



ICAC

2012 Annual Report



Global Challenges • Regional Solutions



The Institute of Chartered Accountants of the Caribbean (ICAC) was established on October 28, 1988, bringing together accountants within the English-speaking Caribbean. The founding members of the ICAC were Bahamas, Barbados, Belize, Guyana, Jamaica, St. Lucia, and Trinidad & Tobago.

Since its establishment, the ICAC has provided a forum for the advancement of the accountancy profession in the Caribbean. Today, with seven member institutes and a network of approximately 3,700 accountancy professionals, the ICAC is the recognised regional organization dedicated to advancing the interest of accountants within the Caribbean through the promotion of internationally acceptable standards and best practices, thought leadership, research and continuing professional development.

Through its flagship event, the Annual Caribbean Conference of Accountants, the ICAC also provides a forum for accountants in the region to participate for mutual and fraternal benefits and to examine regulatory issues and other matters impacting the profession globally.

Among its many achievements, the ICAC is proud to be recognised as an "Acknowledged Accountancy Grouping" of the International Federation of Accountants (IFAC). This is a designation held by only five other accountancy groupings in the world. These groupings support the objectives of IFAC and the advancement of the accountancy profession within their jurisdictions.

The ICAC is committed to upholding and promoting the fundamental values of the accountancy profession - Truth and Fairness, Integrity, Justice and Prosperity - which are embodied in its motto, Veritas et Virtus (Truth and Virtue).

GOVERNANCE STRUCTURE

The ICAC is governed by a Board of Directors comprising a director and an alternate director from each of its member bodies (national institutes), who are appointed to serve on the ICAC Board for a period of at least two years.

The Board is the policy and decision-making body of the Institute while the Executive Officers, comprising the President, Vice-President, Treasurer and Secretary, are responsible for managing and overseeing the operations of the Institute. This responsibility for overall management and day-to-day operations of the organization is delegated to the Chief Executive Officer (CEO).

ADMINISTRATIVE STRUCTURE

A fully functional Secretariat was established in 2001 to implement the policies, goals and objectives of the ICAC. The Secretariat also assists in developing and implementing strategies that will strengthen the role of the ICAC and facilitates the operations of the various regional committees of the Institute.

The ICAC Secretariat also exists to facilitate the dissemination of information and communication with member institutes in an effort to increase awareness and broad-based participation in the regional initiatives of the ICAC.

Located in Kingston, Jamaica, the Secretariat is headed by a Chief Executive Officer with support services provided by an Administrative Assistant.

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GLOBAL CHALLENGES

REGIONAL SOLUTIONS

Mission Statement

ICAC is the internationally recognized body for the accountancy profession in the Caribbean, with an expanding influence in the region. It regulates the profession and promotes the highest standards of professional and ethical conduct. Through thought leadership and the provision of research, CPD and other services, it adds value to its members and the wider community.

Objectives

The objectives of the ICAC are to:

- Promote internationally acceptable standards of best practice for the accountancy profession in the Caribbean region.
- Foster a strong, cohesive and self-regulated regional accountancy profession.
- Implement and coordinate an effective regional monitoring programme for practicing accountants in the region.
- Promote an institutional framework through its annual conference for accountants in the Caribbean to participate for mutual professional and fraternal benefit.
- Standardise qualification entry requirements and rules of professional conduct among member institutes.
- Provide leadership on emerging issues as they affect the accounting profession in the region.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty-fifth Annual General Meeting of the Institute of Chartered Accountants of the Caribbean (ICAC) will be held at the Hilton Barbados Resort, Barbados on Thursday, June 27, 2013 commencing at 3:30 p.m. for the following purposes:

- To confirm minutes of the Twenty-fourth Annual General Meeting held at the Grand Royal Antiguan Beach Resort, Antigua, on Wednesday, June 20, 2012.
- To receive the Report of Directors.
- To adopt the audited Financial Statements for the year ended December 31, 2012.
- To appoint auditors for the year ending December 31, 2013.
- To appoint Directors for the period June 2013 - June 2014.
- To consider any other business that may be brought before the Annual General Meeting.

BY ORDER OF THE BOARD



Anthony Pierre
Secretary

May 21, 2013

GLOBAL CHALLENGES

REGIONAL SOLUTIONS

ICAC Executive Officers and Board Members

Executive Officers



**Joan (Betty)
Brathwaite, FCA, FCCA**
President & Director,
Barbados



Frank Myers, FCCA
Vice President & Director,
Eastern Caribbean



Archibald Campbell, FCA
Treasurer & Director,
Jamaica

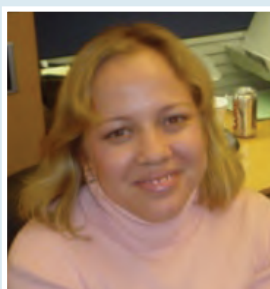


Anthony Pierre, FCCA, CA, CFC
Secretary & Director,
Trinidad & Tobago

Other Board Members



Zelma Wilson, CA, CPA
Director, Bahamas



Shawn Mahler, CA
Director, Belize



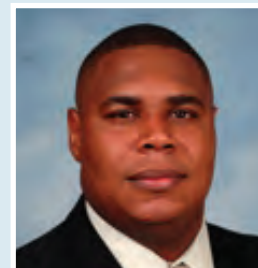
Khalil Alli, FCA
Director, Guyana &
Affiliate Representative,
Institute of Chartered
Accountants in England
& Wales (ICAEW)



Jasmine Davis, CPA, CA
Alternate Director,
Bahamas



Andrew F. Brathwaite, CA
Alternate Director,
Barbados



Claude Burrell, CPA, CISA
Alternate Director,
Belize

Other Board Members (cont.)



Erwin D. Southwell, CPA
Alternate Director,
Eastern Caribbean



Colin Thompson, FCCA, MBA
Alternate Director,
Guyana



Vintoria Bernard, FCA, FCCA
Alternate Director,
Jamaica



Derek Mohammed, CA, ACMA
Alternate Director,
Trinidad & Tobago



Rudie Tjong A. Hung, RA
Associate Representative
Suriname Association of
Accountants (SUVA)



Harryram Parmesar, FCCA
Immediate Past President &
Ex-officio Member of the Board



Misha Lobban Clarke, MA
CEO & Ex-officio Member
of the Board

Affiliate Member Representatives



Brenda Lee Tang, FCCA, CA
Affiliate Representative
Association of Chartered
Certified Accountants
(ACCA)



Gordon Cherry, MBA
Affiliate Representative
American Institute
of Certified Public
Accountants (AICPA)



Lyle E. Handfield, MBA, CAE, FCGA
Affiliate Representative
Certified General Accountants
Association of Canada
(CGA-Canada)



Nancy Foran, CMA, FCMA
Affiliate Representative
Certified Management
Accountants
(Nova Scotia, Bermuda
and the Caribbean)

Board of Directors' Report

This constitutes the Directors' Report for the year ended December 31, 2012.

