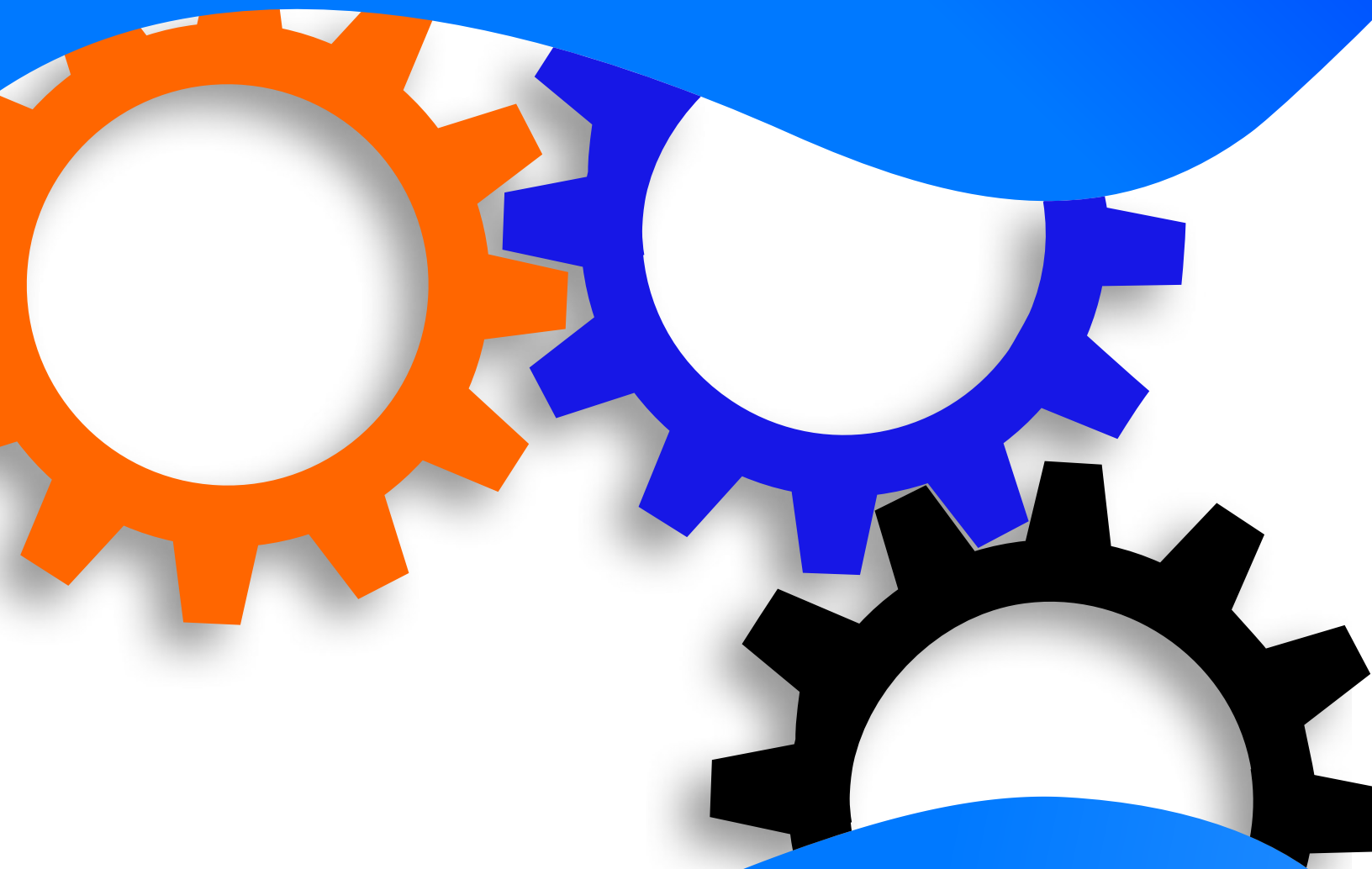


ANNUAL REPORT 2015



**BARBADOS
REVENUE AUTHORITY**



**BARBADOS
REVENUE AUTHORITY**

BARBADOS REVENUE AUTHORITY
ANNUAL REPORT AND STATEMENT OF ACCOUNTS
FOR THE YEAR ENDED MARCH 31, 2015

Presented to the Honourable Minister of Finance and Economic Affairs pursuant to Section 23
of The Barbados Revenue Authority Act 2014-1

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OUR ROLE

The Barbados Revenue Authority (“the Authority”) was established on April 1, 2014 as a statutory corporation. The Authority is responsible for effective and efficient tax administration and providing fair tax enforcement resulting in a high degree of voluntary compliance.

WHAT WE DO

The governance structure of the Barbados Revenue Authority is set out in the *Barbados Revenue Authority Act, 2014-1*. The Board of Directors of the Barbados Revenue Authority is responsible for the overall management of the Authority and the Revenue Commissioner is the Chief Executive Officer of the Authority and reports to the Board. Overall responsibility for the operations of the Authority is vested in the Minister of Finance and Economic Affairs.

The Authority has a staff complement of just over 300 persons and collects revenue in the region of BDS\$2.2 billion per annum on behalf of the Crown from approximately 6,350 businesses and 103,000 individuals.

MISSION AND VISION

Our mission and vision as articulated in our Corporate Strategic Plan are:

To administer tax and ensure compliance, by providing responsible enforcement and quality service to taxpayers thereby contributing to the economic well-being of Barbados and to be a model for trusted tax administration and unparalleled customer service, offering outstanding career opportunities for our employees.

Our key objectives are to:

- Secure and maximise revenue as we transition to an integrated organisation.
- Improve our service delivery through a more customer-centric approach to tax administration.
- Improve compliance and enforcement through the use of risk management techniques.

In pursuit of these objectives we are committed to investing in the development of our human capital and will be guided by our core values of: *integrity, fairness, professionalism and responsiveness*, supported by characteristics of courtesy, consistency and cooperation.

TAXPAYERS' RIGHTS

Taxpayers in their dealings with the Barbados Revenue Authority have the right to:

- Be respected.
- Be kept informed.
- Receive quality service based on the principles of integrity and honesty.
- A fair system administered in an even-handed manner.
- Privacy and confidentiality.
- Expect that the Authority has a technically proficient and professional workforce.
- Appeal to an independent tribunal against any assessment of the Authority.

TAXPAYERS' OBLIGATIONS

Taxpayers are required to comply with certain key obligations:

- To register with the Barbados Revenue Authority.
- To file returns and provide information on incomes, transactions and relevant activities.
- To report correctly and completely.
- To pay the amount of tax due on time, in accordance with the law.

It is my honour, as the Chairman of the Board of the Barbados Revenue Authority, to submit the inaugural Annual Report to the Honourable Minister of Finance and Economic Affairs pursuant to *Section 23(a) of the Barbados Revenue Authority Act, 2014-1*.

The Authority has completed its first year of operations and it has been a challenging, yet rewarding year. While the Board is pleased with the strides made by the Authority to forge a central tax administration agency and to transition a multi-departmental system comprising five legacy agencies: the Inland Revenue Department, the Land Tax Department, the Value Added Tax Division, the Excise Tax division of the Customs and Excise Tax Department along with the revenue collection sections of the Barbados Licensing Authority, into an integrated customer-centric organisation, we recognise that there is still much work to be done.

A seamless and smooth integration of operations often does not occur in the same manner and time frame as the integration of personnel. The Board is therefore committed to ensuring not only the full operational integration of the legacy tax agencies within the shortest time frame, but, more importantly, the delivery of an efficient service to our principal Stakeholders – the Taxpayers and the Government of Barbados. We have therefore incorporated into our 2015 - 2016 Annual Business Plans, which form part of our longer-term 2014 - 2019 Strategic Plan, initiatives which will see us realise our vision to be a model for trusted tax administration and unparalleled customer service, offering outstanding career opportunities for our employees.

We recognise that expected levels of performance are rarely achieved without the guidance and leadership provided by a sound governance structure. Consequently, during the year under review, the Board worked diligently to discharge its stewardship functions and provide oversight to the organisation and its resources by establishing a cohesive and well defined Corporate Governance Framework, which conforms to best practice. The Board is in the process of implementing the Framework and has already approved a number of policies relating to Administration, Human Resources as well as Risk and Financial Management which will guide the organisation as it seeks to fulfill its statutory obligations and achieve its strategic objectives. Throughout the year, it has been my privilege to work with the Revenue Commissioner, Management, Staff, and my fellow Directors as we strive to make the Authority one of the most successful tax administrations in the Caribbean.



A handwritten signature in black ink that reads "Sandra Osborne". The signature is fluid and cursive.

Sandra Osborne, SCM, QC, FCIS
Chairman of the Board of Directors

It is with great pleasure that I, as Revenue Commissioner, present this first Annual Report of the Barbados Revenue Authority which sets out our performance over the twelve month period ended March 31, 2015. The scale of the work attributed to the Authority and the responsibility entrusted to us are huge. We are required to be considerate of our taxpayers while increasing the tax base, the level of voluntary compliance and ultimately increasing the level of taxes collected on time and in totality.

In addition, we have been tasked with implementation of a number of wide ranging tax and administrative reforms such as:

- Integrating the information technology function in support of the Authority's strategy using a secure, flexible ICT system.
- Developing and implementing an effective enforcement programme using risk-based management principles and techniques.
- Establishing a legal and internal audit presence at the Authority to improve its legislative and governance framework.
- Assuming the role of the Competent Authority of Barbados for the automatic exchange of information under the United States' Foreign Account Tax Compliance Act and the Global Forum on Transparency and the Exchange of Information for Tax Purposes.

This Annual Report reveals some significant achievements we made during the year, of which everyone in the Authority should be proud:

- Transitioning 316 staff members from across 5 revenue collecting agencies of Central Government into one entity.
- Maintaining revenue collections during the transition period.
- Managing a Management Information System comprising six legacy IT systems to maintain uninterrupted functionality.
- Enabling filing of over 103,000 returns for the 2014 tax year, up from 96,000 of the previous year.
- Realising an increase in corporate returns filed of approximately 50% with improved filings on time and early filings recorded.
- Establishing strong internal audit and legal departments for the Authority.
- Completing our five year Strategic Plan 2014-2019.

All of this was achieved while delivering some major projects such as the Back-Filing Project which saw the processing of all outstanding manually filed returns up to 2013 for both corporate and personal income taxes; providing accessibility to taxpayers for filing their returns and making payment from any of the six locations of the Authority; integrating the collection of excise taxes at the domestic level into the Authority; and the publishing of a newsletter by the Legal Department to keep staff up to date on legal and other matters affecting the operations of the Authority.

