter ended March 31, 2021. This represents an increase of \$1.7 billion, moving from \$13.7 billion at March 31, 2020 to \$15.4 billion at March 31, 2021.

Liquidity

At March 31, 2021 the Credit Union had liquidity of \$3.1 billion which represented a liquidity ratio of 20.45%. This was an improved position compared to the 2020 position of \$2.64 billion which represented a liquidity ratio of 19.25%. The Credit Union's strong liquidity position is a deliberate strategy that is being pursued by management to provide an effective buffer for the Credit Union in the event of a crisis.

Capital Adequacy

The Credit Union's financial position is undergirded by a strong capital base. The total capital base of the Credit Union is \$3.5 billion as at March 31, 2021, which comfortably satisfies the Capital Adequacy requirements of our Regulators.

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
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OUTLOOK

As we celebrate our 60th anniversary in 2021 the Credit Union is humbled by our members' loyalty and the resilience of our Credit Union during these challenging times.

The Credit Union continues to pursue the digitization of its processes to improve efficiency and productivity and to prepare the business to meet challenges of the new digital economy that is shaping the landscape of the Financial Industry. While we advance in technology and adapt our business processes to the new norm, we are also fully aware of the challenges of increased cyber risk. We want to assure our members that our banking platform remains secure and robust to support the business and the services that we offer.

As we look towards the future, we routinely engage this tradition to build a future of rich member growth and value added services. We are fully focused on our member strategy in a fiercely competitive environment. We resolve to keep our existing members by building our member value proposition, while at the same time creating opportunities to engage new members and also build overall value for them.


We are closely monitoring the developments with the COVID-19 virus and adjusting the business to serve our many members who are depending on us to help them through these times of uncertainty. Despite the uncertainties, we are confident that we will emerge stronger together. The Board and management have ensured that all the pillars of growth are in place to continue to deliver outstanding results to our stakeholders as we execute strategies within the risk appetite of the Credit Union.

On behalf of the Board of Directors, I wish to thank the many individuals and institutions in the Credit Union family with which this Credit Union worked during the quarter.

Thanks to our CEO, Mr. Carlton Barclay; other managers and staff for their professionalism and concern for the welfare of the Credit Union and the members. The Board also wishes to thank our members, who continue to faithfully support the Credit Union.

For and on behalf of the Board.

Signed,



Austin Brown
President


**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**


(A Society Registered Under the Co-operative Societies Act)

Consolidated Statement of Financial Position (Unaudited)
(expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three months ended 31-Mar-21 \$000	Unaudited Three months ended 31-Mar-20 \$000	Audited Year Ended 31-Dec-20 \$000
ASSETS			
EARNING ASSETS			
Loans	12,854,206	12,714,517	13,242,829
Liquid Assets	2,907,630	2,414,470	2,890,518
Financial Investments	<u>2,448,863</u>	<u>1,261,377</u>	<u>1,835,873</u>
Total earning assets	<u>18,210,699</u>	<u>16,390,364</u>	<u>17,969,220</u>
NON-EARNING ASSETS			
Liquid assets	250,331	225,961	224,996
Other assets	252,027	189,024	177,916
Property, plant and equipment	791,221	763,957	775,647
Intangible assets	378,338	418,301	388,289
Assets held-for-sale	13,500	32,000	13,500
Right-of-use assets	<u>13,712</u>	<u>16,911</u>	<u>14,669</u>
Total non-earning assets	<u>1,699,129</u>	<u>1,646,154</u>	<u>1,595,017</u>
TOTAL ASSETS	<u>19,909,828</u>	<u>18,036,518</u>	<u>19,564,237</u>
LIABILITIES:			
INTEREST BEARING LIABILITIES			
Lease liabilities	13,013	17,145	13,978
Voluntary shares	4,420,200	4,100,867	4,422,510
Deferred shares	900,000	901,054	900,000
Saving deposits	10,951,702	9,618,141	10,578,661
Due to other institutions	58,202	58,881	42,447
External credits	<u>404,504</u>	<u>590,428</u>	<u>368,780</u>
Total interest bearing liabilities	<u>16,747,621</u>	<u>15,286,516</u>	<u>16,326,376</u>
NON-INTEREST BEARING LIABILITIES			
Accruals	228,160	227,021	199,829
Payables	42,798	53,172	217,004
Others	<u>335,095</u>	<u>256,258</u>	<u>267,057</u>
Total non-interest bearing liabilities	<u>606,053</u>	<u>536,451</u>	<u>683,890</u>
TOTAL LIABILITIES	<u>17,353,674</u>	<u>15,822,967</u>	<u>17,010,266</u>
CAPITAL			
Permanent shares	281,235	273,235	278,757
Institutional capital	<u>2,031,512</u>	<u>1,760,751</u>	<u>2,031,041</u>
	2,312,747	2,033,986	2,309,798
Non-institutional capital	<u>243,407</u>	<u>179,565</u>	<u>244,173</u>
TOTAL CAPITAL	<u>2,556,154</u>	<u>2,213,551</u>	<u>2,553,971</u>
TOTAL LIABILITIES & CAPITAL	<u>19,909,828</u>	<u>18,036,518</u>	<u>19,564,237</u>