The Institute held its Sixty-second, Sixty-third and Sixty-fourth Board of Directors' Meetings on February 11, June 20 and October 6, 2012, respectively. The Sixty-second and Sixty-third Board of Directors' Meetings were held in St. John's, Antigua and the Sixty-fourth Meeting was held in Paramaribo, Suriname.

The 24th Annual General Meeting was held on June 20, 2012 at the Grand Royal Antiguan Beach Resort in St. John's, Antigua.

Board of Directors

The members of the Board of Directors representing the following member territories were appointed for the period 2012-2013 at the 24th Annual General Meeting:

Bahamas	Director	Zelma Wilson
	Alternate Director	Jasmine Davis
Barbados	Director	Joan Brathwaite
	Alternate Director	Andrew Brathwaite
Belize	Director	Shawn Mahler
	Alternate Director	Claude Burrell
Eastern Caribbean	Director	Frank Myers
	Alternate Director	Erwin Southwell
Guyana	Director	Khalil Ali
	Alternate Director	Colin Thompson
Jamaica	Director	Archibald Campbell
	Alternate Director	Vintoria Bernard
Trinidad & Tobago	Director	Anthony Pierre
	Alternate Director	Derek Mohammed

Ms. Zelma Wilson was appointed to replace Mr. Reece Chipman as Director for Bahamas effective June 2012.

Ms. Jasmine Davis replaced Zelma Wilson as Alternate Director for Bahamas effective June 2012.

Executive Officers

The Executive Officers elected for the period 2012-2013 at a Special Meeting of the ICAC Board of Directors on June 20, 2012 at the Grand Royal Antiguan Beach Resort, St. John's, Antigua were:

Joan (Betty) Brathwaite
Frank V. Myers
Anthony Pierre
Archibald Campbell

President
Vice President
Secretary
Treasurer

Attendance at Board Meetings

Name	Position	Institute/Org.	Number of meetings
Joan E. Brathwaite	President/Director	Barbados	3
Frank Myers	Vice President/Director	Eastern Caribbean	3
Anthony Pierre	Secretary/Director	Trinidad & Tobago	3
Archibald Campbell	Treasurer/ Director	Jamaica	2
Reece Chipman	Outgoing Director	Bahamas	2
Zelma Wilson	Director	Bahamas	3
Shawn Mahler	Director	Belize	1
Khalil Alli	Director/Affiliate Rep.	Guyana	2
Jasmine Davis	Alternate Director	Bahamas	1
Andrew Brathwaite	Alternate Director	Barbados	2
Claude Burrell	Alternate Director	Belize	0
Erwin Southwell	Alternate Director	Eastern Caribbean	3
Colin Thompson	Alternate Director	Guyana	0
Vintoria Bernard	Alternate Director	Jamaica	2
Derek Mohammed	Alternate Director	Trinidad & Tobago	2
Benda Lee Tang	Affiliate Representative	ACCA	2
Gordon Cherry	Affiliate Representative	AICPA	2
Lyle Handfield	Affiliate Representative	CGA Canada	3
Nancy Foran	Affiliate Representative	CMA-Canada	1
Rudie Tjong A. Hung	Associate Representative	SUVA	1
Harryram Parmesar	Past President/Ex Officio	Guyana	2

Note: All Directors mentioned were on the ICAC Board for part or all of the year 2012

ICAC Member Bodies

Members	Membership as at December 31, 2011*
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The Bahamas Institute of Chartered Accountants (BICA)	421
The Institute of Chartered Accountants of Barbados (ICAB)	736
The Institute of Chartered Accountants of Belize (ICA-Belize)	52
The Institute of Chartered Accountants of the Eastern Caribbean (ICAEC)	216
The Institute of Chartered Accountants of Guyana (ICAG)	69
The Institute of Chartered Accountants of Jamaica (ICAJ)	1045
The Institute of Chartered Accountants of Trinidad and Tobago (ICATT)	961
Suriname Association of Accountants (SUVA)	30

*Membership subscription for 2012 is based on the membership of each member Institute as at December 31, 2011.

Affiliate Members	Representative
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The Association of Chartered Certified Accountants (ACCA)	Brenda Lee Tang
The American Institute of Certified Public Accountants (AICPA)	Gordon Cherry
The Certified General Accountants Association of Canada (CGA-Canada)	Lyle Handfield
The Institute of Chartered Certified Accountants in England and Wales (ICAEW)	Khalil Alli
The Certified Management Accountants – CMA (Nova Scotia, Bermuda and the Caribbean)	Nancy Foran

Associate Member	Representative
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Suriname Association of Accountants (SUVA)	Rudie Tjong A. Hung
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Auditors

Mair Russell Grant Thornton, Chartered Accountants of 3 Haughton Ave, Kingston 10, Jamaica W.I., were re-appointed auditors for the year ending December 31, 2012 at the 24th Annual General Meeting of the Institute held on June 20, 2012.

Acknowledgements

The Directors thank the management and staff of the ICAC Secretariat team for their continued dedication and hard work during the year 2012.

On behalf of the Board of Directors,



JE (Betty) Brathwaite
President

President's Report



Joan (Betty) Brathwaite

STRATEGIC GOALS & FOCUS

I thank the Institute of Chartered Accountants of the Caribbean (ICAC) for affording me the privilege to lead this body, especially during a time of regional and global challenges.

As professionals, we are not only called to practice our craft with integrity and in the best interest of our clients

but also to strengthen our role as corporate strategists, helping to guide the organisations we serve, while contributing to the growth and development of our individual territories as well as the region. The task has never been more daunting but I commend you for the confidence placed in the ICAC Board, as we work together to achieve the vision and goals that we have set for the ICAC and for the benefit of the regional accountancy profession.

Our focus during 2012 was the continued pursuit and achievement of the goals and objectives outlined in the ICAC's 2011-2016 Strategic Plan, which seeks to:

- Expand the ICAC brand by increasing the role and contribution of the ICAC at the regional and international levels;
- Reposition and build the ICAC as a regional umbrella body;
- Forge strategic partnerships with key regional and international organizations;
- Broaden the membership base of the ICAC;
- Strengthen the institutional and thought leadership capacity of the ICAC;
- Enhance the ICAC as a technical resource centre for its member bodies in the region; and
- Increase revenue and funding opportunities for the sustainability of the ICAC.