With the assistance of the Caribbean Development Bank project to establish a central revenue authority for the Government of Barbados, the Authority was able to provide capacity building initiatives to empower the staff of the Authority in carrying out their functions. During the year, we invested significantly in training and a number of staff members were given the opportunity to attend workshops, seminars and conferences locally, regionally and internationally.

The achievements we have been able to make during this year show that our staff is committed to serving the taxpaying public of Barbados with expertise, professionalism and increasing effectiveness. There is still however a long way to go. We will therefore strive to do things better and smarter for our individual taxpayers, corporate taxpayers and for the people of Barbados, building on the achievements of this year.

The needs of the tax community continue to change, both locally and internationally, and we must be prepared to meet these changing needs; we must show that we are flexible and considerate of the changing needs of the taxpayer and are capable of safeguarding and securing all confidential and personal information entrusted to us as part of our tax administration function. This will only be achieved through the use of a first class secure electronic environment based on clearly understood standards, procedures and practices and continued taxpayer education.

We have committed ourselves to this task and have already initiated the development of a branded presence for the Authority with the assistance of the National Initiative for Service Excellence, the review of our major tax systems with the view of moving to a fully integrated and secure ICT platform within the next two years and the implementation of a single taxpayer view for each tax registrant. These new initiatives will begin to be rolled out to our customers during the financial year 2015-2016.

Despite the many challenges we have faced over the past year, we have performed well, creating a sound foundation for the road ahead recognising the importance of maintaining public confidence in the Authority's integrity, impartiality, and even-handedness in the administration of taxes. Most taxpayers want to comply with their obligations and it is our goal to make it as easy as possible for them to achieve accuracy in relation to their taxes, claims and benefits, allowing us to focus on those few who require persuasion to become compliant. We recognise that it will be necessary to use different approaches with different taxpayers to reflect the type of risk they represent; however, our main objective will always be to collect the taxes that are due under the Law from all taxpayers.

I take this opportunity to acknowledge those who have contributed to making this year a success for the Authority. My sincere appreciation goes to the Management and Staff of the Authority for their cooperation, teamwork and support. Special mention must be made of the Caribbean Technical Assistance Centre (CARTAC) which has provided and continues to provide much needed technical assistance and support to the Authority and the Auditor General and his staff who play a critical role in reviewing and reporting on the activities of the Authority.

Finally, and most importantly, I wish to express the Authority's gratitude to our customers, the taxpayers of Barbados, who were faced with many changes during the year, but who continue to cooperate with us as we strive to provide you with better service.



A stylized, handwritten signature in black ink, appearing to be 'MS' followed by a long horizontal stroke.

Margaret E. Sivers CMA, FCMA
Revenue Commissioner

PERFORMANCE REVIEW

This Annual Report 2014/2015 details the progress that the Barbados Revenue Authority has made during its first year of operation. This can be described as both encouraging and challenging as the organisation seeks to simultaneously improve its efficiency and effectiveness to ensure that taxpayers are provided with excellent service while enabling them to fulfill their legal obligations to pay their fair share of taxes for the benefit of our economy and society.

A major initial achievement was the successful transition of staff from five previously separate government departments to one statutory corporation with minimal disruption of essential services to taxpayers. With a successful transition behind us, the Authority has remained committed to accomplishing its strategic objectives and vision. To this end, the ongoing “Establishment of a Central Revenue Authority” project which is being jointly financed by the Government of Barbados and the Caribbean Development Bank has been extended to December 2015 in order to complete the remaining project activities.

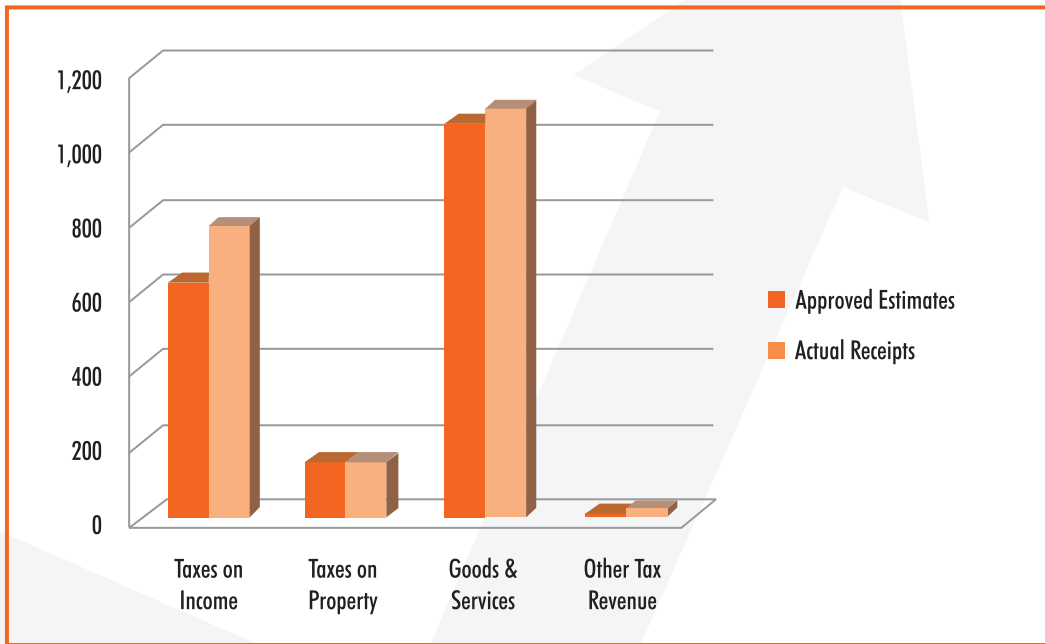
Maximising Revenue And Collections

One of the major functions of the Authority is to encourage taxpayers to voluntarily comply with their legal obligations with respect to the filing and payment of taxes. The Authority sought to meet this requirement with the provision of cashier facilities at seven locations at the beginning of the year, namely: in the parish of St. Michael - the Treasury Building, Bridgetown; Weymouth Corporate Centre, Roebuck Street; the Barbados Licensing Authority Building, Pine and Warrens Tower II, Warrens; in the parish of Christ Church - Southern Plaza, Oistins; in the parish of St. James - Holetown Public Centre, which was subsequently closed for extensive renovations, and in the parish of St. Peter - Northern Business Centre, Speightstown.

The collection of revenue proved challenging as cashiers experienced a steep learning curve in collecting at least three additional taxes while servicing their customers in accordance with the various legislated deadlines for payment. Additionally, the section experienced information technology issues periodically during which time the various software systems were inaccessible. The availability of alternative locations began to bear fruit in reducing long queues towards the end of the year under review, especially with reference to the Pine location, as customers used these alternative new locations.

Notwithstanding, these challenges for the year under review tax revenue totaling BDS\$2.04 billion was recorded when compared to the budgeted figure of BDS\$2.03 billion. When compared to the prior year 2013/2014, this was a favourable variance of BDS\$144 million or 8.9%.

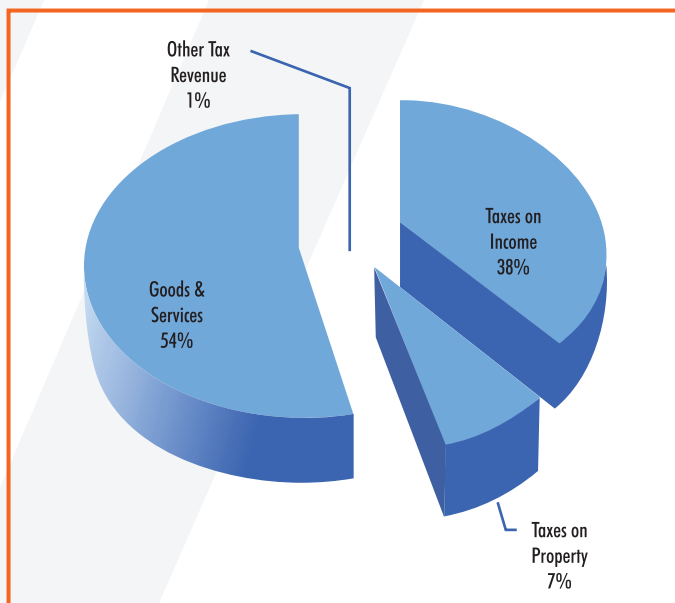
Table 1. Actual Versus Budgeted Revenue



This increase was due to a number of factors, including:

- The introduction of the Municipal Solid Waste Tax which recorded BDS\$32.04 million.
- A full year collection of the Consolidation Tax which yielded BDS\$26.06 million.
- The introduction of the Tax on Bank Assets and Assets of Financial Institutions which yielded approximately BDS\$26.9 million.
- A slowdown in the payment of tax refunds on VAT and Incomes and Profits. (Revenue is recorded net of refunds of taxes.)

Table 2. Revenue Recorded by Tax Type



Taxes on Goods and Services continued to be the **greatest contributor** to revenue reported, accounting for approximately **BDS\$1.126 billion**, though this was somewhat lower than the previous year's **BDS\$1.20 billion**. This decline had however been anticipated and was **compensated for** by the new taxes introduced during the year, namely the Consolidation Tax and the Municipal Solid Waste Tax.

Compliance Rates

Compliance rates for Incomes and Profits showed improvement with 103,352 taxpayers filing for the tax year 2014 compared to 96,721 for tax year 2013. Of these taxpayers, approximately 89.6% would have filed on time compared to 83.8% for the previous year. An analysis of the performance of the top one hundred companies would have shown a slight increase of BDS\$4 million when compared to the previous year.

A similar situation did not however exist for Value Added Tax where a noticeable reduction in payments (20,153 compared to 20,549 of the previous year) was recorded for the year under review. Despite this reduction in the number of payments made, it was reported that the contribution of the top one hundred registrants had increased by some BDS\$55 million when compared to the previous year.