Approved for issue by the Board of Directors on May 12, 2021 and signed on its behalf by:


Ashlyn Malcolm, Treasurer


Austin Brown, President

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**
(A Society Registered Under the Co-operative Societies Act)

Consolidated Statement of Comprehensive Income (Unaudited)
(expressed in Jamaican dollars unless otherwise indicated)

	Unaudited Three months ended 31-Mar-21 \$000	Unaudited Three months ended 31-Mar-20 \$000	Audited Year Ended 31-Dec-20 \$000
INTEREST INCOME			
Loans	455,863	457,516	1,857,729
Liquid Assets	17,357	10,324	71,587
Financial investments	26,015	(316)	79,965
	<u>499,235</u>	<u>467,524</u>	<u>2,009,281</u>
INTEREST EXPENSE			
Saving deposits	46,283	44,098	182,453
Members' Shares	2,583	2,395	10,019
Deferred shares	7,705	16,106	48,912
Due to other institutions	4,963	7,911	14,206
Other financial costs	21,575	20,174	85,398
	<u>83,109</u>	<u>90,684</u>	<u>340,988</u>
NET INTEREST INCOME	416,126	376,840	1,668,293
Provision for credit losses	(87,099)	(21,353)	(146,669)
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	<u>329,027</u>	<u>355,487</u>	<u>1,521,624</u>
NON-INTEREST INCOME			
Fees	55,340	66,518	248,347
Rental Income	3,482	3,127	14,832
Others	27,266	17,018	107,886
	<u>86,088</u>	<u>86,663</u>	<u>371,065</u>
GROSS INCOME	415,115	442,150	1,892,689
OPERATING EXPENSES	<u>(395,079)</u>	<u>(373,421)</u>	<u>(1,457,416)</u>
NET SURPLUS BEFORE HONORARIA AND OTHER PAYMENTS	20,036	68,729	435,273
Honoraria	-	(180)	(8,900)
Disaster and Social Outreach	(410)	(200)	(2,829)
Scholarship Fund	-	-	(5,175)
NET SURPLUS AFTER HONORARIA AND OTHER PAYMENTS, BEING SURPLUS FOR THE PERIOD	<u>19,626</u>	<u>68,349</u>	<u>418,369</u>
OTHER COMPREHENSIVE INCOME			
Item that may be reclassified to surplus: Change in fair value of the debt securities at fair value through other comprehensive income	<u>5,510</u>	<u>(20,916)</u>	<u>(16,303)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>25,136</u>	<u>47,433</u>	<u>402,066</u>
Earnings per Deferred Share (expressed in \$)	0.04	0.15	0.93

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**

(A Society Registered Under the Co-operative Societies Act)

**Consolidated Statement of Changes in Equity (Unaudited)
(expressed in Jamaican dollars unless otherwise indicated)**

Quarter ended March 31, 2020

	INSTITUTIONAL CAPITAL					NON-INSTITUTIONAL CAPITAL					Grand total \$'000	
	Permanent shares \$'000	Statutory & legal reserve \$'000	General reserve \$'000	Business combination reserve \$'000	Retained earnings reserve \$'000	Total \$'000	Loan loss reserves \$'000	Fair value reserve \$'000	Other Non- qualifying reserve \$'000	Undistributed net surplus \$'000		Total \$'000
Balance at December 31, 2019	271,235	1,232,189	12,449	489,534	26,188	1,760,360	15,363	49,411	24,924	40,699	130,397	2,161,992
Total comprehensive income for the year												
Surplus for the year	-	-	-	-	-	-	-	-	-	68,349	68,349	68,349
Other comprehensive income:												
Change in fair value of equity at FVOCI being total other comprehensive income	-	-	-	-	-	-	(20,916)	-	-	-	(20,916)	(20,916)
Total comprehensive income for the year	-	-	-	-	-	-	(20,916)	-	-	68,349	47,433	47,433
Transactions with members and movements in reserves												
Entrance fees	-	391	-	-	-	391	-	-	-	-	-	391
Shares amount subscribed	2,000	-	-	-	-	-	-	-	-	-	-	2,000
Appropriation of net surplus for 2020:												
Dividends on membership qualification shares	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to loan loss reserve	-	-	-	-	-	-	8,333	-	-	(8,333)	-	-
Leslie Mills Trust Fund	-	-	-	-	-	-	-	-	-	-	-	-
Share transfer fund	-	-	-	-	-	-	-	-	1,735	-	1,735	1,735
Disaster and social outreach fund	-	-	-	-	-	-	-	-	(180)	180	-	-
Scholarship fund	-	-	-	-	-	-	-	-	(200)	200	-	-
Honorarium	-	-	-	-	-	-	-	-	-	-	-	-
Total transactions with members and movements in reserves	2,000	391	-	-	-	391	8,333	-	1,354	(7,952)	1,735	4,126
Balances at March 31, 2020	273,235	1,232,580	12,449	489,534	26,188	1,760,751	23,696	28,495	26,278	101,096	179,565	2,213,551