Arising from our strategic review process was also a need to rebrand the organisation to better reflect ICAC's primary role as a regional accountancy association and to ensure that the Institute effectively fulfills its mandate as an Acknowledged Accountancy Grouping of IFAC. To assist in this process we will be examining the structure and best practices of other regional accountancy bodies elsewhere, in order to develop the best model for the ICAC.

REGIONAL INITIATIVES

•Practice Monitoring & Enhancing Auditing Standards within the Region

The implementation of the ICAC/ACCA Practice Monitoring Programme remains a priority for the ICAC and we are pleased with the progress and positive feedback on the monitoring reviews being carried out in Barbados, Guyana, Trinidad & Tobago and the Eastern Caribbean.

We are also pleased that in January 2012, monitoring reviews commenced in Jamaica. As part of ensuring the effectiveness of the monitoring process in Jamaica, the ICAC was invited by the island's Public Accountancy Board (PAB) to nominate a representative to sit on its Practice Monitoring Committee that will oversee the process and ensure that the necessary actions are taken regarding deficiencies identified in the monitoring reports for firms or practices where reviews are undertaken. Similar oversight or regulatory committees have been established in Trinidad, Barbados and Guyana as an effective mechanism to support the monitoring process and efforts are also being made by the Eastern Caribbean to establish a monitoring committee.

The regional Technical Committee has been mandated by the ICAC Board to formulate terms of reference for a proposed regional monitoring unit that will facilitate the ongoing process of practice monitoring in the Caribbean upon the expiration of the 6-year monitoring contract with ACCA, which is currently conducting reviews on behalf of ICAC member bodies.

•Promoting Internationally-Accepted Standards & Best Practices in the Region

As a regional umbrella body, the ICAC has been promoting internationally acceptable accounting standards and practices for the accountancy profession in the Caribbean in an effort to ensure that member bodies adhere to international standards and best practices. In this regard, the ICAC Board at its meeting held in June in St. John's Antigua, formally endorsed the adoption of international standards by member bodies as we work to ensure the harmonization of standards for the regional accountancy profession. Most, if not all, of our member Institutes have already adopted international standards, and we believe that the formal adoption of these

existing standards by the ICAC Board affirms the profession's commitment to adhere to international standards and best practices.

As one of six recognized Accountancy Groupings of the International Federation of Accountants (IFAC), ICAC is mandated to support the objectives of IFAC in promoting internationally acceptable standards within the region. This important decision to endorse internationally accepted standards for the Caribbean reflects the ICAC's commitment to IFAC's objectives and it is also in keeping with the terms of the Affiliation Agreement entered into by ICAC and its member bodies in October 2009, which seeks to establish and maintain harmonized standards within the regional accountancy profession.

• Regional Contribution & Involvement

As a body of key professionals within the Caribbean, the ICAC member bodies participated in the national consultations organized during the year by the CARICOM Secretariat on the draft regional policy and regulatory framework for the Provision of Professional Services in CSME. The ICAC's involvement follows initial discussions with the lead representative of the CARICOM Secretariat, and the Institute will continue the dialogue to ensure that we provide input on this important policy document on behalf of accounting professionals in the region.

We believe that forging strong regional and international linkages can only serve to strengthen the ICAC and the accountancy profession. We therefore continued to pursue our initiative with IFAC to host our annual consultative meeting of regional professional accountancy organisations (PAOs) on June 21, 2012 in Antigua. The meeting, which was attended by representatives of regional institutes as well as affiliate and associate member bodies, facilitated discussions and the sharing of ideas on critical issues confronting the accountancy profession. Featured speakers included IFAC Deputy President, Warren Allen and World Bank representative, M. Mozammel Hoque.



Representatives from the Caribbean, Canada and the UK who attended the consultative meeting of regional professional accountancy organisations (PAOs) hosted by ICAC and IFAC in June 2012 in Antigua

Another meeting with the leadership of professional accountancy organisations (PAOs) in the Caribbean was held on Monday, October 8, 2012 in Trinidad. The meeting focused on the role of the accountancy profession in working with the public sector in the region. The featured speaker was Ian Ball, IFAC's Chief Executive Officer.



IFAC CEO, Ian Allen, (second from left) makes a point to ICAC President, Betty Brathwaite (second from right) and ICAC Secretary, Anthony Pierre (at right) during the meeting of regional PAOs in October 2012 in Trinidad. At left is Derek Mohammed, President of ICATT.

During the year, the ICAC established a Regional Taxation Committee to consider, review and present recommendations on matters of taxation and fiscal policies relevant to the accountancy profession including changes in international and regional tax administration policies. It is envisioned that the Committee will include representatives from regional institutes as well as the Caribbean Organisation of Tax Administrators and from the University of the West Indies. This is in an effort to ensure broad-based regional representation on the Committee.

The ICAC continues to make a meaningful contribution through our representation on the Board of Trustees of the Caribbean Court of Justice Trust Fund and on the Caribbean Actuarial Association (CAA) Advisory Council. The ICAC is represented by immediate Past President Harryram Parmesar on the CCJ Trust Fund while Kyle Rudden, Actuary, Chartered Accountant and former ICAC Director serves as our representative on the CAA Advisory Council.

• Annual Caribbean Conference of Accountants

Now a fixture on the regional calendar, the ICAC's Annual Caribbean Conference of Accountants remains the organization's flagship event. It provides an opportunity for members of the accountancy profession to meet, exchange ideas concerning professional development both at home and abroad and to chart the way forward for the continued growth both of individuals and the Institute.

The ICAC's 30th Annual Conference, hosted by the Antigua & Barbuda branch of the Institute of



Opening Ceremony: The Hon. Harold Lovell, Minister of Finance and the Economy, Antigua & Barbuda addresses delegates during the opening ceremony of the 30th Caribbean Conference of Accountants.



Chartered Accountants of the Eastern Caribbean (ICAEC), was held in St. John's, Antigua on June 21-23, 2012 under the theme, **"Playing to Win – Bowling over the Challenges."** The event which attracted over 400 regional and international delegates, maintained the high standards which have become associated with the ICAC.

conference for world standard-setters held in London from October 25-26, 2012 by Andrew Brathwaite, Alternate Director on the ICAC Board and member of the IASB SME Implementation Group.