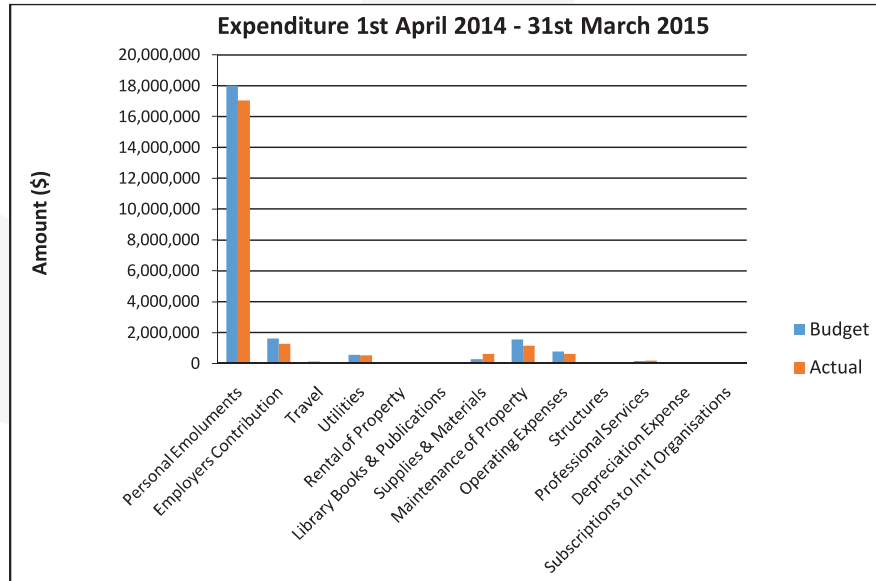
During 2014/2015 the Authority issued 82,960 invoices for Municipal Solid Waste Tax, of these 2,170 were returned. Waivers of 2,353 were granted along with 416 rebates to the agricultural sector. In the case of Land Tax, 112,619 bills were distributed, of which 10,917 were for overseas land owners. Waivers and rebates of 10,406 were granted. The numbers of returned bills, 2,925, decreased marginally when compared to the previous year when 3,100 were returned. The Authority is however seeking to implement some changes during 2015 – 2016 to further reduce the number of returned bills. Table 2 shows the number of waivers and rebates granted during the year.

Table 3. Waivers and Rebates Granted

WAIVERS AND REBATES GRANTED		
	LAND TAX	MSWT
WAIVERS		
Open Spaces in Development	167	
Sporting Organisations	10	
National Heroes Residence	1	
Crown	950	423
Religious/Benevolent	581	17
Government Agencies	2,525	1,463
Barbados National Trust	10	7
Embassies	16	17
Educational Institutions	7	7
International Organisations	5	
Barbados Museum	2	
REBATES		
Pensioners	5,700	416
Hotel	87	
Agriculture	343	416
Owner Occupied	2	
TOTAL WAIVERS AND REBATES	10,406	2,769

Performing Against Budget

Actual expenditure was 6.1% or BDS\$1.4 million less than the budgeted amount of BDS\$23.14 million. Much of this reduction can be attributed to lower than anticipated expenditure on salaries and employer contributions to the National Insurance Scheme, which were BDS\$18.33 million when compared to budget of BDS\$19.61 million. This variance was due mainly to the reduced level of recruitment of staff for the financial year. Most other areas of expenditure performed as expected with the exception of Maintenance of Property where a significant saving was achieved through the rationalisation of maintenance agreements and ICT systems across three legacy agencies as the integration of ICT services was activated. No supplementary requests for financing were made during the financial year. *(See financial statements for full expenditure statement)*



Improving Service - Becoming Customer Centric

As a newly established organisation, we recognised the need to maintain good customer relations even as we transitioned from five agencies to one. In order to maintain contact with our customers we had to implement a number of initiatives. One such initiative was the development of a Customer Service database which allowed us to have a single view of the taxpayer, though this was outside the legacy systems. This system was developed by a member of our in-house IT team and has served us well over the past year in providing customers with information in a quick manner.

We also took the decision that more contact was needed between the Authority and its major stakeholders and so a number of activities, including televised interviews, radio clips, presentations at seminars and workshops held by the private sector, pamphlets and public service announcements were used during the year.

A number of training opportunities, both internally and externally, were also afforded to staff members to improve their knowledge and understanding of the various pieces of legislation which the Authority administers. A single tax clearance form was also designed and implemented to make the application for tax clearances more manageable and to reduce the paper usage.

Other initiatives implemented included the updating of the Income Tax 2014 forms, placing these on the website to facilitate easy access as this allowed for the downloading of the forms by the public and re-branding of the Authority including updating of the website which was made available to the public in February 2015.

Implementing a Performance Management Framework

The monitoring of performance is a prerequisite for any performance-driven organisation. During the year the Policy and Planning Unit (PPU) was instrumental in formalising organisational objectives, finalising the key performance indicators (KPIs) and related targets/benchmarks for future monitoring and evaluation of the Authority's performance on a monthly basis. Monthly reports will be prepared and results compared with KPIs. Any deviations from set targets will be highlighted for corrective action.

The PPU is also responsible for conducting research on matters related to the Authority, including:

- Measuring the impact on revenue of fiscal changes.
- Forecasting revenue and liaising with the Ministry of Finance with respect to setting revenue targets.
- Coordinating and monitoring the “Establishment of a Central Revenue Authority” project.
- Providing technical assistance with respect to the negotiation, implementation and interpretation of Double Taxation Agreements and tax laws and the Exchange of Information.

Establishing the Legal Function

During the year 2014/2015, the Authority's Legal Department was established with a staff of three attorneys and two support staff. The main role of the department is to provide legal advice and support to the Divisions within the organisation and to ensure that any administrative and legal actions fall within the four corners of the Authority's legislative framework. Additionally, the Department sought to develop and maintain operational systems and procedures to guide the organisation in undertaking its work.

Throughout this period, the Legal Department generally provided legal opinions and tax rulings as required and undertook three main projects namely the reform of Tax Residency Certificates, preparing technical requirements for the implementation of the Foreign Account Tax Compliance Act (FATCA) and developing an internal newsletter for the Authority.

The Legal Department's focus was on revising and streamlining the process for issuing Tax Residency Rulings in order to normalise this process and bring it in line with the procedures undertaken by other Competent Authorities world-wide. The standardisation of this process will result in value-added to parties requesting residency by reducing the administrative steps to be undertaken.

The proposed legal requirements and draft Regulations to the Income Tax Act were prepared in order to provide for domestic enforceability to the requirements of FATCA. FATCA, an Act of the United States (U.S.) requires foreign jurisdictions like Barbados to transmit automatically to the U.S. Internal Revenue Service information obtained on U.S. tax residents holding accounts in financial institutions in the foreign country.

The first edition of the Authority's newsletter, the 'Legal Tax Reporter', was published in the final quarter of the 2014/2015 period. The purpose of the newsletter is to communicate and educate staff on the changes in Tax, Law, Policy and Information Technology within the Authority. The role of the Barbados Revenue Authority's Board was highlighted in this edition and it is anticipated that this newsletter will continue to feature articles and provide insight into the operations of the Board, Management and Staff.

The Legal Department also represented the Authority in a number of matters in the High Court and before the Barbados Revenue Authority Appeals Tribunal. This Tribunal is an independent body that sits to hear and determine taxation disputes in accordance with the Barbados Revenue Authority Act, 2014. To date, 22 matters were filed with the Tribunal of which 14 were heard.

Statement of Financial Position

Details of the organisation's assets and liabilities are reported in the Statement of Financial Position which forms part of the Report.

Cash Flow

The Authority commenced the year with approximately BDS\$21.93 million in its bank accounts. At the end of the year the balance in these accounts was BDS\$26.78 million
(Refer to the Cash Flow Statement which forms part of the financial statements.)

The Auditor General's Report

The Auditor General's Disclaimer Opinion relating to his inability to verify items in the Financial Statement confirms the issues identified by the Authority throughout the year pertaining to the systems of some of the legacy agencies inherited by the Authority. This emphasises the need for the Authority to acquire and implement as a matter of urgency, an integrated tax administration system which allows for efficient maintenance and management of tax payer accounts while allowing for data mining and access to information in a user-friendly manner by all stakeholders of the Authority. The Board and Management are committed to having these issues rectified within the shortest possible timeframe and have already commenced the process of seeking a solution to the information technology challenges currently being experienced by the Authority.



A stylized, handwritten signature in black ink, appearing to be 'MS' followed by a long horizontal stroke.

Margaret E. Sivers CMA, FCMA
Revenue Commissioner

STRUCTURE OF THE BOARD



From left to right: Frank Thornhill, John Pilgrim, Margaret Sivers, Lawson Yearwood, Sandra Osborne, Cecil Drakes, Annice Dalrymple, Karol Ashby and Martin Cox.

The Board comprises nine Directors, six of whom are appointed by the Minister. Five of these six Directors are required to be qualified and experienced in economics, accounts, finance, tax, law, public administration or business or such other area, as in the opinion of the Minister, is required for the discharge of the functions of the Board. The sixth person appointed by the Minister is nominated by the most representative trade union from among employees. The appointed members are independent of management. Their terms of appointment are for a period of two or three years in order to ensure Board continuity and Directors are eligible for reappointment. The *ex-officio* Directors are the Revenue Commissioner, the Director of Finance and Economic Affairs, and the Chief Technical Officer or his nominee.



Sandra Osborne, SCM, QC, BSc (Hons), LLB (Hons), FCIS, chairs the Board. She is a Queen's Counsel of Barbados and a Chartered Secretary with over 35 years' experience in the legal, governance and corporate secretarial field. A former Crown Counsel, and private practitioner, Ms. Osborne worked in the financial services industry for 25 years, retiring in December 2013 from the position of Executive Vice President, General Counsel and Corporate Secretary of Sagicor Financial Corporation. She played an integral role at Sagicor, one of the Caribbean's leading financial services Groups, in effecting fundamental corporate change, including demutualisation, corporate mergers, acquisitions, take-overs, as well as public and private offerings. Her areas of expertise are insurance, securities and corporate law, and corporate governance. Ms. Osborne serves on Boards in the financial services sector and in the non-profit sector and is an experienced Sport Administrator.



Lawson Yearwood is the Deputy Chairman of the Board. Mr. Yearwood has over 27 years of commercial banking experience, having worked at Barclays Bank PLC and Barbados National Bank. He was responsible for the set up of the Wildey branch of the National Bank in 1981 and served as its first manager until 1984. He also worked at the Barbados Development Bank as Manager of Internal Audit. He is Deputy Chairman of the Anti-Money Laundering Authority and a member of the Board of the Financial Services Commission. Mr. Yearwood served as a member of the Board of Management of the Princess Margaret Secondary School from 1983 to 2003 and Deputy Chairman of the Barbados Agricultural and Development Corporation (now the Barbados Agricultural Development and Marketing Corporation) from 1986 to 1994.



Karol Ashby, Bsc. (Hons), FCCA, CA, CIA, holds a BSc. in Accounting and is a Member of the Institute of Internal Auditors. Ms. Ashby has 19 years of experience in the accounting profession. She is a Partner of Burrowes, Chartered Accountants, and formerly held senior financial positions in both the private and public sector. She is currently a Council Member of the Institute of Chartered Accountants of Barbados and a Member of the Appeals Tribunal of the Financial Services Commission.



