

BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

(Expressed in Barbados dollars)

6. Operating Expenses

	<u>2016</u>	<u>2015</u>
Anniversary expenses	\$ 329,846	260,430
Advertising	1,100,736	1,061,627
Affiliation	75,000	75,000
Audit fees	459,600	461,025
Bank charges	94,432	78,991
Committee travelling allowances	158,268	175,650
Development expenses	61,905	280,310
Direct cost of services	489,356	418,826
Educational grant and scholarship expenses	329,430	445,215
Elected Officials and Committee Training	407,944	223,895
Entertaining	83,554	70,011
Insurance	574,062	582,893
Janitorial services	355,343	371,164
Legacy Foundation – Donations	-	100,000
Legal and professional fees	827,573	1,109,982
Meetings and conferences	658,343	487,458
Membership security	2,530,109	2,400,415
Sundry expenses	83,257	97,953
National development expenses	82,812	98,783
Office stationery and supplies	1,078,650	970,309
Postage	94,987	165,044
Property taxes	251,076	176,951
Publicity and promotion	2,465,785	2,312,605
Regulatory licences	254,977	217,814
Rent	1,515,480	1,424,898
Repairs and maintenance	2,903,698	2,847,557
Security services	933,690	863,271
Social outreach expenses	127,746	141,506
Staff and members' training	636,042	825,039
Utilities	<u>1,232,455</u>	<u>1,412,086</u>
	<u>\$ 20,196,156</u>	<u>20,156,708</u>

7. Tax on Assets

Under the Tax on Asset Act, 2015, every credit union registered under Section 193 of the Co-operative Societies Act, Cap 378 with total gross assets of \$40 million or more, shall pay within four (4) months after each assessment quarter, a levy of 0.20% per annum on the average domestic assets of the Credit Union. This Act came into effect on July 1, 2014 and expired on March 31, 2016.

Capita Financial Services Inc., being a deposit-taking licensee, was also impacted by the Act. The Act stated that effective June 1, 2014, entities licensed under Section 22 of the Financial Institutions Act, Cap 324A with total gross assets of which is \$40 million or more and accepts deposits from third parties, shall pay by the 15th of the sixth (6th) month after each assessment quarter, a levy of 0.20% per annum on the average domestic assets of the deposit taking licensee.

Tax on assets expense incurred by the Group for the year amounted to \$2,326,813.