Distinguished Speakers: Senior Financial Management Specialist at the World Bank, M. Mozammel Hoque (right) makes a point to the Governor of the Eastern Caribbean Central Bank, Honourable Sir K. Dwight Venner (second right). Also sharing in the discussion are ICAC President, Betty Brathwaite (left) and the IFAC Deputy President, Warren Allen (second left).

The ICAC was also represented at IFAC's Chief Executives' Strategic Forum held over the period February 27 – 28, 2012 in New York by CEO, Misha Lobban. The annual forum brings together Chief Executives of IFAC member bodies to discuss matters of relevance to the global accountancy profession and to IFAC.

The ICAC was also represented at the 2012 Conference for Accounting and Accountability for Regional Economic Growth (CReCER) – the annual conference hosted by IFAC, the World Bank and the Inter-American Development Bank – held in Managua, Nicaragua in October. During the conference, I had the privilege of participating as a discussion leader for the session on **"Quality Assurance: Designing and Building Effective Systems"**.

I take this opportunity, on behalf of the Board, to thank the Antigua & Barbuda branch of the ICAEC led by Chairman Erwin Southwell, for staging a memorable, fruitful and highly beneficial conference, which was strongly supported and enjoyed by our member institutes, affiliates and other stakeholders.

I was also privileged to represent ICAC at the IFAC Council Meeting held in Cape Town, South Africa from November 14-15 as well as IFAC's consultative meeting for Regional Organisations (RO) and Acknowledged Accountancy Groupings (AG) held on November 13.

INTERNATIONAL CONTRIBUTION & REPRESENTATION
During 2012, the ICAC continued its initiative to strengthen its involvement and to forge alliances at the international level.

Institute of Chartered Accountants of Jamaica (ICAJ) member Mrs. Pamela Monroe Ellis made history when she became the first practitioner from the Caribbean to be elected to the Board of the IFAC at the meeting held in Cape Town, South Africa. This is a singular honor for both the region and Jamaica and we congratulate Mrs. Ellis on this achievement. We are confident that her considerable knowledge, experience and expertise will enable her to serve with distinction.

The Institute was represented at the International Accounting Standards Board (IASB) annual

MEMBER BODY DEVELOPMENT

The ICAC continues to provide support to new and emerging accountancy bodies within

the region, where needed. To this end, the Institute of Chartered Accountants of Trinidad and Tobago (ICATT) continued its mentoring of our Associate Member Body, the Suriname Association of Accountants (SUVA) during the year. The ICAC thanks ICATT for the support and technical assistance that is being provided to assist with the development of the accountancy association in Suriname

The ICAC also met with the Council of the Institute of Chartered Accountants of Belize (ICA-Belize) on May 23, 2012 in Belize, to identify ways in which the ICAC can assist with the development of the Institute.

The ICAC Board at its meeting in June 2012 in St. John's, Antigua approved a policy proposal for mentoring and supporting the development of member bodies in the region. This is in keeping with the Institute's mandate as an Acknowledged Accountancy Grouping of IFAC to proactively mentor and support the development of accountancy bodies in the Caribbean, where the need exists. The objective of the proposed mentoring programme is to encourage other regional professional accountancy organisations to become partners in supporting each other and to assist with the development of other PAOs with identified areas of need. In recent years, IFAC, as the global accountancy body, has been promoting mentoring among PAOs as a valuable way of sharing resources, knowledge and expertise and member bodies around the world have been supporting the development

of other professional accountancy bodies through twinning arrangements and collaborative partnerships.

ACKNOWLEDGEMENTS

Over the past year, we have accomplished much but I am sure you will all agree that there is much more to be achieved. The work of the ICAC is not a limited overs but rather an ongoing test-match series which requires all participants to be fully focused and committed to the game as we work together to achieve our goals.

I am indeed proud to have led this regional body as President since June 2011. As I prepare to hand over the baton of leadership in June 2013, I am indebted to the other members of the Board and affiliate representatives for their unfailing support and willing participation in executing the projects and programmes of the ICAC. I also thank the members of the Secretariat, led by CEO Misha Lobban, for their commitment and dedication to advancing the work and the interest of the ICAC.

Working together we will continue to accomplish great things!



J.E. (Betty) Brathwaite
President, ICAC

Chief Executive Officer's Report



Misha Lobban Clarke

Cognisant of the global and regional challenges and their impact on the accounting profession, regional organisations and the wider Caribbean states, the ICAC Secretariat's primary focus during 2012 was on implementing the goals and objectives of the ICAC Board, as outlined in its 2011-2016 Strategic

Plan. The Plan, which was approved by the ICAC Board in February 2011, sets out strategic goals and initiatives under three key areas, namely: **branding, governance** and **expansion**.

ACHIEVEMENT OF KEY STRATEGIC TARGETS

•ICAC CEOs' Forum - Facilitating Regional Collaboration

The Regional Forum comprising CEOs/Executive Directors of regional institutes which was initiated in 2010 in keeping with ICAC's strategic plan continues to serve as an effective tool for collaboration and the sharing of information and best practices among CEOs/Executive Directors of member bodies. The forum also assists in enhancing linkages between ICAC and its member bodies as we work towards the advancement of regional initiatives.

Two regional CEOs' meetings were held during 2012. The 6th ICAC Regional Forum was conducted via teleconference on April 17, 2012 and facilitated discussions concerning the initiatives being undertaken by each regional institute for the 2012 calendar year as well as ICAC initiatives/activities.

The 7th ICAC Regional CEOs Forum was held on Thursday, June 21, 2012 in Antigua. The focus of the meeting was on mentoring and collaborative partnerships among professional accountancy organisations (PAOs). Presenter was Joseph Bryson, IFAC's Technical Manager for Member Body Development. The session sought to increase participants' awareness of mentoring as an effective form of collaboration among PAOs and how it can be used as a mechanism to support the development of PAOs in the Caribbean. The session also highlighted the role of IFAC's PAO Development Committee's Programme which seeks to support and encourage mentoring among PAOs globally as a valuable way of sharing resources, expertise and

assisting with the development of accountancy bodies.

The 7th CEOs Forum was attended by Presidents and CEOs/Executive Directors of ICAC member bodies in the region.

•Forging Strategic Partnerships through Joint Initiatives

Four joint training initiatives were held in collaboration with member institutes and affiliates during 2012. This is in keeping with the ICAC's goal to build strategic partnerships and to collaborate with its member bodies and affiliates while supporting the professional development training programmes in the region, where the need is identified.