Martin Cox, BA, MSc. Econ UWI, CMA, began his public service career in 1978 as a Senior Project Analyst in the Public Investment Unit of the Ministry of Finance and Planning. He was appointed in 1995 as a Permanent Secretary, responsible for Economic Affairs, in the Ministry of Finance and Economic Affairs after serving as a Chief Project Analyst, Chief Budget Analyst, Deputy Permanent Secretary and Manager of the Public Investment Unit in the said Ministry. Subsequently, he had responsibility for Tourism, Education, Industry, International Business and Telecommunications and Labour and Social Security. He was assigned to the Finance portfolio in the Ministry of Finance and Economic Affairs in 2011. In 2013 he took up the acting appointment as Director of Finance and Economic Affairs, the civil

service's chief financial and economic advisor of the Government. He has represented the Government on the Boards of the National Insurance, the Barbados Development Bank, the Caribbean Development Bank, the Pine Hill Dairy and the Queen Elizabeth Hospital amongst others. Currently, he acts as Head of the Public (Civil) Service and, in this capacity, chairs the Committee of Permanent Secretaries, the Public Service Training Committee, the Standing Accommodation Committee and the Rausing Fellowship Advisory Committee.



Annice Dalrymple, JP, BSc., MBA, CMA, holds an MBA in Financial Management and a BSc in Accounting and is a Certified Management Accountant (CMA) and Justice of the Peace. She started her professional career in the public sector before joining the University of the West Indies (UWI) Cave Hill Campus, where she served for 15 years, retiring as Campus Bursar. She has for many years been active in the Anglican Diocese, serving on various Committees. A keen orchid grower, Ms. Dalrymple is a Member of the Barbados Association of Floral Artists and is its current Treasurer.



Cecil Drakes entered the public service as a Clerical Officer and enjoyed an extensive and fulfilling public service career working his way up to the ranks of Assistant Commissioner of the Inland Revenue Department. He worked in several Ministries, Departments and Statutory Corporations, including the Ministry of Health, the Barbados Water Authority, Seawell Airport Development Project and the Prime Minister's Office. Mr. Drakes has also been actively involved in the National Union of Public Workers (NUPW) for over thirty years, where he served as Shop Steward, Treasurer of the Clerical, Executive, Technical Officers Division, Deputy General Treasurer, General Treasurer, President, National Councilor and Chairman of the Medicare Scheme. Mr. Drakes is a member of the Lions Club of St. Michael.



John Pilgrim, BSc, MA, Executive Director of the Barbados National Productivity Council, holds a BSc in Economics, an MA in Agricultural Economics and is a Fellow of the World Academy of Productivity Science. He has been involved in the design and development of Productivity Improvement programmes in Barbados and throughout the wider Caribbean for many years and has written extensively on productivity-related management issues, conducted seminars and studies and is the author of several publications in this field locally, regionally and internationally. He has worked as a Project Analyst at the Caribbean Development Bank and as Senior Economist with the Caribbean Community Secretariat. Mr. Pilgrim is the past Vice President of the Caribbean Management Development Association and a member of the Project Advisory Committee of the ILO Programme for the Promotion of Management and Labour Cooperation.



Margaret Sivers, BSc (Hons) CMA, FCMA is the first Revenue Commissioner of the Barbados Revenue Authority. She is a Fellow of Certified Management Accountants and holds a BSc in Management Studies. After commencing her career in the private sector, Ms. Sivers joined the public service as Chief Accountant in the Ministry of Finance and Economic affairs where her last assignment was as Permanent Secretary (ag), Ministry of Finance, Special Projects Unit, responsible for the establishment of a Central Revenue Authority, the Financial Services Commission and the modernisation of Government's Procurement System. She previously performed a number of pivotal roles in the Ministry of Finance, including Accountant General, Project Manager - Public Expenditure Management Project and Special Assignments Officer - Office of the International Monetary Fund. Ms. Sivers is a former President of the CMA Caribbean Chapter and is active in the community as the Treasurer of her Church.



Frank Thornhill, BSc., MSc., is the Chief Technical Officer of the Ministry of Transport and Works. He was appointed as an Engineer to work in the Ministry of Communication and Works in 1975 and has worked on a number of infrastructural projects throughout the island notably the construction of the Spring Garden Highway, the ABC Highway, the Lower Greens and Cheapside Bus Terminals and the District ‘A’ complex. He has also worked as the Project Director of the Sewerage and Solid Waste Project Unit which was responsible for the Construction of the South Coast Sewerage Project and the Solid Waste Project. Mr. Thornhill holds a BSc. in Civil Engineering from the University of Coventry, England, an MSc. in Highway and Traffic Engineering from the University of Strathclyde in Scotland, a Diploma in Management Studies from UWI Cave Hill Campus and a Certificate in IT from the Barbados Community College. He has served on a number of Boards, including the Rural Development Commission, Engineer’s Registration, Architect’s Registration, Scotland District, the Barbados Water Authority, and the Licensing Authority. He is also a member of the Chartered Institution of Highways and Transportation of the United Kingdom.

The collective skills and experience of the Board are as follows:

	Sandra Osborne	Lawson Yearwood	Karol Ashby	Martin Cox	Annicc Dalrymple	Cecil Drakes	John Pilgrim	Margaret Sivers	Frank Thornhill
Economics				✓			✓		
Accounts			✓	✓	✓			✓	
Finance			✓	✓	✓			✓	
Tax			✓			✓		✓	
Law	✓								
Public Administration				✓	✓	✓	✓	✓	✓
Business	✓	✓	✓		✓				
Banking		✓							
Human Management				✓		✓	✓	✓	✓
Engineering									✓

ROLES AND RESPONSIBILITIES

The Board occupies a central position in the governance of the Authority. Its general role is to foster the Authority's short- and long-term success consistent with its mandated objectives and accountability to its stakeholders. In discharging its mandate, the Board oversees the affairs of the Authority, supervises management, which is responsible for day-to-day operations and, through the Revenue Commissioner, sets the standards of the Authority's conduct. In carrying out these duties, the Board's role in policy-making, guidance of the strategic planning process, and performance monitoring, is separate from the responsibility for the day-to-day management of the Authority.

The roles and the expectations for the Chairman, the Directors, and the Revenue Commissioner have been clearly defined. The Chair's leadership skills are a critical factor in determining overall Board effectiveness, while, collectively, individual Board members execute Board responsibilities set out in the Board charter. All Directors are expected to adhere to a high standard of performance and personal behaviour. The Revenue Commissioner is responsible for leading management, developing and implementing the Authority's strategy, and reporting to the Board of Directors.

Directors have demonstrated a high commitment to overseeing the affairs of the Authority during its first year as evidenced by the following Board Attendance Record:

Directors	Appointment	Number of Board Meetings Attended 2014/2015	Percentage of Board Meetings Attended 2014/2015
Sandra Osborne	Appointed by Minister	13 of 13	100%
Lawson Yearwood	Appointed by Minister	11 of 12	92%
Karol Ashby	Appointed by Minister	11 of 13	85%
Martin Cox	<i>Ex – Officio:</i> Director, Finance & Economic Affairs, (ag) Appointed by Minister	10 of 13	77%
Annice Dalrymple	Appointed by Minister	10 of 13	77%
Cecil Drakes	Appointed by Minister Nominee of NUPW	12 of 13	92%
John Pilgrim	Appointed by Minister	5 of 5	100%
Margaret Sivers	<i>Ex – Officio:</i> Revenue Commissioner	12 of 12	100%
Frank Thornhill	<i>Ex – Officio:</i> Chief Technical Officer	12 of 13	92%

Board Committees

The Board has established three mandatory Board Committees - the Audit Committee, the Human Resources Committee, and the Tenders Committee, while the Board directly oversees all Corporate Governance matters. The purpose of these committees is to undertake detailed reviews and to provide in-depth supervision in key areas of Board responsibility. The use of committees helps the Board gain a

more comprehensive understanding on matters requiring specialised attention. Each Committee operates within the framework of a written Board-approved charter, which defines its purpose, objectives, authority, roles and responsibilities. Committees are required to report monthly to the Board on their work.

Audit Committee:

Annice Dalrymple (Chair), Karol Ashby and Martin Cox.

The function of the Audit Committee is to assist the Board in fulfilling its financial accountability, risk management, and oversight responsibilities. The Committee does this by reviewing the adequacy and effectiveness of the integrity of the Authority's financial statements and the financial reporting process, the system of internal controls, the internal audit function, the external audit process, the management of financial risks, and compliance with applicable legal and regulatory requirements. All Audit Committee members are required to be financially literate and at least one must have accounting or related financial management expertise.

Human Resources Committee:

Lawson Yearwood (Chair), Cecil Drakes and John Pilgrim.

The function of the Human Resources Committee is to assist the Board in ensuring that adequate policies and procedures are in place for the effective management of the Authority's human resources. The Committee does this by formulating Human Resource policies, procedures and practices and ensuring their implementation. At least one member is required to have expertise in Human Resources.

Tenders Committee:

Frank Thornhill (Chair), Lawson Yearwood and Cecil Drakes.

The function of the Tenders Committee is to oversee the procurement of goods and services by the Authority. The Committee does this by ensuring that a process is in place for the procurement of goods and services and monitoring, approving, and or recommending procurement as required.



Dava Leslie Ward
General Counsel and Corporate Secretary

The Board of Directors has charged the Information Security & Control Unit (ISCU), led by the Chief Information Security Officer (CISO), with the responsibility for providing independent and objective evaluation and assurance of the adequacy and effectiveness of the Authority's internal control environment. He is ably assisted by a team of ten officers, with varied levels of experience in internal and information systems auditing. The CISO has no executive or managerial powers and duties except those relating to the management of the Internal Audit function.

Internal Auditing is a control measure which functions by examining and evaluating the adequacy and effectiveness of control systems. To this end, the ISCU will furnish the Board (Through the Audit Committee) and the Revenue Commissioner with analyses, appraisals and recommendations concerning the activities reviewed. While not involved in the implementation of internal control systems the Unit may be consulted on the adequacy of controls when they are first implemented.

In an effort to fulfill its mandate, the ISCU adheres strictly to its Mission Statement:

To be a high-performing internal audit unit that continually adds value and is a driving force behind a culture of governance, accountability, compliance that assists in the achievement and evaluation of the Barbados Revenue Authority's objectives while adhering to the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.

During the year 2014/2015 the ISCU conducted several audits, with a view to determining whether the Authority was operating according to International Public Sector Accounting Standards (IPSAS), International Financial Reporting Standards (IFRS), the Financial Management and Audit Act and Financial Rules, Cap 5. These audits would have included areas which were considered high risk in light of the recent merger of the four domestic tax agencies, and the Licensing cash collection, with diverse information systems. The audits included reviews of the refunds process for Personal Income Tax and VAT, the Audit Services Division, procurement practices and revenue collection. In addition, information technology systems audits, were also conducted of the Income Tax (ETAX), Land Tax (VTAX), Value Added Tax (VETAS) and ASCUYDA system databases.

The focus of these audits was to determine whether there were established operating procedures, physical and logistical security of information, segregation of duties, assignment of roles and business/service continuity and whether these were being complied with.

