

BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Consolidated Financial Statements

For the year ended March 31, 2014

(Expressed in Barbados dollars)

7. Taxation

The corporation tax charge for the year is as follows:

	<u>2014</u>	<u>2013</u>
Current tax expense	\$ 167,227	295,983
Under accrual of prior year taxes	-	4,831
Deferred tax charge	<u>52,459</u>	<u>20,267</u>
Tax expense	\$ <u>219,686</u>	<u>321,081</u>

The tax on the Group's income before taxation differs from the theoretical amount that would arise using the statutory rate of corporation tax as follows:

	<u>2014</u>	<u>2013</u> Restated*
Income before taxation	\$ <u>11,347,099</u>	<u>13,125,642</u>
Tax calculated at a rate of 25% (2013 - 25%)	2,836,775	3,281,410
Income not subject to tax	(2,708,984)	(2,986,867)
Effect of different tax rates	(8,208)	(12,094)
Expenses not deductible for tax	37,728	29,335
Movement on deferred tax asset not recognised	28,698	14,328
Prior year's under (over) provision of taxes	-	4,831
Losses utilized	-	(46,563)
Other	<u>33,677</u>	<u>36,701</u>
Tax expense	\$ <u>219,686</u>	<u>321,081</u>

* See Note 2.4 (iii)

Deferred taxation

	<u>2014</u>	<u>2013</u>
Beginning of the year	\$ 29,326	9,059
Deferred tax charge	<u>52,459</u>	<u>20,267</u>
End of year	\$ <u>81,785</u>	<u>29,326</u>