The joint CPD initiatives held during the year were:

- A one day seminar on **Financial & Accounting Scandals – Red Flags and Lessons Learned** on March 28, 2012 at the British Colonial Hilton Hotel, Nassau, Bahamas. The event was hosted by the Bahamas Institute of Chartered Accountants (BICA) in partnership with ICAC and CGA-Caribbean. The seminar was attended by 69 participants.

An informal meeting was also held with the President of BICA, Julian Rolle and BICA's Executive Officer to discuss the institute's initiatives and the level of support that can be provided by ICAC, where necessary.

- A CPD seminar on **Audit Principles & Procedures Made Simple** held on April 27, 2012 at the Rex St. Lucian Hotel in Gros Islet, St. Lucia. The session was jointly hosted by ICAEC-St. Lucia, ICAC and ACCA.

- Another successful joint initiative was held on May 23, 2012 at the Best Western Biltmore Plaza in Belize. The seminar on **Accounting & Auditing – Financial Instruments and Going Concern** was hosted by ICA-Belize in partnership with ICAC and ACCA.

A meeting was also held with the Council of the Institute of Chartered Accountants of Belize to discuss ways in which the ICAC can assist with the development of the institute. The ICAC was represented at the meeting by Secretary, Anthony Pierre and CEO, Misha Lobban Clarke.

- The ICAC, in partnership with the St. Lucia and Antigua branches of the Institute of Chartered

Accountants of the Eastern Caribbean (ICAEC) hosted an audit training workshop for practitioners in both territories on November 14 and 16, respectively. The training focused on **International Standard on Quality Control 1 (ISQC1)** and was led by UK-based facilitator and trainer, Graham Fairclough. The workshop in Antigua was attended by approximately 22 persons while 19 participated in the event held in St. Lucia.

ICA-Belize and ICAEC-St. Lucia received a contribution from the ICAC in keeping with a decision of the Board in 2012 to donate its share of profits from joint CPD training initiatives towards the development of member bodies, where the need exists. The contribution will assist with future training and development initiatives of these member bodies.

•Promoting the ICAC Brand

During the year, the ICAC participated as a marketing partner for the International Tax & Trust Congress hosted by the UK-based, LexisNexis Tolley on March 21 & 22, 2012 in Barbados. The ICAC has been a marketing partner of this event since 2009 and has benefited from branding and marketing exposure regionally and internationally each year.

The ICAC's Annual Caribbean Conference has evolved into a major calendar event which serves to effectively promote the ICAC brand regionally and internationally. Through the invaluable support of regional institutes and affiliates, the 30th Annual Conference of Accountants, which was held in Antigua over the period June 21-23, 2012, was extensively marketed throughout the Caribbean and overseas.

The ICAC's website continues to serve as an important medium for promoting the organisation's programmes and initiatives as well as the activities of member institutes. In 2012, a decision was taken to establish the promotional website for the annual conference as a domain of the ICAC's website. This will facilitate significant cost-savings for the development of a promotional website for the conference each year.

In keeping with the ICAC's mandate to ensure broad-based participation on its regional committees, the ICAC's Regional Publicity Committee was reactivated with a new structure during the year. The Committee's objectives, in keeping with the ICAC's strategic plan, include formulating strategies to build the reputation of the ICAC and the regional accountancy profession and to increase public awareness of the ICAC's role.

Several press releases aimed at promoting the ICAC and its initiatives were prepared and published in the regional print media during the year.

•Expanding ICAC's Contribution/Representation

The ICAC was represented by the CEO at the annual Chief Executives' Strategic Forum hosted by the International Federation of Accountants (IFAC) over the period February 27 - 28, 2012 in New York. The annual forum brings together Chief Executives of IFAC member bodies to discuss matters of relevance to the global accountancy profession and to provide input for IFAC's strategic planning process.

The ICAC was also represented by the CEO at IFAC's Meeting of Regional Organizations (ROs) and Acknowledged Groupings (AGs) which was held immediately after the IFAC CE's Forum in New York in February. The ICAC President also represented the ICAC at the second IFACs ROs and AGs held in South Africa in November 2012. The RO & AG meetings provide an opportunity for interaction, discussion and the sharing of experiences by representatives of regional organisations and accounting groupings.

The ICAC was also represented by the President and the CEO at the 2012 CRECER conference which was held in Managua, Nicaragua over the period October 29-30.

During the year, the ICAC Secretariat supported the regional initiatives of the World Bank, where needed. This included providing a summary on the role played by ICATT in the work programme of ICAC for inclusion in the concept notes for the Trinidad and Tobago ROSC being carried out by the World Bank and the Government of Trinidad and Tobago. The Secretariat also assisted in disseminating information to regional Institutes on a World Bank job posting for a Financial Management Extended-Term Consultant, based in Kingston, Jamaica.

The ICAC also supported the CARICOM Secretariat in disseminating information to regional institutes on the CARICOM-Canada Trade Development Forum held on November 2 & 3, 2011 in Toronto, Canada. The forum, which was convened by the CARICOM Secretariat in collaboration with the Caribbean Export Development Agency (CEDA) and the Caribbean Association of Industry and Commerce (CAIC), brought together private sector stakeholders from CARICOM and Canada to discuss trade and investment opportunities upon implementation of the new Trade and Development Agreement being negotiated with Canada to replace the CARIBCAN Agreement which expired at the end of 2011. An e-mail advisory was sent to regional

institutes to sensitize them about the Virtual Forum (VF) established to enable accountants and other private sector representatives to make their contribution on the services that should be included in the roundtable discussions. Regional institutes were asked to encourage their members to participate in the VF and to contribute to this important trade negotiation process.

• **Fulfilling ICAC's Mandate as a Regional Grouping**

The activities accomplished during the year in fulfilment of ICAC's mandate as an Acknowledged Accountancy Grouping (AG) of IFAC included:

- Providing input for a Donor/Stakeholder Information Gathering Questionnaire for IFAC's MOSAIC Initiative – PAO Global Development Report (Latin America and Caribbean Region component). The GDR Report is being developed under IFAC's MOU to Strengthen Accountancy and Improve Collaboration (MOSAIC). The report aims to provide a global, high-level statement of the challenges facing PAOs globally.

- Assisting IFAC with its communication and relations with member bodies in the region. This included dissemination of IFAC updates and e-mail communication to regional institutes as well as publishing technical articles and Global Accountancy Updates from IFAC in the ICAC's quarterly newsletters, which was disseminated electronically to regional institutes and their members. The ICAC also collaborated with IFAC to host two meetings with the leadership of regional accountancy organisations. The PAO meetings were held on June 21, 2012 in Antigua and on October 8, 2012 in Trinidad.