The findings arising from these audits highlighted a number of issues which needed the attention of the Authority, including the need for:

- Fully documented policies and procedures within the Authority, leading to standardised processes.
- Cross-training of all staff in all areas of tax administration to improve productivity.
- An established public relations and communication strategy to enhance the relations between management, staff and the public.

Continuing professional development is one of the requirements of the International Standards for the Professional Practice of Internal Auditing. Efforts were therefore made to ensure that members of the unit received some exposure to formal internal auditing training. Training was provided through CARTAC, MIS Training Institute and the Barbados Chapter of the Institute of Internal Auditors. Courses ranged from introductory courses in internal and information systems auditing to specifics, such as integrating fraud into the audit program, and developing effective audit committees. In the coming year, more intensive training will be required to ensure maximum effectiveness of the Unit as we go into the second year of operations.

During the last quarter of the year members of the Unit attended a three day Strategic Planning Workshop chaired by the CISO. This workshop provided the avenue for the development of the Unit's Strategic Work plan for 2015-2018. As participants were given the opportunity to discuss the successes and failures of the Unit over the past nine months, an opportunity for introspection was also created, as a new path was forged for the coming year.



Trevor Forde
Chief Internal Control and Systems Auditor

PERFORMANCE RISKS

Risk management is a new initiative of the Authority. It is however, the intention of the Board that risk management will operate at all levels of the organisation from operational decision making on individual cases to the strategic-level risks identified and monitored by each division to mitigate against risk in the organisation. This initiative was therefore spearheaded with the establishment of a Risk Management Unit reporting to the Revenue Commissioner. The Unit is a central unit and therefore will encompass not only domestic taxes and external taxes and border control but will also seek to monitor and manage enterprise risk as part of its overall mandate.

It was agreed that the first year's focus would be the development of the risk strategy and framework within which the Authority would operate. This strategy and framework was completed during the year within the context of a Risk Management Policy which seeks to, among other things:

- Ensure that risk management principles are fully integrated into the Authority's operations.
- Improve and maximise revenue collection.
- Gradually reduce the likelihood and consequences of manageable risk.

The implementation of the Risk Management Strategy began with focus on the two major risks identified, namely tax payer non-compliance and ICT.

This first year has however been mainly one of training and discovery for the Risk Management Unit with assistance being provided by CARTAC and UNCTAD. The training was practical as the information gained in the courses was put into practice immediately. With a tax system being one mainly of self-assessment, the main question became how to identify the compliant, noncompliant and persons operating outside the net where possible. In providing an answer to this question the RMU commenced the development of a database of active taxpayers, using information in the legacy systems, incorporating data gathered from third party sources to identify persons who have not voluntarily registered with the Tax Administration. This process was tested on one group of taxpayers and will be continued for all groups of taxpayers as more reliable information is obtained from third parties to develop individual sectoral and relational taxpayer profiles.

It is recognised that an organisation of the complexity of the Barbados Revenue Authority will always have a number of risks to manage at one time, including the risks common to any new organisation going through the transition of a number of agencies into one. We are however satisfied that the governance structure implemented at the BRA will allow us to manage these risks effectively.



Natalie Hassell-Holder
Manager, Risk Management

HUMAN RESOURCES

The Barbados Revenue Authority commenced operations on April 1, 2014 with a complement of staff of 316 transitioned from five legacy agencies. These individuals were either seconded to the Authority for up to a two-year period, in the case of appointed persons, or on one year contracts for temporary persons. During the year an additional 16 staff members were recruited into the Authority along with eight officers from the Excise Division of the Customs and Excise Department to end the year at a staff complement of 323.

Our goal is to build an Authority for the future with competent, efficient professionals. To achieve this will require involvement and investment in our staff recognising that the organisation's ability to attract top talent is important to its success. Likewise, its ability to retain top talent is equally as important. Although the strategies involved in keeping them are noted as retention approaches, some of these very factors impact on potential employees choosing the Barbados Revenue Authority as their "employer of choice" because of a work environment that is productive, flexible, and meaningful. Some of the employee retention strategies employed during the year were:

- Promotion from within.
- Redeployment of staff making most effective use of skills and knowledge.
- Improved working conditions.
- Employee input.
- Improved conditions of service.
- Flexible working arrangements.
- Improved channels of communication.

The Authority is committed to providing training and development opportunities for its employees so that they will gain the necessary skills and competencies to carry out their duties effectively, thereby allowing them to reach their full potential and become confident, highly qualified individuals who can work together as an effective and efficient team. This also includes capacity building, which goes beyond training as it involves human resource development; the process of equipping individuals with the understanding, skills and access to information, knowledge and training that enables them to perform effectively. To this end, during the period April 1, 2014 to March 31, 2015, the organisation invested in its employees through a variety of in-house training programmes as well as overseas training workshops.

Areas of focus included:

Local/In-House Training

- Strategic Business Planning.
- Leadership Development for Managers.
- Business Application Awareness.
- Change Management.
- Integrated Tax Audit Planning.
- Risk Management Training.

- Coaching and Counselling for Leadership Development.
- Managing Risks in Real Estate.
- Oracle Certification.
- Labour and Employment Best Practices.
- Workshop on Labour Law and Employment Best Practices.

Overseas Training Workshops/Seminars/Attachments

- Advanced Information Technology Auditing.
- Advanced Auditing for Audit Managers.
- Regional Training Seminar on Exchange of Information.
- Information Systems Auditing and Controls.
- COGNOS Framework for Managers.
- Global Forum Training on Automatic Exchange of Information.
- Base Erosion and Profit Sharing Workshop.
- Attachment to the Dominica's Customs Department.



Tax administrators gather at the Caribbean Association of Tax Administrators General and Technical Conference in Guyana in 2014.

Conferences and Meetings

Staff members were also provided the opportunity to attend regional and international meetings and conferences and thus were afforded the opportunity to network with their counterparts and exchange ideas and practices. This cross fertilisation of ideas is critical as the boundaries of tax administration become wider and the issues faced by tax administrators become more complex.

Conferences and meetings included

- Caribbean Organisation of Tax Administrators, General Assembly and Technical Conference, Guyana.
- International Association of Assessing Officers Committee Meeting, Canada.
- 3rd Meeting of the Global Forum Competent Authorities, Mexico City.
- Regional Meeting of Tax Administrators, hosted by the Caribbean Regional Technical Assistance Centre (CARTAC), Barbados.
- Technical Conference of the Inter-American Centre of Tax Administrations, Spain.

It is our intent to ensure that that the Authority builds on the investment made in our staff thus far. We will continue to build interesting, challenging and rewarding jobs for our people to ensure that the Authority remains an employer of choice.



Hazel Gittens
Director, Corporate Services

ENVIRONMENTAL IMPACT ANALYSIS

The Barbados Revenue Authority operates within the economic sphere of Barbados, but its reach is global as it interacts with other tax administrations, governments and persons in the international arena.

The Authority also operates in an economy faced with serious challenges to its cash flow, a debt to GDP ratio of 70.4% and an unemployment rate of 12.3% in the year 2014. The island's Gross Domestic Product in 2014 at basic prices was BDS\$7.6 billion, the rate of inflation 1.9% and growth was projected at 1% in 2014.

Barbados has a stable political democracy, and an excellent communication system. The economy is diverse – tourism, agriculture, light manufacturing and international business are the main pillars of the economy. Taxation has now become a global business where cross border trading, transnational corporations, and the movement of citizens of a state to work in another state are all factors which impact the operations of the Authority as a tax administration agency.

Barbados has 34 double taxation agreements and bilateral investment agreements, which along with the island's infrastructure and strong regulatory environment, drive the international financial sector.

The island has kept pace with improvements in technology and the Authority has placed three of its major tax administration systems online, and customers have responded favourably to the use of these technological advances. It is notable however, that some persons make meeting legal obligations, including tax, their last area of compliance, and some tax defaulters wait, anticipating government to announce tax forgiveness.

The World Bank Doing Business Survey 2014, which applies an indicator measure of the time taken by a typical small manufacturing business to file and pay 3 major types of taxes (CIT, VAT, and Labour taxes-Personal Income Tax and Consolidation Tax), ranks Barbados out of 189 countries as follows: *ease of doing business, rank 103; paying taxes, rank 87; and trading across borders, rank 36.*

For the payment of taxes this reflects an improvement over the previous year when the ranking was 112 out of 183 countries.

Tax Policy Issues

Value Added Tax

During the year, the Value Added Tax Act was amended to change the method of computing Value Added Tax (VAT) on the importation of goods when waivers are granted. The VAT base is determined as cost of the items plus import duty and excise tax. However, when either or both Import Duty and Excise Tax were waived, the VAT was calculated only on the cost of the goods, resulting in the under-collection of VAT. The amendment sought to correct this method of computation, in keeping with other regional tax agencies, so that when any of the items in the tax base is waived, the VAT is calculated on the correct tax base; the taxpayer still benefits from the waiver granted but VAT revenue is not negatively impacted.

Tax Amnesty

The Minister of Finance in his Ministerial Statement of December, 2014 announced a Tax Amnesty on arrears of taxes owed to the Authority as at December 31, 2014. This amnesty, which offered a 100% waiver of penalty and interest to taxpayers who paid 100% of the principal owed on or before March 31, 2015, was extended to June 15, 2015 in particular circumstances.

Tax on Assets

This Act, which imposes a rate of 0.2% per annum on the average domestic assets on non-banking and deposit taking financial institutions with gross assets of BDS\$40m or more, was passed in February 2015. The penalty for failing to pay the tax as specified, is the greater of 10% of the tax that was due and unpaid or BDS\$20,000. This tax is scheduled to come to an end on March 31, 2016.

Cultural Industries Development Act

The Cultural Industries Development Act (CIDA) was proclaimed on February 1, 2015 to grant tax concessions to cultural entrepreneurs, cultural practitioners or governmental entities responsible for cultural projects. These concessions include taxes payable on the construction and furnishing of a new building or refurbishment and furnishing of an existing building, the setting off of capital expenditure and granting of an allowance in respect of artistic work, marketing, training and investment and the exemption from the payment of import duty, stamp duty and Value Added Tax in particular situations.

The Authority is currently working with the newly established Cultural Industry Development Authority to develop standards and procedures for operationalising this new piece of legislation.

Public Entertainment

The VAT Act clearly indicates that tax is payable on items given for no consideration, for example, complimentary tickets. This has however been in dispute from as far back as 2011, and in 2014 was again raised.

Withholding taxes payable by foreign entertainers which is required by the Income Tax Act also became a contentious issue once the Authority came into existence and could enforce this requirement as a single entity.