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**
(A Society Registered Under the Co-operative Societies Act)

Consolidated Statement of Changes in Equity (Unaudited) (Continued)
(expressed in Jamaican dollars unless otherwise indicated)

Quarter ended March 31, 2021

	INSTITUTIONAL CAPITAL				NON-INSTITUTIONAL CAPITAL				Grand total \$'000			
	Permanent shares \$'000	Statutory & legal reserve \$'000	General reserve \$'000	Business combination reserve \$'000	Retained earnings \$'000	Total \$'000	Loan loss reserves \$'000	Fair value reserve \$'000		Other Non-qualifying reserve \$'000	Undistributed net surplus \$'000	Total \$'000
Balance at December 31, 2020	278,757	1,502,870	12,449	489,534	26,188	2,031,041	122,313	33,108	29,895	32,935	2,182,251	2,528,049
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	19,626	19,626	19,626
Surplus for the year	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income:	-	-	-	-	-	-	-	5,510	-	-	5,510	5,510
Change in fair value of equity at FVOCI being total other comprehensive income	-	-	-	-	-	-	-	5,510	-	-	5,510	5,510
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	19,626	19,626	19,626
Transactions with members and movements in reserves	-	471	-	-	-	471	-	-	-	-	-	471
Entrance fees	2,478	-	-	-	-	-	-	-	-	-	-	2,478
Shares amount subscribed	-	-	-	-	-	-	-	-	-	-	-	-
Appropriation of net surplus for 2019:	-	-	-	-	-	-	-	-	-	-	-	-
Dividends on membership qualification shares	-	-	-	-	-	-	-	-	20	-	20	20
Leslie Mills Trust fund	-	-	-	-	-	-	-	-	(410)	410	-	-
Disaster and social outreach fund	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve [86.10% of net surplus for the year before honoraria and other payments]	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to share transfer fund, net	-	-	-	-	-	-	-	-	-	-	-	-
Scholarship fund	-	-	-	-	-	-	-	-	-	-	-	-
Total transactions with members and movements in reserves	2,478	471	-	-	-	471	-	-	(390)	410	20	2,969
Balances at March 31, 2021	281,235	1,503,341	12,449	489,534	26,188	2,031,512	122,313	38,618	29,505	52,971	243,407	2,556,154

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**

(A Society Registered Under the Co-operative Societies Act)

**Consolidated Statement of Cash Flow March 31, 2021 (Unaudited)
(expressed in Jamaican dollars unless otherwise indicated)**

	Unaudited Three Months Ended March 31, 2021	Unaudited Three Months Ended March 31, 2020	Audited Year Ended December 31, 2020
	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus for the year	19,626	68,349	418,369
Adjustments for:			
Depreciation - property, plant and equipment	12,387	9,882	43,793
Depreciation - right-of-use assets	957	926	2,242
Amortisation and impairment	9,950	10,086	40,098
Gain on assets held for sale	-	-	1,187
Provision for credit losses	87,099	21,353	146,669
Interest income	(499,235)	(467,524)	(2,009,281)
Interest expense	83,029	90,351	339,867
Interest expense on lease liability	80	333	1,121
	<u>(286,107)</u>	<u>(266,244)</u>	<u>(1,015,935)</u>
Changes in operating assets and liabilities			
Loans to members	200,888	(111,040)	(658,586)
Saving deposits	373,041	181,597	1,140,417
Voluntary shares & deferred shares	(2,310)	113,862	434,450
Other assets	(74,111)	(42,096)	(30,988)
Pledged assets	-	363,396	363,396
Accruals	28,331	23,749	(3,443)
Payables	(174,206)	(153,404)	10,428
Other non-interest-bearing liabilities	68,038	18,592	29,390
Due to other institutions	15,755	16,364	(70)
External credit	35,724	26,465	(195,183)
	<u>185,043</u>	<u>171,241</u>	<u>73,876</u>
Interest received	560,037	453,562	1,911,567
Interest paid	(63,586)	(66,602)	(338,167)
Net cash provided/(used) by operating activities	<u>681,494</u>	<u>558,201</u>	<u>1,647,276</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Financial investments	(612,990)	(75,453)	(642,817)
Purchase of property, plant and equipment	(27,961)	(20,927)	(66,528)
Proceed on disposal of investments	-	-	17,313
Net cash provided/(used) by investing activities	<u>(640,951)</u>	<u>(96,380)</u>	<u>(692,032)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Permanent shares	2,478	2,000	7,522
Entrance fees	471	391	1,218
Dividends on membership shares	-	-	(21,699)
Lease payment	(1,045)	(1,298)	(4,288)
Net cash used by financing activities	<u>1,904</u>	<u>1,093</u>	<u>(17,247)</u>
Increase in cash and cash equivalents	42,447	462,914	937,997
Cash equivalents at beginning of year	<u>3,115,514</u>	<u>2,177,517</u>	<u>2,177,517</u>
Cash equivalents at end of year	<u>3,157,961</u>	<u>2,640,431</u>	<u>3,115,514</u>
Comprised of:			
Liquid Assets: Earning	2,907,630	2,414,470	2,890,518
Liquid Assets: Non-earning	250,331	225,961	224,996
	<u>3,157,961</u>	<u>2,640,431</u>	<u>3,115,514</u>