- Completion and submission of ICAC's Annual Work Programme & Report to IFAC. The ICAC's Annual AG Report was submitted for IFAC's Council Meeting held in November 2012 in South Africa.

• **Regional Communication & Support to Member Bodies**

The Secretariat continues to focus on strategies to enhance communication and information flow between the ICAC and its member bodies. During the year, communication was maintained by way of electronic mail, direct telephone contact and conference calls. Conference call services were used primarily to facilitate meetings of the ICAC regional committees as well as of the ICAC Executives to discuss important operational and administrative matters relating to the Institute. The conference call platform was used to facilitate two meetings of the ICAC Executive as well as meetings of the following ICAC Regional Committees:

- Technical Committee
- Publicity Committee
- Taxation Committee

The Secretariat provided administrative support to the work of these various regional committees, and also to member institutes in terms of assisting with the promotion of their CPD events and other activities held during the year in an effort to encourage regional participation. A calendar of events/seminars being hosted by regional institutes during 2012 was also formulated by the Secretariat to facilitate information sharing among member bodies as well as the sharing of technical trainers for CPD training events in the region.

The ICAC's quarterly newsletter and Annual Report continue to provide important updates to member institutes and other stakeholders on ICAC programmes and initiatives and to promote the activities of regional institutes. Three issues of the ICAC newsletter were produced and distributed electronically to member institutes and other regional stakeholders as well as to affiliates in the United States, United Kingdom and Canada. We record our appreciation to ACCA Caribbean, CGA Caribbean, AICPA, CMA Canada and ICAEW for their advertising support for the 2012 newsletter issues.

OPERATIONAL AND ADMINISTRATIVE MATTERS

During the year, Ms. Lomeah Reid, Administrative Assistant, resigned to pursue full-time studies. The ICAC records its appreciation for her contribution during her period of service with the Secretariat and wishes her success in her new endeavours.

Following the 24th Annual General Meeting held in June 2012, formal letters were sent on behalf of the ICAC Board to all outgoing Directors in acknowledgement of their invaluable contribution to the ICAC during their tenure. In addition, the ICAC's Annual Returns and Notice of Change of Directors and Company Secretary were duly filed with the Companies Office of Jamaica in August 2012.

The ICAC Secretariat team is grateful for the continued support of the ICAC Executive and the Board of Directors as well as the invaluable assistance of the regional institutes and affiliate organisations that have enabled the Secretariat to achieve its goals in 2012. We look forward to another year of service as we work together, through the ICAC, to promote the regional accounting profession and add value to our members and the wider community.

Regional Committees & Coordinating Institutes

The regional committees of the ICAC were established to facilitate the implementation of the goals and objectives of the ICAC. The committees and co-ordinating Institutes for the 2012-2013 period are:

Regional Committee	Member Institute	Chair
Education	Bahamas	Zelma Wilson
Joint Seminar	Eastern Caribbean	Frank Myers
Membership	Barbados	Andrew Brathwaite
Publicity	Jamaica	Archibald Campbell
Technical	Trinidad & Tobago	Anthony Pierre

The **Education Committee's** mandate is to facilitate and encourage the provision of training and development opportunities in collaboration with accredited regional and international bodies and to foster linkages with accredited institutions such as the Association of Chartered Certified Accountants, the Certified General Accountants of Canada and other accountancy examining bodies.

The main objective of the **Joint Seminar Committee** is to develop, in collaboration with member institutes, CPD initiatives aimed at broadening the continuing professional development of members within the region.

The **Membership Committee** is responsible for promoting an institutional framework for the participation by individual accountants under the umbrella of regional institutes, ensuring the harmonisation of entry requirements as well as rules of professional conduct among member institutes and to assist in broadening the membership base of the ICAC.

The objectives of the **Publicity Committee** include initiating activities aimed at promoting the ICAC, maintaining an effective means of information exchange among member territories via the ICAC Secretariat and assisting in promoting the role, responsibility and achievements of the ICAC in advancing the interest of the regional profession through various communication media.

The **Technical Committee** seeks to encourage the adoption of International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISA) and the harmonization of internationally acceptable standards within the region. The Committee is also responsible for overseeing a regional practice monitoring programme to enhance the capacity of the accountancy profession and ensure the existence of efficient quality assurance review systems in the Caribbean.

Member Country Reports

THE BAHAMAS INSTITUTE OF CHARTERED ACCOUNTANTS



During 2012, the Bahamas Institute of Chartered Accountants (BICA) continued to advance and regulate the accounting profession in the Bahamas. The institute also forged strategic partnerships with regulators and government agencies within the country and sought to actively participate in regional and international fora.

Council Changes

The institute's 21st Annual General Meeting was held on Thursday, June 27, 2012 at the British Colonial Hilton Hotel, Bay Street, Nassau. The fifteen members elected to Council for 2012/2013 were:

Jasmine Davis	- President
Zelma Wilson	- 1st Vice President
Reece Chipman	- 2nd Vice President
Darnell Osborne	- Secretary
Basil Ingraham	- Assistant Secretary
Lisa Gibson-Woodside	- Treasurer
Brent Dean	- Assistant Treasurer
Julian Rolle	- Immediate Past President
Lawrence Lewis	
Pedro Delaney	
Candice Murton	
Disa Campbell	
Tyrone Neely	
Dominic Williams	

Regulatory/Monitoring Activities

The institute is in the process of drafting proposed amendments to the Public Accountants Act for submission to the Bahamas Government.

Compliance with International Accounting and Auditing Standards

As the self-regulatory body for the accounting profession, BICA passed a resolution at its Annual General Meeting held in June 2012 to implement practice monitoring by January 31, 2013. As a member of IFAC, BICA has a duty to comply with IFAC's Statements of Membership Obligations (SMOs). The institute recognizes that implementation of a robust practice monitoring/peer review programme is an important component of its self-regulatory functions. The monitoring programme will ensure that BICA fulfills IFAC's requirements for its members worldwide to maintain an efficient quality assurance review system, as promulgated in its Statements of Membership Obligations No.1 (SMO 1) Quality Assurance.