Free Available Credit

Taxpayers who use the Value Added and Excise Tax Administration System (VETAS) were previously afforded the opportunity to automatically utilise Free Available Credit (FAC). This policy which was implemented by the VAT Division in 2011, allowed registrants to direct their approved VAT refunds to a credit account and then transfer these credits to other VAT registrants. The FAC could then be used to pay their VAT or apply for a VAT refund. With the integration of tax administration and the establishment of a single consolidated view of a taxpayer, the automatic use of FAC was discontinued to allow the Authority to better manage overall tax arrears by first applying the VAT refunds to any outstanding tax owed by the taxpayer before it can be transferred to another VAT registrant or used to pay future tax obligations. Use of the FAC on request is however still available to taxpayers, subject to approval of the Commissioner.

Relations with Other Entities

The Foreign Account Tax Compliance Act

In 2010, the US Congress enacted the Foreign Account tax Compliance Act (FATCA) to target non-compliance by US taxpayers holding foreign accounts. FATCA was enacted on July 1, 2014 and requires all non-US financial institutions in every country of the world to report data about reportable financial accounts held by U.S. persons on an annual basis to the U.S. Internal Revenue Service (IRS).

Accordingly, Barbados signed an Inter-Governmental agreement (IGA) with the IRS in order to facilitate FATCA compliance of the affected entities in its jurisdiction. An IGA may be reciprocal or non-reciprocal and Barbados selected a reciprocal agreement, which means that Barbadians who hold reportable financial accounts in the U.S. may have certain prescribed information reported to the Authority.

Foreign financial institutions, investment entities, certain insurance companies as well as various non-financial foreign entities must register with the IRS. Registrants in turn, will receive a Global Intermediary Identification Number (GIIN), which is used when reporting on their financial accounts. Failure to report on the relevant accounts could result in the imposition of a 30% withholding tax on certain U.S.-source payments.

The OECD and the Global Forum

The Global Forum on Transparency and Exchange of Information for Tax Purposes (Global Forum) is an international body that is charged with in-depth monitoring and peer reviews to ensure the implementation of internationally agreed standards of transparency and exchange of information. These standards are primarily reflected in the 2002 OECD Model Agreement on Exchange of Information on Tax Matters and its commentary; and in Article 26 of the 2010 OECD Model Tax Convention on Income and on Capital. The standards have also been incorporated into the UN Model Tax Convention.

On July 19-20, 2013, the communiqué of the G20 meeting of Finance Ministers and Central Bank Governors in Moscow fully endorsed the OECD proposal for a truly global model for multilateral and bilateral automatic exchange of information and committed to automatic exchange of information as the new global standard. The United States Treasury and IRS are also fully committed to the automatic exchange of information as the new global standard, and they are dedicated to making the automatic exchange of information attainable by all countries and will seek to provide capacity building support with assistance from the Global Forum.

The Government of Barbados has indicated its intention of becoming a signatory to the Multilateral Convention of the OECD and Global Forum and to be an early adopter of the Common Reporting Standard for the Automatic Exchange of Information. Signing this Convention will in some way alleviate the threat of Barbados being deemed a tax haven, as we potentially can exchange information with any country which is signatory to the Convention.

Confidentiality and the Exchange of Information

The number of exchange of information agreements has increased dramatically in recent years, and taxpayers and tax administrations have a legal right to expect that data exchanged under exchange of information agreements remains confidential. This requires all partners to maintain adequate safeguards to protect the confidentiality of shared information and provide assurance that information will only be used for the purposes permitted under the exchange of information agreement.

While the first step is ensuring that appropriate legislation is in place, the confidentiality of taxpayer information also depends on the ability to sustain a culture of information security within a tax administration. Confidentiality measures must therefore be incorporated into all aspects of tax administration operations.

In order to facilitate the secure and confidential transmission and maintaining of taxpayer information a rigorous security assessment was conducted of the Authority by the IRS. This culminated in the completion of a FATCA Security and Safeguards Workbook for submission to the IRS for completion of the assessment. This exercise highlighted the urgent need for the Authority to develop and implement policies to ensure good administrative practices are executed and to comply with exchange of information requirements. The Authority has therefore completed its Information Security Policy Manual and has made recommendations for a number of amendments to the Income Tax Act and Regulations in order to facilitate the automatic exchange of information.

The Global Forum's Common Reporting Standard and security workbook is very similar to that of the IRS and the Authority is currently in the process of completing this Workbook to meet the Global Forum's deadline.



Anthony Gittens
Manager Policy and Planning
Exchange of Information Unit

INTEGRATING INFORMATION AND COMMUNICATION TECHNOLOGY

The implementation of an Integrated Management Information System to support the Authority's strategic direction has been identified as one of the key performance indicators outlined in the Strategic Plan 2014-2019. This strategic goal will be achieved by the implementation and use of a secure, flexible Information Technology system that meets the Authority's current and future needs.

The ICT team, which is charged with implementing the technological and communication aspects of this goal, comprises a staff of 26 covering areas of database management, network management, business intelligence and systems administration. Over the last year the team has gained much experience with significant knowledge transfer and a general uniting of the team. Team dynamics and transferring the vision of the Authority has been the major emphasis and continues to be a concern going forward. The whole concept of one Authority has slowly taken a foothold and has been seen in a real way during the preparation for year-end and the execution of the year-end procedures.

The team has benefited from training at various times during the year and this exposure especially the local training has led to sharing of ideas and cross fertilisation among team members. More and more the weight of ICT responsibilities, accuracy and integrity of data is being shared. No longer is there a guessing game involved when it comes to policies and standards. No one person holds all the keys to how a systems works. Access to relevant required data for proper job functioning is now a mouse click away.

Integration of information assets by way of accesses to relevant data has been established. Outsourcing of all system management and maintenance is now a thing of the past and is only done where required for critical job functions. More autonomy has been given to ICT team members thereby allowing them to be creative, expressive and responsible risk takers.

The ICT team has been exposed to training in a number of areas with some certifications in these areas. For example basic JAVA, SOClass, COGNOS, Jasper Reports development for Asyreport, VETAS application development and support Oracle and Data Guard Configuration to name a few.

The ICT team has truly grown over the last year.

In addition to the achievement made with respect to the development of the human resources of the ICT Unit, a number of infra-structural changes have been implemented to improve the effective and continuous operating of all systems.

These included:

- Upgrade of connectivity and server operating systems at all sites.
- Replacement of obsolete equipment.
- Access by staff to all applications from all sites of the Authority.

Another success in this area was the completion of a single window cash receipting system, inclusive of a customer service single window application, which enables the staff to have a single view of each taxpayer thus improving the efficiency with which the Authority can offer service to its customers.

Despite these successes there were some challenges experienced along the way. These included a shortage of network experience and knowledge, difficulty in getting cross-fertilisation of ideas and ownership of the organisation's various systems, managing five different ICT systems with no integration, the existence of a lot of hardware but little capacity for expansion and growth, poor optimisation of network and internet bandwidth and limited capability for allocation and monitoring of resources. Many of these challenges have been resolved and it is projected that further improvement will be seen during the second year of operation.



Roger Blackman
Senior Manager, IT

APPENDIX I

Summary of Taxes Administered by the Barbados Revenue Authority

The Barbados Revenue Authority presently administers six main taxes, namely:

- Land Tax
- Municipal Solid Waste Tax
- Value Added Tax
- Consolidation Tax
- Excise Tax
- Taxes on Incomes and Profits
 - Personal Income Tax
 - Corporate Income Tax

A short summary of these taxes is provided below. *(Rates relate to the tax year ended December 31, 2014.)*

Land Tax

The Land Valuations Section values property every 3 years. Based on the improved or site value of the property, land tax is calculated at specified rates.

The current rates are:

1. Residential		
(a)	On the improved value up to BDS\$190,000.00	0.0%
(b)	On the excess greater than BDS\$190,000.00 but not exceeding BDS\$500,000.00	0.10%
(c)	On the excess of the improved value greater than BDS\$500,000.00 but not exceeding BDS\$1,250,000.00	0.45%
(d)	On the excess of the improved value greater than BDS\$1,250,000.00	0.75%
(e)	The Tax Cap on residential remains at BDS\$60,000.00	
2. Non-Residential		
	On the improved value of every parcel of land on which there is a building other than a residence	0.50%
3. Un-Improved Land*		
	On the site value of each parcel of unimproved land	0.60%
*NB - There is no charge to the rate on site values		

Rebates are available for pensioners, hotels, villas and the agricultural sector. For residential properties, the first BDS\$190,000.00 of the improved value is tax free. The Tax is due each April 1, however, property owners pay when their bill is issued by the Authority. In addition, there is also a rebate for manufacturers whose exports must be BDS\$100,000.00 or more per calendar year.

Municipal Solid Waste Tax

This tax was imposed on all land with an improved value. It was calculated at 0.3% of the site value. Similar allowances to those for Land Tax have been given for MSWT. The MSWT was implemented to raise revenue to finance the treatment of solid waste in Barbados.

Value Added Tax

Value Added Tax (VAT) is imposed on the taxable supply of goods and services in Barbados and on goods imported into Barbados. The threshold for VAT registration is BDS\$80,000.00 per annum. However, promoters of public entertainment must register for VAT notwithstanding that they may not meet the registration threshold.

VAT has three rates: the standard rate of 17.5%, a concessionary rate of 7.5% which applies to hotel accommodation (room rate only) and direct tourism services and a zero rate which is applicable to supplies listed in the First Schedule of the VAT Act. In addition, items listed in the Second Schedule are exempt from the payment of VAT.

Consolidation Tax

Introduced as part of the 18 month fiscal adjustment program, the consolidation tax was scheduled to be terminated on March 31, 2015, this has subsequently been extended until March 31, 2016. The Consolidation Tax is imposed on persons whose salary exceeds BDS\$50,000 per year. The tax is deducted by employers and remitted monthly to the Authority.

Excise Tax

Excise Tax is levied on the following locally produced goods:

- Ethyl alcohol and the products derived from such—rum, gin, vodka and other liquors.
- Beer
- Tobacco products.

Taxes on Incomes and Profits

Personal Income Tax

Personal income tax is levied on the salary of individuals. Employers are required to deduct the tax from an employee's salary and remit the amount deducted to the Authority by the 15th day of the following month. Individuals are allowed the first BDS\$25,000.00 of income, tax free, annually. The next \$30,000.00 is taxed at 17.5% and the remainder at 35%. Resident pensioners are allowed the first BDS\$40,000.00 of income, tax free.

Employed persons with tax payable have the option of paying half the tax due by April 30th, when filing and the remainder by September 30th each year.

Self-employed persons are required to make prepayments based on the previous year's tax payable. These payments are due by June 15th, September 15th, December 15th and any balance due must be paid by April 30th when filing.

