

BARBADOS PUBLIC WORKERS' CO-OPERATIVE CREDIT UNION LIMITED

Notes to the Consolidated Financial Statements

For the year ended March 31, 2019

(Expressed in Barbados dollars)

7. Operating Expenses

	<u>2019</u>	<u>2018</u>
Anniversary expenses	\$ 163,756	248,118
Advertising	750,697	1,503,223
Affiliation	100,000	100,000
Audit fees	440,138	343,354
Bank charges	406,366	239,748
Committee travelling allowances	248,000	168,761
Development expenses	290,997	138,609
Direct cost of services	604,269	628,111
Educational grant and scholarship expenses	385,943	390,493
Elected Officials and Committee Training	498,115	357,938
Entertaining	32,894	63,687
Insurance	748,094	772,659
Janitorial services	556,652	470,954
Legacy Foundation – Donations	200,000	200,000
Legal and professional fees	1,093,742	1,089,306
Meetings and conferences	564,077	558,968
Membership security	3,142,001	2,853,476
Sundry expenses	62,729	111,268
National development expenses	60,000	60,000
Office stationery and supplies	1,226,634	1,224,822
Postage	105,432	206,049
Property taxes	329,958	268,764
Publicity and promotion	3,284,693	3,488,567
Regulatory licences	351,835	278,288
Rent	1,689,647	1,711,721
Repairs and maintenance	3,950,627	3,987,568
Security services	1,595,273	1,366,618
Social outreach expenses	178,430	150,000
Staff and members' training	1,148,643	1,669,292
Utilities	<u>1,738,913</u>	<u>1,588,751</u>
	<u>\$ 25,948,555</u>	<u>26,239,113</u>

8. Tax on Assets

A subsidiary being a deposit-taking licensee, is required to pay tax on its assets effective June 1, 2014 for entities licensed under Section 22 of the Financial Institutions Act, Cap 324A. The Act states that a deposit taking licensee with total gross assets of \$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. In the financial year 2017, the levy was increased to 0.35%.

Tax on assets expense incurred by the Group for 2019 amounted to \$799,800 (2018: \$752,574).