

**SUMMARY CONSOLIDATED
FINANCIAL STATEMENTS 2019**

DIRECTORS: Dr. Stacey Estwick - Chairperson, Mr. Glyne Harrison, Dr. Philmore Alleyne, Ms. Tanya Chase
Mr. Hilford Murrell, Mr. Michael Mayers, Ms. Bertha Pilgrim, Mr. Anthony Christie, Mr. Trevor Colucci



A subsidiary of Barbados Public Workers' Co-operative Credit Union Limited

**CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Financial Position
As at March 31, 2019
With comparative figures for 2018**
(expressed in Barbados dollars)

	2019 \$	2018 \$
Assets		
Cash resources	31,205,032	34,006,986
Investment securities:		
FVOCI (2018: Available-for-sale)	472,258	471,595
Amortised cost (2018: Loans and receivables)	2,961,815	3,958,401
Loans and advances	238,224,633	216,509,398
Corporation tax recoverable	313,104	360,321
Due from related company	435,431	413,368
Property and equipment	3,950,050	2,587,537
Other assets	3,419,346	2,832,563
Total Assets	280,981,669	261,140,169
Liabilities and Equity		
Liabilities		
Customer deposits	240,378,074	218,938,068
Other liabilities	2,834,819	1,882,647
Due to related company	31,835	110,422
Loans payable	13,520,176	15,229,798
Corporation tax payable	-	30,678
Deferred loan commitment fees	399,824	410,090
Tax on asset payable	391,611	262,499
Deferred taxation	60,326	154,140
Total Liabilities	257,616,665	237,018,342
Equity		
Share capital	10,297,059	10,297,059
Other reserves	4,266,641	4,161,327
Retained earnings	8,801,304	9,663,441
Total Equity	23,365,004	24,121,827
Total Liabilities and Equity	280,981,669	261,140,169

Approved by the Board of Directors on 27 June 2019

Dr. Philmore Alleyne - Director

Trevor Colucci - Director

**CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Changes in Equity
For the year ended March 31, 2019
With comparative figures for 2018**
(expressed in Barbados dollars)

	Share capital \$	Other reserves \$	Retained earnings \$	Total \$
Balance at April 1, 2017	10,297,059	4,066,730	9,331,257	23,695,046
Net income for the year	-	-	551,340	551,340
Dividend declared	-	-	(134,903)	(134,903)
Transfer to statutory reserve	-	84,253	(84,253)	-
Total other comprehensive income	-	10,344	-	10,344
Balance at March 31, 2018	10,297,059	4,161,327	9,663,441	24,121,827
Balance at April 1, 2018	10,297,059	4,161,327	9,663,441	24,121,827
Adjustment on initial application of IFRS 9	-	-	(1,385,905)	(1,385,905)
Restated balance at April 1, 2018	10,297,059	4,161,327	8,277,536	22,735,922
Net income for the year	-	-	733,845	733,845
Dividend declared	-	-	(100,000)	(100,000)
Transfer to statutory reserve	-	110,077	(110,077)	-
Total other comprehensive income	-	(4,763)	-	(4,763)
Balance at March 31, 2019	10,297,059	4,266,641	8,801,304	23,365,004

**CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Comprehensive Income
For the year ended March 31, 2019
With comparative figures for 2018**
(expressed in Barbados dollars)

	2019 \$	2018 \$
Interest income	15,718,526	14,958,442
Interest expense	(7,795,486)	(7,506,593)
Net interest income	7,923,040	7,451,849
Other income	2,288,212	2,018,905
Net interest and other income	10,211,252	9,470,754
Operating expenses		
Salaries and other staff costs	2,600,338	2,358,745
Occupancy costs	937,377	933,891
Debt impairment charge	73,296	-
Loan impairment charge	307,552	407,207
Other operating expenses	3,624,085	3,754,205
Depreciation	759,725	534,005
Total operating expenses	8,302,373	7,988,053
Income before levies and de-recognition of Government Debt and taxation	1,908,879	1,482,701
Loss on de-recognition of Government Securities	(403,280)	-
Tax on assets	(799,800)	(752,574)
Income before taxation	705,799	730,127
Taxation	28,046	(178,787)
Net income for the year	733,845	551,340

**CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Comprehensive Income (cont.)
For the year ended March 31, 2019
With comparative figures for 2018**
(expressed in Barbados dollars)

	2019 \$	2018 \$
Other comprehensive income		
Items that are or may be reclassified to profit or loss		
Unrealised fair value gain on FVOCI (2018: available-for-sale)	-	-
investment securities, net	(4,763)	10,344
Comprehensive income for the year	729,082	561,684

**CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Cash Flows
For the year ended March 31, 2019
With comparative figures for 2018**
(expressed in Barbados dollars)

	2019 \$	2018 \$
Cash flows from operating activities		
Income before taxation	705,799	730,127
Adjustments for:		
Depreciation	759,725	534,005
Interest income	(15,718,526)	(14,958,442)
Interest expense	7,795,486	7,506,593
Debt impairment charge	73,296	-
Loan impairment charge	307,552	407,207
Gain on sale of assets	(27,458)	(10,129)
Loss on de-recognition of Government Securities	403,280	-
	(5,700,846)	(5,790,639)
Changes in operating assets and liabilities		
Increase in mandatory reserve deposits with Central Bank	(550,000)	(425,000)
Increase in loans and advances	(22,825,190)	(18,643,344)
(Increase) decrease in other assets	(586,783)	284,776
Increase in customer deposits	20,329,975	22,499,272
Increase (decrease) in other liabilities	952,172	(2,347,600)
Decrease in net due to/from related company	(100,650)	(2,887,927)
(Decrease) increase in deferred loan commitment fees	(10,266)	11,684
Increase in tax on asset payable	129,112	18,234
Net cash used in operations	(8,362,476)	(7,280,544)
Interest received	15,600,038	15,478,891
Interest paid	(6,685,456)	(7,790,018)
Taxes paid	(177,521)	(57,675)
Net cash from operating activities	374,585	350,654
Cash flows from investing activities		
Decrease of other term deposits	3,251,199	2,455,927
Sale of investments securities	177,859	(241,987)
Purchase of asset	(2,170,029)	(1,132,417)
Sale of asset	75,259	22,622
Net cash from investing activities	1,334,278	1,104,145
Cash flows from financing activities		
Dividend paid	(100,000)	(134,903)
Repayment of loans payable	(1,709,622)	(1,775,991)
Net cash used in financing activities	(1,809,622)	(1,910,894)
Net decrease in cash and cash equivalents for the year	(100,759)	(456,095)
Cash and cash equivalents - beginning of year	15,441,369	15,897,464
Cash and cash equivalents - end of year	15,340,610	15,441,369



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Independent Auditors' Report on the Summary Consolidated Financial Statements

To the Shareholder of Capita Financial Services Inc.

Opinion

The summary consolidated financial statements, which comprise the summary consolidated statement of financial position as at March 31, 2019, summary consolidated statements of changes in equity, comprehensive income and cash flows for the year then ended, are derived from the audited consolidated financial statements of Capita Financial Services Inc. for the year ended March 31, 2019.

In our opinion, the accompanying summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements.

Summary Consolidated Financial Statements

The summary consolidated financial statements do not contain all the disclosures required by the International Financial Reporting Standards. Reading the summary consolidated financial statements and our report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and our report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated June 27, 2019.

Management's Responsibility for the Summary Consolidated Financial Statements

Management is responsible for the preparation of a summary of the audited consolidated financial statements in accordance with the basis of accounting applied in the preparation of the audited consolidated financial statements.

Auditors' Responsibility

Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810, Engagements to Report on Summary Financial Statements.



Chartered Accountants,
Bridgetown, Barbados
June 27, 2019