Corporation Tax

Companies are required to pay corporation tax on their profits. Companies with a fiscal year end between January 1 and September 30th have a March 15th filing date and Companies with the year-end October 1 to December 31st must file by June 15th of the following year, respectively.

Companies with fiscal periods ending at any time during January 1st to September 30th, both dates inclusive, are required to prepay 50% of the tax paid or payable in respect of the previous income year as a prepayment of tax and the balance by September 15th each year.

Companies with fiscal periods ending at any time during October 1st to December 31st, both dates inclusive, are required to prepay 50% of the tax paid or payable in respect of the previous income year as a prepayment of tax for the income year by the 15th December and the other 50% by 15th March of the following year.

Exempt insurance companies pay a license fee of BDS\$20,000.00 for the first 15 years of existence to the Financial Services Commission. Thereafter that amount is paid as a tax to the Authority.

The tax rate applicable to companies:

Company Type	Tax Rate
Life Insurance Companies	5%
Exempt Insurance Companies (<i>taxable income to \$250,000</i>)	8%
Exempt Insurance Companies	0%
Approved Small Business	15%
Construction <i>15 or more houses with a sale price of under \$400,000 inclusive of land</i>	15%
Manufacturing Companies	15%
Interest on Government Securities	12.5%
International Business Companies at 2.5% rate	2.5%
International Business Companies at 2.0% rate	2%
International Business Companies at 1.5% rate	1.5%
International Business Companies at 0.5% rate	0.5%
Other Companies	25%
Rental Income from Residential Property	15%



AUDITOR GENERAL'S OFFICE BARBADOS

REPORT ON THE AUDIT OF THE ACCOUNTS OF THE BARBADOS REVENUE AUTHORITY FOR THE YEAR ENDED MARCH 31, 2015

I was engaged to audit the accompanying financial statements of the Barbados Revenue Authority ("the Authority" or "the BRA"), which comprise of the Statement of Financial Position as at March 31, 2015 and the statement of Performance, statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

My responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with International Standards on Auditing. Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion

Basis for Disclaimer of Opinion

I was unable to confirm balances as at 01st April 2014 due to a lack of supporting documentation. Secondly, I was unable to confirm a number of balances on the Statement of the Financial Position as at 31 March 2015 also because of the lack of adequate supporting documentation. These balances included the following assets: Tax Receivables of \$794,516,665 and Due from Treasury of \$189,863,972 and liabilities: Due to Treasury of \$794,652,986 and Tax Refunds Payables of \$191,035,683. Thirdly the Authority did not prepare the Financial Statements in accordance to International Public Sector Accounting Standards. As a result of these matters I could not determine whether any adjustments were necessary on the financial position of the Authority as at 31st March 2015 or on its financial performance and statement of cash flows for the year then ended.

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.

Leigh Trotman
L. E. TROTMAN
Auditor General

2015-12-14

**Barbados Revenue Authority
Statement of Financial Position
As At March 31, 2015
BDS\$**

	<i>Notes</i>	Actual 2014	Actual 2015
ASSETS		720,490,670	1,011,316,858
Current Assets		720,490,670	1,011,178,091
Cash	1	21,929,191	26,783,477
Other Receivables			13,977
Due from Treasury	2	20,814,649	189,863,972
Tax Receivables (net)	3	677,746,831	794,516,665
Fixed Assets (Net)	4		138,767
LIABILITIES		698,561,480	988,311,873
Current Liabilities		698,561,480	988,311,873
Due to Treasury	5	677,745,831	794,652,986
Due to Third Parties			(688)
Tax Refunds Payables	6	20,814,549	191,035,683
Deferred Revenue			6,799
Accounts Payable			2,617,093
GENERAL FUND		21,929,191	23,004,985
Opening Capital	7	21,929,191	22,889,905
Net Surplus (Detail for year)			115,080
TOTAL LIABILITIES AND GENERAL FUND		720,490,670	1,011,316,858



Chairman

2015-11-16

Date



Revenue Commissioner

2015-11-16

Date

**Barbados Revenue Authority
Statement of Financial Performance
For the Year Ending March 31, 2015
BDS\$**

	<i>Notes</i>	Budget 2015 \$	Actual 2015 \$
Contribution from Government		22,114,760	21,850,177
Recurrent subvention		22,114,760	21,850,177
Expenditure		23,138,747	21,735,097
Personal Emoluments	8	19,610,566	18,328,879
Travel		106,518	107,527
Utilities		542,735	527,136
Rental of Property		41,946	43,733
Library Books & Publications		12,300	2,303
Supplies & Materials		267,555	626,454
Maintenance of Property	9	1,536,554	1,151,815
Operating Expenses	10	753,898	630,509
Structures		64,500	40,371
Professional Services		133,000	183,329
Depreciation			28,554
Expense			28,554
Subscriptions to Int'l Organisations		69,175	64,486
Surplus/(Deficit)		<u>(1,023,987)</u>	<u>115,080</u>

**Barbados Revenue Authority
Statement of Cash Flows
For the Period Ending March 31, 2015**

	<i>Notes</i>	BDS\$
Current Year Operating Surplus		115,080
Depreciation expense		28,554
		143,634
 CASH FLOWS FROM OPERATING ACTIVITIES		
Inflows		
Due to Third Parties		(688)
Tax Refunds payable		171,181,748
Due to Treasury		116,906,155
Increase in accounts payables		2,623,891
Due from Treasury		(169,049,323)
Tax Receivables		(116,769,834)
Other Receivables		(13,977)
Net cash flows from operating activities		5,021,608
 CASH FLOWS FROM OPERATING ACTIVITIES		
Purchase of Equipment		(72,223)
Purchase of Motor Vehicle (net)		(95,098)
Net cash flows from investing activities		(167,321)
 Net cash flows from activities		 4,854,286
 Cash at beginning of year		 21,929,191
Cash at end of the year March 31, 2015		26,783,477
Increase (decrease) in cash		4,854,286

NOTES TO THE FINANCIAL STATEMENTS

I. Significant Accounting Policies

1. Reporting Entity

The Barbados Revenue Authority is a body corporate established under Section 3 (1) of the Barbados Revenue Authority Act 2014-1

The main activities of the Authority relate to the administration of the specified legislation set out in Schedule 1 of the Act. Additionally it has responsibilities for the enforcement and collection of all forms of duties, taxes, interest, penalty, fees and any amounts payable under the specified enactments; advise the Minister on all matters relating to the Act and the specified enactments and to represent Barbados on other matters relating to taxes.

The Financial Statements of the Barbados Revenue Authority are prepared in accordance with the requirements of the Financial Management and Audit Act 2007. This is in accordance with Section 22 of the Barbados Revenue Authority Act which requires that the Financial Management and Audit Act may be applied with such adaptations and modifications that may be required.

2. Accounting Policies

These financial statements comply with generally accepted accounting practice. The measurement base is historical cost. The accrual basis of accounting has been used unless otherwise stated.

2.1 Reporting and forecast period

The reporting and budget period for these financial statements is the year April 1, 2014 to March 31st, 2015.

2.2 Measurement Uncertainty

Uncertainty in the determination of the amount at which an item is recognized in the financial statements is known as measurement uncertainty. Such uncertainty exists when it is reasonably possible that there could be a material variance between the recognized amount and another reasonably possible amount.

Measurement uncertainty in these financial statements and notes exists in the valuation of the accruals for personal income tax, corporation tax and value added tax revenues.

Uncertainty related to the accrual for personal income tax, corporation tax and value added tax arises because of the possible differences between the estimated and actual economic growth and the impact of future tax assessments on tax receivable.

Estimates are based on best information available at the time of preparation of the financial statements and will be reviewed annually to reflect new information as it becomes available.

2.3 Revenue

2.3.1 Non-exchange Revenue

Payment of tax does not, of itself, entitle the tax payer to an equivalent value of services or benefits as there is no direct relationship between paying tax and receiving services and transfers. Such revenue is received through the exercise of the Crown's sovereign power. Where possible such revenue is recognized when the debt to the Crown arises.

Revenue is recorded net of refunds

Revenue Type	Revenue recognition point	Basis of Accounting
Income and Profits:		
Income Tax (source deductions)	When an individual earns income that is subject to PAYE and the necessary payment and schedule is submitted to the Authority	Accrual basis
Consolidation Tax	When an individual earns income that is subject to Consolidation Tax and the necessary payment and/or schedule is submitted to the Authority When payment is made with accrual of taxes due for the year at end of year When an individual is paid interest or dividends subject to the deduction at source.	Accrual basis
Corporation Tax		Accrual basis
Withholding Tax	When the taxpayer files and an assessment is raised When payment of the fee or charge is made. When Goods are subject to duty on assessment. On filing by taxpayer	Cash basis
Goods and Services:		
Value Added Tax	When payment of the levy is made Based on information submitted by Central Bank and Financial Services Commission	Accrual basis
Highway revenue	When the tax invoices are issued to the taxpayers	Cash basis with accrual at year-end
Excise Duties	When tax is paid	Accrual basis
Bank asset tax	When invoices are issued to the taxpayer	Accrual basis
Property Tax		
Land Tax		Accrual basis
Rent registration		Cash basis
Special Receipts		
Municipal Solid Waste Tax		Accrual basis

2.3.2 Exchange revenue (Revenue Earned through operations)

If revenue has been earned by the Barbados Revenue Authority in exchange for the provision of Goods and Services to third parties, the Authority receives its revenue through operations. Such revenue is recognized when it is earned.

Investment Income

Investment income is recognized in the period in which it is earned. (Accrual basis)

Fees and fines

Fees and fines are recorded as revenue as they become due, (Accrual basis) and payable.

Gains and losses

Gains

Realised gains from the sale of fixed assets are recognized in the Statement of Financial Performance in the period in which the transaction occurs.

Un-realised gains arising from changes in the value of property, plant and equipment are recognized in the Statement of Financial Performance to the extent that a gain reverses a loss previously charged to the Statement of financial performance. Otherwise gains are credited to an asset revaluation reserve for the class of asset.

Un-realised foreign exchange gains on monetary assets and liabilities are recognized in the Statement of Financial Performance.

Losses

Realised losses arising from the sale of fixed assets or the early repurchase of liabilities are recognized in the Statement of Financial Performance in the period in which the transaction occurs.

Un-realised losses arising from changes in the value of property, plant and equipment are recognized at balance sheet date. Un-realised losses are first applied against any revaluation reserve for that asset class. The balance, if any, is charged to the Statement of Financial Performance.

Un-realised foreign exchange gains on monetary assets and liabilities are recognized in the Statement of Financial Performance.

2.4 Expenses

Expenses are recognized in the period to which they relate.

2.4.1 Foreign currency transactions

Transactions in foreign currency are translated into Barbados dollars using the exchange rate on the dates of the transactions. Exchange rate differences arising on settlement of these transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Financial Performance.