Continuing Professional Education

In keeping with its objective to provide professional training to members of the accounting profession, BICA hosted seven continuing professional education seminars during 2012 focusing on the following topics:

- **Regulatory Compliance & Financial Services Review** on January 24, 2012.
- **The Bahamas Advantage: An Evolving and Dynamic Legislative Regime** on February 16, 2012. The event was held in partnership with The Bahamas Financial Services Board (BFSB), The Society of Trust and Estate Practitioners (STEP) and The Association of International Banks & Trust Companies (AIBT). The seminar provided an in-depth look at the number of recent financial services related Acts passed at the end of last year.

- **The Foreign Account Tax Compliance Act (FATCA)** which was held in conjunction with KPMG (Bahamas) on February 23, 2012.
- **Compliance & Business Development** held in Freeport, Grand Bahama - the nation's second city on February 24 & 25, 2012.
- **Financial & Accounting Scandals – Red Flags & Lessons Learned** on March 28, 2012. In this initiative, BICA partnered with the Institute of Chartered Accountants of the Caribbean (ICAC) and the Certified General Accountants Association of the Caribbean (CGA-Caribbean) as hosts and the presenter was Ms. Karen Horcher, CFA, CGA and President of Hedge Rho Management.
- **Banking and Governance Issues for Professionals**, on June 27, 2012 at the British Colonial Hilton Hotel. The business seminar covered Commercial Banking Issues, Insurance Models as Wealth Builders and Corporate Governance for success in the Twenty-first Century.
- **Fraud, Ethics & Compliance** on December 12, 2012. The Institute partnered with the Association of Certified Fraud Examiners – Bahamas Chapter (ACFE) to co-sponsor this seminar.

BICA hosted its annual Accountants' Week from November 4 - 9, 2012 under the theme, **Supporting Development.... Mitigating Risk.....Ensuring Accountability**. The activities began with a church service on Sunday, November 4, 2012. The seminars held during the four-day event enabled accountants, business leaders and finance professionals to discuss critical issues and to examine strategies to further develop the accountancy profession from a national, regional and global perspective.

Educational Development Initiatives

On March 8, 2012, the Student Education Committee participated in the Annual College of the Bahamas Careers/Job fair. Held under the theme, **Developing Yourself Today for Exciting Career Opportunities Tomorrow**, the fair aimed to provide a forum for students to explore career opportunities within the Bahamas.

Three members of the YACHT Club (BICA's student mentoring programme) were nominated for the Bahamas Financial Services Board Student of the Year Award. This was presented to Aldeka B. King (BBA – Accounting).

BICA has completed the update of its booklet, **How to Become a Professional Accountant**. The booklet will be published during January 2013 and will serve as an educational resource for local aspiring accountants wishing to determine the path to obtaining a professional accounting designation.

Stakeholder Engagement and Contribution to National Development

During the year, Council Members of BICA met with several regulatory bodies including, the Compliance Commission, Securities Commission, Insurance Commission and the Central Bank of the Bahamas to discuss key issues affecting the financial services industry in the Bahamas.

BICA was invited by the former Attorney General John Delaney to be a part of a Consultative Committee on the proposed reforms and revision to the laws relating to the winding up and liquidation of companies. Maria Ferere, BICA member, was appointed to represent the institute on the Liquidation Rules Committee, established to ensure that proper guidelines are developed to support the Insolvency Legislation in The Bahamas.

Darnell Osborne, BICA Council member, was appointed to represent BICA on the Insurance Advisory Committee of the Insurance Commission of The Bahamas. The Insurance Commission is responsible for the prudential regulation of all insurance activity in or through The Bahamas. It is also concerned with the ongoing monitoring and control of insurers, agents, brokers, salesmen, underwriting managers and external insurers.

During the year, a representative from BICA's Council also participated in a consultative meeting with the Ministry of Finance on the proposed action needed arising from The Bahamas Phase 1 - Peer Review (OECD) by the Global Forum.

Members of BICA's Council also met with representatives of the International Monetary Fund (IMF) on July 18-20, 2012 as part of the 2012 Financial Sector Assessment Program (FSAP). The FSAP provides in-depth examinations of countries' financial sectors. The IMF team assessed the regulatory regimes across three sectors - Banking & Trust, Securities and Insurance - in The Bahamas.

Regional & International Focus

In June 2012, the Institute elected Ms. Zelma Wilson as Director for The Bahamas on the ICAC Board and Ms. Jasmine Davis as Alternate Director.

Three members of BICA Council met with representatives of the International Federation of Accountants (IFAC) and the World Bank while attending the 2012 Caribbean Conference of Accountants in Antigua in June 2012.

Membership

During 2012, 15 new persons were admitted to BICA's membership and 14 licensee applicants were approved.

Operational Matters

BICA recorded its appreciation to former Institute Executive Officer, Ms. Tanya Rahming, for her valuable contribution during her period of service and welcomed two new members of staff in December 2012. The new members of staff are Mrs. Carolyn Ariscar, Office Manager and Mrs. Merrilen Hepburn, Administrative Assistant.

BICA also records its appreciation to members, Council Members and the secretariat staff for their support and encouragement during the year under review.



INSTITUTE OF CHARTERED ACCOUNTANTS OF BARBADOS

During 2012, Andrew Brathwaite ended his term as President of the Institute of Chartered Accountants of Barbados (ICAB) and David Simpson assumed the position as President. The year was one of growth for ICAB as indicated by improvements in most of the institute's key performance indicators.

Council Changes

ICAB's Annual General Meeting was held on May 24, 2012 at which a new Council was elected. Council members for the year 2012-2013 are as follows:

David Simpson	- President
J. Roger Arthur	- Vice President
Rueben Blenman	- Treasurer
Felton Burton	- Secretary
Andrew Brathwaite	- Immediate Past President
Karol Ashby	
J. Betty Brathwaite	
Winsmore Humphrey	
Colin Daniel	
Patrick Hinkson	
William Layne	
Philmore Thorne	
Bruce McClean	
Hanif Patel	
Dennis Shemeluck	

Regulatory/Monitoring Activities

The review of audit firms/practitioners under the practice monitoring programme continued during the year. The Practice Monitoring Committee, which was established in 2011 met to consider follow-up actions required based on recommendations from the practice reviewers.

The CPD Committee undertook a complete review of the 1994 CPD Guidelines and prepared new draft CPD regulations during the year. Additionally, ICAB developed an online CPD filing module as part of its members' database to make it easier for them to comply with CPD reporting requirements. When members register for ICAB seminars the CPD information is automatically uploaded to their account. Members are therefore only required to go online to add any non-ICAB CPD courses to complete their annual CPD filing process.

Compliance with International Accounting and Auditing standards

The standards set by the International Accounting Standards Board (IASB) and the International Auditing and Assurance Standards Board (IAASB) are the national standards for Barbados. During 2012, five update training sessions were held focusing on IFRS, ISA, IFRS for SMEs and IPSAS.

