

SUMMARY CONSOLIDATED FINANCIAL STATEMENTS 2022

DIRECTORS: Mr. Courtney Gibson - Chairman, Mr. Hasani Evelyn - Secretary
Mr. Derrick Cummins, Mr. Trevor Colucci, Mr. Julian Hunte, Mr. Craig Hinds, Mr. Glyne Harrison - Group CEO



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

BARBADOS: 2nd Floor, Patrick E. McDonald Building, Collymore Rock, St. Michael.
ST.LUCIA: William Peter Boulevard, Castries.

CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Financial Position
As at March 31, 2022

(expressed in Barbados dollars)

	2022 \$	2021 \$
Assets		
Cash resources	19,399,404	18,188,956
Investment securities:		
FVOCI	1,198,833	1,667,249
Amortised cost	4,444,666	4,169,842
Loans and advances	283,842,782	275,474,898
Corporation tax recoverable	326,810	326,810
Due from related company	1,256,014	356,619
Property and equipment	10,797,760	8,429,136
Other assets	6,308,431	4,489,801
Total Assets	327,574,700	313,103,311
Liabilities and Equity		
Liabilities		
Customer deposits	278,667,976	267,726,826
Other liabilities	8,502,467	5,680,323
Due to related companies	879,897	5,622
Loans payable	9,979,674	11,145,960
Corporation tax payable	74,063	133,591
Deferred loan commitment fees	470,030	464,957
Tax on asset payable	561,612	321,612
Deferred taxation	92,941	68,074
Total Liabilities	299,228,660	285,546,965
Equity		
Share capital	10,297,059	10,297,059
Other reserves	7,377,063	6,695,758
Retained earnings	10,671,918	10,563,529
Total Equity	28,346,040	27,556,346
Total Liabilities and Equity	327,574,700	313,103,311

Approved by the Board of Directors on December 16, 2022

Courtney Gibson - Chairman

Craig Hinds - Director

CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Changes in Equity
For the year ended March 31, 2022

(expressed in Barbados dollars)

	Share capital \$	Other reserves \$	Retained earnings \$	Total \$
Balance at April 1, 2020 as restated	10,297,059	6,452,392	9,217,439	25,966,890
Profit for the year	-	-	1,857,667	1,857,667
Dividend declared	-	-	(275,000)	(275,000)
Transfer to statutory reserve	-	236,577	(236,577)	-
Transfer to general reserve	-	-	-	-
Unrealised fair value gain on FVOCI equity investment	-	6,789	-	6,789
Balance at March 31, 2021	10,297,059	6,695,758	10,563,529	27,556,346
Balance at April 1, 2021	10,297,059	6,695,758	10,563,529	27,556,346
Profit for the year	-	-	1,261,304	1,261,304
Dividend declared	-	-	-	-
Transfer to statutory reserve	-	176,215	(176,215)	-
Transfer to general reserve	-	976,700	(976,700)	-
Unrealised fair value loss on FVOCI equity investment	-	(471,610)	-	(471,610)
Balance at March 31, 2022	10,297,059	7,377,063	10,671,918	28,346,040

CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended March 31, 2022

(expressed in Barbados dollars)

	2022 \$	2021 \$
Interest income	17,585,747	16,890,900
Interest expense	(7,145,569)	(7,192,820)
Net interest income	10,440,178	9,698,080
Other income	5,090,491	4,152,629
Net interest and other income	15,530,669	13,850,709
Operating expenses		
Salaries and other staff costs	3,887,736	3,156,138
Occupancy costs	83,709	153,935
Debt impairment recovery	-	(132,350)
Expected credit losses	884,273	824,570
Receivables written off	211,077	88,175
Other operating expenses	5,804,521	4,817,226
Depreciation	2,312,079	2,026,405
Total operating expenses	13,183,395	10,934,099
Profit before levies and taxation	2,347,274	2,916,610
Tax on assets	(993,068)	(960,711)
Profit before taxation	1,354,206	1,955,899
Taxation	(92,902)	(98,232)
Profit for the year	1,261,304	1,857,667

CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont.)
For the year ended March 31, 2022

(expressed in Barbados dollars)