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**

(A Society Registered Under the Co-operative Societies Act)

Notes to the March 31, 2021 Financial Statements
(expressed in Jamaican dollars unless otherwise indicated)

1. Identification

Community and Workers of Jamaica Co-operative Credit Union Limited (C&WJCCUL) (“Co-operative”) is incorporated under the laws of Jamaica and is registered under the Co-operative Societies Act (“Act”) and has its registered office at 51 Half Way Tree Road, Kingston 10.

On August 1, 2019, C&WJCU Holdings Limited was formed with initial ownership of 100% by Community & Workers of Jamaica Co-operative Credit Union Limited. The principal activity of C&WJCU Holdings Limited is the holding of loan portfolios from non-members of the credit union. The company is incorporated in Jamaica. The company started trading in January 2020.

The Co-operative’s subsidiary, which together with the Co-operative are referred to as “The Group”.

Membership in the Co-operative is limited to:

(A) All registered societies and:

- (i) Employees and ex-employees of Cable & Wireless Jamaica Limited and its successor and predecessor Companies.
- (ii) Any person engaged in the provision of telecommunication services in Jamaica including regulators and contractors or sub-contractors of Cable & Wireless Jamaica Limited or its successor and predecessor companies.
- (iii) Employees and ex-employees of corporate subscribers to telecommunication service in Jamaica.
- (iv) Persons living and working in the parish of Clarendon.
- (v) Persons working in Marine and Allied Industries in Jamaica.
- (vi) Employees of member.
- (vii) Minors, whether or not they are wards or children or grandchildren of members.
- (viii) Persons working, living or who were born in the parish of Westmoreland.
- (ix) Relatives and spouses of members. Relatives are specified as father, mother, son, daughter, grandchildren, brother, sister, aunt, uncle, niece and nephew.

(B) Members and persons eligible to be members of the credit unions that merged with this society [Marine and Allied Industries Co-operative Credit Union, Clarendon Co-operative Credit Union, Westmoreland Co-operative Credit Union, ICD & Associates Co-operative Credit Union, National Water commission Co-operative Credit Union, Desnoes and Geddes Employees Co-operative Credit Union Limited, St. Elizabeth Co-operative Credit Union Limited (STECCUL)].

PROVIDED THAT any person admitted to membership has attained the age of sixteen (16) years.

**COMMUNITY & WORKERS OF JAMAICA CO-OPERATIVE
CREDIT UNION LIMITED (C&WJCCUL)**

(A Society Registered Under the Co-operative Societies Act)

**Notes to the March 31, 2021 Financial Statements
(expressed in Jamaican dollars unless otherwise indicated)**

1. Identification (continued)

The Co-operative's main activities are:

- (i) The promotion of thrift;
- (ii) The provision of loans to members exclusively for provident and productive purposes; and
- (iii) To receive the saving of its members either as payments on share or as deposits.

The Co-operative Societies Act requires amongst other provisions, that at least 20% of the net surplus of the Co-operative be transferred to a statutory reserve fund.

The Co-operative is exempt from Income Tax under section 59(1) of the Co-operative Societies Act and section 12 of the Income Tax Act.

2. Statement of compliance and basis of preparation

(a) Basis of preparation

The Group's condensed Consolidated Interim Financial Statements for the year ended December 31, 2020 have been prepared in accordance with International Financial Reporting Standards (IFRS). The condensed Consolidated Interim Financial Statements should be read in conjunction with the accounting policies as set out in the Audited Financial Statements for the year ended December 31, 2020.

(b) Basis of consolidation

Subsidiaries are entities over which the Group has power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights.

The Consolidated Financial Statements present the results of operations and financial position of the Group and its Subsidiary.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. The Subsidiary's accounting policies are consistent with the policies adopted by the Group.