Currency exchange rates are determined by reference to the Central Bank of Barbados.

2.4.2 Depreciation

Depreciation is charged on a straight line basis calculated to allocate the cost or valuation of an item of property, plant and equipment over the estimated useful life. Typically the estimated useful lives of different classes of property plant and equipment are as follows:

Buildings:	40 years
Leasehold improvements	15 years
Machinery and Equipment:	5 to 15 years
Computer Hardware:	3 to 5 years
Computer Software:	1 to 5 years
Furniture and Fittings :	5 to 10 years
Motor Vehicles:	3 to 10 years

2.5 Assets

2.5.1 Receivables and advances

Receivables and advances are recorded at the amounts expected to be ultimately collected in cash. Provision for Bad debts will be established at a rate of one and three-quarter (1.75) percent of the outstanding receivables.

2.5.2 Inventories

Inventories are recorded at the lower of cost and net realizable value. Where inventories acquired are recorded at cost, the weighted average cost method is used.

2.5.3 Property, plant and equipment

Items of property, plant and equipment which include buildings, motor vehicles and office equipment, are recorded at cost less accumulated depreciation. These items are capitalised when the individual or group assets cost in excess of BDS\$3000.

Revaluations are carried out for the classes of property, plant and equipment noted below to reflect the service potential or economic benefit obtained through control of the asset. Revaluation is based on the fair value of the asset.

Classes of property, plant and equipment assets that are revalued, are revalued at least every three years.

2.5.3.1 Land and buildings

Land and buildings are recorded at cost less accumulated depreciation on buildings. All lands are valued using the Comparative Method which relies on the analysis of recent transactions involving similar lands. Buildings are valued using the Depreciation Replacement Cost Method.

2.6 Liabilities

2.6.1 Borrowings

In the Statement of Financial Position, borrowings are recorded at nominal value.

2.6.2 Leases

Finance leases transfer to the Authority as lessee substantially all the risks and rewards incident on the ownership of the leased asset. The obligation under such leases are capitalized at present value of the minimum lease payments. The capitalized values are amortised over the period in which the Authority expects to receive benefits from their use.

Operating leases, where the lessor substantially retains the risks and rewards of ownership, are recognized in a systematic manner over the term of the lease.

Leasehold improvements are capitalized and the cost is amortised over the unexpired period of the lease or the estimated useful life of the improvements, whichever is shorter.

2.6.3 Other liabilities

All other liabilities are recorded at the estimated obligation to pay.

3. Comparatives

No comparative statements will be presented for the first year of the Authority 2014 – 2015. Comparative presentation will commence from 2015 -.2016.

Barbados Revenue Authority

4	Cash	
	Cash	
	As At March 31	2014-2015
	Cash at beginning of the year April 1, 2015	21,929,191
	Change in cash during the year	4,854,286
	Cash at end of the year March 31, 2015	26,783,477
5	Due from Treasury	
	Receivables (Net)	
	As At March 31	2014-2015
	Corporation Tax Refunds	44,026,266
	Interest payable Income Tax Refunds	256,122
		59,565,759
	Interest payable	2,989,388
	Consolidated Tax Refunds	(57,305)
	Reverse Tax Refunds	4,973,831
	VAT Refunds	75,711,926
	Land Tax refunds	159,456
	Refunds to be issued as Tax Certificates	641,350
	Total Refunds Due from Treasury	188,266,793
	Subvention outstanding 2014 - 2015	1,597,179
	Total Due From Treasury	189,863,972

6 Tax Receivables

Receivables (Net)

Corporation Tax Principal Receivable 10,497,427

Penalty 517,956

Interest 1,048,272

Corporation Tax Receivable (Net) 12,063,655

PAYE Principal Receivable 11,987,539

Penalty 779,145

Interest 871,662

PAYE Tax Receivable (Net) 13,638,346

Consolidation Tax 1,916,980

Penalty

Interest 230,038

Payments (78,753.35)

Consolidated Tax Receivable (Net) 2,068,264

Opening balance April 1, 2014 **464,032,787**

VAT Principal Receivable 55,578,568

Penalty

Interest

Payments received (10,360,888)

VAT Receivable (Net) 509,250,467

Opening balance April 1, 2014 213,714,043

Land Tax Principal Receivable 24,081,019

Penalty 143,616

Interest 909,331

Land Tax Receivable (Net) 238,848,009

MSWT Principal Receivable 16,707,533

Penalty 1,091,958

Interest 848,433

MSWT Receivable (Net) 18,647,924

Total Tax Receivables (Net) 794,516,665

- i) No opening balances have been entered for Taxes on Incomes and Profits (Corporation and Personal Income Taxes) since these are being reviewed for completeness and accuracy .
- ii) No Provision for Bad Debts is made with respect to Land Tax as the Crown has the right of sale to recover any taxes owed and outstanding.
- iii) Waivers of \$5.2m were granted at March 31, 2015, however this does not represent the full amount since we are awaiting an amendment to the MSWT Act regarding waivers granted to specific agencies and individuals by the Cabinet.

Tangible Capital	
7 Assets	
As At March 31	2014 - 2015
<i>Machinery and Equipment</i>	72,223.00
<i>Vehicles</i>	95,097.69
Total Gross Carrying Value	167,320.69
Accumualted Depreciation	
<i>Machinery and Equipment</i>	(14,969)
<i>Motor Vehicle</i>	(13,585)
Total Accumualted Depreciation	(28,554)
Net Book Value	138,767.03

Accumulated Depreciation

All tangible capital assets, except land and assets under construction, are being amortised on a straight line basis over the estimated useful lives. The estimated useful lives have been set out in the accounting policies which form an integral part of the Notes to the Financial Statements.

There are difficulties associated with obtaining an objective valuation for capital assets brought over at transition to the Authority. Therefore only capital assets purchased during the financial year are shown in the Statement of Financial Position. Assets not included in the current year which are depreciable during the subsequent financial year will be included in the subsequent period as valuations and other information is obtained.

8 Due To Treasury

As At March 31, 2014 - 2015	
Goods and Services	551,639,730
Taxes on Income and Profits	15,823,818
Taxes on Property	239,018,093
Municipal Tax	18,619,766
	<u>825,101,408</u>

Other Non-Tax Revenue	1,097,094
Total Tax Due to Treasury	826,198,502
Less	
Deposits made to GOB	(43,609,171)
Total Due To Treasury	782,589,331

9 Tax Refunds Payable

As At March 31	2014 - 2015
Income Tax Refunds	58,924,409
Interest- Income Tax Refunds	7,040,978
Land Tax Refunds	159,456
Consolidation Tax Refunds	(57,305)
Reverse Tax Credit Refunds	4,973,831
VAT Refunds	75,711,926
Corporation Tax Refunds	44,026,266
Interest- Corporation Tax Refunds	256,122
Total Taxes Payable	191,035,683

10 Opening Capital

Opening cash balance	3,204,209
Prior yr. Bank Clearing Account	19,685,696
Total Opening Capital	22,889,905

Operating Expenses

11 Personal Emoluments	Total Provision 2014 - 15	Actual 2014-15
Personal Emoluments	17,356,584	16,450,713
Allowances	655,913	589,738
Employers' Contribution to NIS		1,288,427
Total	18,012,498	18,328,879

Personal Emoluments include salaries, wages and allowances paid to staff of the Barbados Revenue Authority.

It also includes travelling, entertainment and other allowances paid to management and an amount of overtime relating to the previous year which had not been estimated and accrued by the legacy agencies for the year ended April 2014. Since this could not, at the time, be estimated with any degree of certainty, it is included under expenditure of the Authority for the year 2014 - 2015.

12 Maintenance of Property	Total Provision 2014 - 15	Actual 2014-15
Maintenance Contracts	1,268,554	834,648
<i>Operating Systems</i>		605,881
<i>Security</i>		95,210
Building Maintenance		80,860
Office Equipment Maintenance		52,697
Other		317,167
Total Maintenance of Property	1,536,554	1,151,815

13 Operating Expenses

	Total Provision 2014 - 15	Actual 2014-15
Conference / Meetings/Seminars		25,745
Overseas Training		54,142
Local Training		14,342
Board fees		76,200
Honararium		97,137
Postage		78,244
Relocation costs		29,905
Other		254,794
Total Operating Expenses	821,094	630,509

14 Foreign Currencies

All monetary amounts in these financial statements are expressed in Barbados dollars.

Exchange rates of the principal operating currencies to the Barbados dollar were as follows:

	March-14		March-15
	closing rate	average rate	closing rate
United States dollar	2.00	2.00	2.00
Canadian dollar	1.8308	1.9218	1.5971
British pound	3.3718	3.2215	3.0027
Euros	2.7861	2.7161	2.1927
Venezuelan bolivar	3.15	3.15	3.15
Swiss Francs	2.2556	2.1801	2.0671

**Statement of Revenue collected
For the Year ending March 31, 2015**

	Actual 2015 BDS\$	Approved Estimates 2015 BDS\$	VARIANCE Budget vs Actual YTD BDS\$
TAXES ON GOODS AND SERVICES	1,105,173,975	1,200,695,927	95,521,952
Taxes on Insurance Premiums	26,145,488	28,895,931	2,750,443
Taxes on Financial Institutions	26,905,019	6,400,000	(20,505,019)
Highway revenue	44,885,100	60,502,846	15,617,746
Taxes on remittances	1,260,350	325,350	(935,000)
Other	16,500	21,000	4,500
Excise Duties	125,629,866	176,750,000	51,120,134
Imports	111,805,688		(111,805,688)
Domestic	13,824,178		(13,824,178)
Vaue Added Tax	880,331,652	927,800,800	47,469,148
Imports	333,690,346		(333,690,346)
Domestic	546,641,306		(546,641,306)
TAXES ON INCOMES AND PROFITS	771,095,895	661,637,065	(109,458,830)
Corporation Tax	211,969,727	205,008,900	(6,960,827)
Income Taxes	465,020,075	351,312,507	(113,707,568)
Withholding Taxes	68,044,775	80,115,658	12,070,883
Consolidation Taxes	26,061,318	25,200,004	(861,318)
TAXES ON PROPERTY	109,339,399	114,205,159	4,865,760
Land Tax	109,337,755	114,200,000	4,862,245
Rent registration	1,644	5,159	3,515
Municipal Solid Waste Tax	32,044,601	49,000,000	16,955,399
Total Tax Revenue	<u>2,017,653,870</u>	<u>2,025,538,151</u>	<u>7,884,281</u>
Non-Tax Revenue	10,600,810		(10,600,810)
TOTAL REVENUE	<u><u>2,028,254,680</u></u>	<u><u>2,025,538,151</u></u>	<u><u>(2,716,529)</u></u>