	2022 \$	2021 \$
Other comprehensive income		
Items that will never be reclassified subsequently to profit or loss:		
Unrealised fair value (loss) gain on FVOCI equity investment securities, net	(471,610)	6,789
Total comprehensive income for the year	789,694	1,864,456

CAPITA FINANCIAL SERVICES INC.
Summary Consolidated Statement of Cash Flows
For the year ended March 31, 2022

(expressed in Barbados dollars)

	2022 \$	2021 \$
Cash flows from operating activities		
Profit before taxation	1,354,206	1,955,899
Adjustments for:		
Depreciation	2,312,079	2,026,405
Interest income	(17,585,747)	(16,890,900)
Gain on disposal of property and equipment	(60,338)	(56,897)
Bond amortisation	(192,158)	-
Interest expense	7,145,569	7,192,820
Debt impairment recovery	-	(132,350)
Expected credit losses	884,273	824,570
Receivables written off	211,077	88,175
	(5,931,039)	(4,992,278)
Changes in operating assets and liabilities:		
Increase in mandatory reserve deposits with Central Bank	22,941	-
Increase in loans and advances	(9,485,365)	(9,944,694)
Increase in other assets	(2,029,707)	(799,676)
Increase in customer deposits	9,712,129	3,073,442
Increase in other liabilities	321,797	880,564
Increase in net due from/to related company	(25,120)	(86,160)
Decrease in deferred loan commitment fees	5,073	7,234
Increase (decrease) in tax on asset payable	240,000	(1,693)
Net cash used in operations	(7,169,291)	(11,863,261)
Interest received	17,824,316	16,258,262
Interest paid	(5,715,946)	(6,244,938)
Taxes paid	(127,563)	(87,830)
Net cash from (used in) operating activities	4,811,516	(1,937,767)
Cash flows from investing activities		
Disposal of other term deposits	-	1,670,621
Purchase of investment securities	(84,183)	(293,138)
Purchase of property and equipment	(2,100,511)	(3,327,120)
Proceeds from sale of assets	694,407	279,261
Net cash (used in) from investing activities	(1,490,287)	(1,670,376)
Cash flows from financing activities		
Dividend paid	-	(275,000)
Payment of lease liability	(922,929)	(672,422)
Repayment of loans payable	(1,166,286)	(1,136,235)
Net cash used in financing activities	(2,089,215)	(2,083,657)
Increase (decrease) in cash and cash equivalents	1,232,014	(5,691,800)
Cash and cash equivalents - beginning of year	9,842,168	15,533,968
Cash and cash equivalents - end of year	11,074,182	9,842,168

I. Note to summary consolidated financial statements - basis of preparation
These summary consolidated financial statements are derived from the audited consolidated financial statements of Capita Financial Services Inc. and its subsidiary for the year ended March 31, 2022 and have been prepared in accordance with criteria developed by management.



Independent auditor's report on the summary consolidated financial statements

To the Shareholder of Capita Financial Services Inc.

Our opinion

In our opinion, the accompanying summary consolidated financial statements of Capita Financial Services Inc. (the Company), and its subsidiary (together 'the Group') are consistent, in all material respects, with the audited consolidated financial statements, on the basis described in note 1.

The summary consolidated financial statements

The Company's summary consolidated financial statements derived from the audited consolidated financial statements for the year ended March 31, 2022 comprise:

- the summary consolidated statement of financial position as at March 31, 2022;
- the summary consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the summary consolidated statement of changes in equity for the year then ended;
- the summary consolidated statement of cash flows for the year then ended; and
- the related notes to the summary consolidated financial statements.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards. Reading the consolidated summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. *The audited consolidated financial statements, and the consolidated summary financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.*

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 December 20, 2022.

Management's responsibility for the summary consolidated financial statements

Management is responsible for the preparation of the summary consolidated financial statements on the basis described in note 1.

Auditor's 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 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

Other Matter

Our report, dated December 20, 2022 on the financial statements of Capita Financial Services Inc. for the year ended March 31, 2022 was made solely to the Company's shareholder, as a body corporate, in accordance with Section 147 of the Companies Act of Barbados. That report stated that our audit work has been undertaken so that we might state to the Company's shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law and subject to any enactment or rule of law to the contrary, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholder as a body corporate, for our audit work, for our report dated December 20, 2022, or for the opinion we have formed.

Bridgetown, Barbados
January 11, 2023