Continuing Professional Development

The CPD programme for the year 2012 was as follows:

- January 10, 2012 - **Regional Tax Treaties & Tax Information Exchange Agreements and OECD Standards**
- January 10-13, 2012 - **Recent Developments in International Taxation**
- February 16, 2012 - **Limited Liability Partnership (LLP) Legislation**
- February 21, 2012 - **Obligations of Accountants in the Anti-Money Laundering & Terrorism Financing Act**
- March 27, 2012 - **International Financial Reporting Standards Update**
- April 16 2012 - **Audit Roundtable** (partnered with ACCA)
- April 26, 2012 - **Secrets & Techniques in Forensic Document Examination**
- May 17, 2012 - **Tax Update Seminar**
- May 24, 2012 - **Challenges in Prosecuting White Collar Crimes**
- June 6, 2012 - **International Public Sector Standards**
- July 31, 2012 - **IFRS for SMEs**
- August 24, 2012 - **Annual International Business Update**
- September 13, 2012 - **Joint Annual ACCA/ICAB IFRS Update Seminar**
- September 14, 2012 - **International Standards on Auditing**
- October 10-12, 2012 - IBFD workshop on **International Taxation of Expatriates**

- October 18, 2012 – Joint ICAB/CGA seminar on **Critical Success Factors for Corporate Governance**
- November 9, 2012 – ICAB Annual Conference 2012, **Unlocking Potential – Converting Ideas into Reality**
- December 6, 2012 – **Recent Changes in Barbados Labour Laws – What Finance Professionals Need to Know**

ICAB's Accountants' Week was celebrated during the period November 4-10, 2012. Activities included a church service; a panel discussion themed, **Unlocking the Potential of the Public Service – Reforms for the 21st Century** and a students' professional development workshop.

Impact of the Profession on National Development

As a member of the Barbados Private Sector Association (BPSA), ICAB participated in the monthly meetings of the sub-committee of Social Partners which includes the Government and the Congress of Trade Unions and Staff Associations of Barbados (CTUSAB). The Social Partners met with the Prime Minister of Barbados on two occasions to discuss the way forward for the Barbados economy.

At the first meeting the Prime Minister announced the formation of the Barbados Action Team and its three working groups/task forces, focusing respectively on Efficiency, Growth, and Social Issues (Protecting the Vulnerable). ICAB's immediate Past President, Andrew Brathwaite, was selected by the private sector as one of its nominees for the Barbados Action Team and he serves on the Growth Task Force. Other meetings of the social partnership dealt with:

- The Barbados Competitiveness Programme
- The National Employment Policy
- Investment policy of the NIS
- Appointments and promotions in the public sector
- Layoffs in the private sector
- The Green Economy – Presentation on results of a scoping study
- The closure of Almond Beach Village and the resulting loss of jobs
- Reports from the Barbados Action Team
- Downgrade of Barbados' Credit Rating

On May 14, ICAB met with the Minister of Finance to discuss its recommendations on tax and economic policy and several of the recommendations were included in the Minister's presentation of the Financial Statement and Budgetary Proposals on June 26, 2012. ICAB also contributed to post Budget debate by making comments in the news media.

During the year the Ministry of International Business established a Task Force to develop a new strategic plan for the international business sector. ICAB was appointed a member of the task force and is represented by President, David Simpson.

Several ICAB members have volunteered to be mentors in the BEF mentorship programme which was launched on October 25, 2012. The programme uses a website to link entrepreneurs with mentors who provide answers to questions posed by the entrepreneurs.

Legislation & Policy Advocacy

The Prevention of Corruption Bill aimed at maintaining integrity in public life was debated in the Parliament of Barbados during 2012. Civil society was invited to comment on the Bill through the mechanism of a Parliamentary Committee. ICAB, after consultation with its members, made a written as well as an oral submission to the Joint Select Committee of Parliament on the Prevention of Corruption Bill. The meeting was held in the Senate Chamber on June 20, 2012 and ICAB was represented by the Vice President and the Executive Director.

The First Schedule of the Prevention of Corruption Act (at section 1(1)(c)) makes provision for one of the eight members of the Prevention of Corruption Commission to be appointed by the Governor General on the advice of ICAB.

Regional Contribution

ICAC's 30th Annual Caribbean Conference of Accountants was held in Antigua, June 22-24, 2012 and was attended by a large delegation of ICAB members.

The ICAC Board of Directors at its meeting in Antigua on June 21, 2012, approved ICAB's proposal for the hosting of the 31st Caribbean Conference of Accountants during the period June 27-29, 2013 in Barbados. The conference theme is, **Global Challenges, Regional Solutions**.

The Council of ICAB appointed a special planning committee in March 2012 comprising nine members and chaired by Rueben Blenman, Past President and current Treasurer of ICAB. A professional event planning firm was also contracted in April 2012 to work with the committee to plan and execute the 2013 conference.

Student Matters

The total student membership of ICAB grew by 20% to reach 998 at year-end. Thirty-five students graduated and 211 new students were welcomed into the ICAB/ACCA Joint Examination Scheme during the year.

The UWI Accounting Students Association (ASA) celebrated its week of activities during the period March 25-30, 2012 and ICAB participated in several of the activities.

As part of Social Sciences Faculty Week at the UWI, a Careers Expo was held on March 14, 2012. ICAB accepted the invitation from the faculty student representative to promote the accounting profession at the Expo.

ICAB also promoted the accounting profession during the annual Ernst & Young Mock Interviews held at the UWI, Cave Hill Campus on April 4, 2012.

On November 6, 2012, ICAB hosted a workshop on Developing a Career Development Plan for students pursuing professional accounting studies.

Membership

ICAB's membership as at December 31, 2012 was 776, which represents an increase of 5% over the previous year. The following table shows an analysis of our membership for 2012.

Member Category	Number
Ordinary	562
Practising	181
Overseas	20
Retired	13
Total	776

Operational Matters

The ICAB Strategic Plan 2011-2015 and Action Plan continue to guide the policy and programme activities during 2012. At year-end most targets were met and there was growth in key areas including profitability, membership, advocacy, and CPD activities.

During the year, ICAB maintained high visibility in the media and via its website (www.icab.bb). In addition, at the end of the year the ICAB FaceBook Group had a membership of 285 persons.

INSTITUTE OF CHARTERED ACCOUNTANTS OF BELIZE



The year 2012 was marked with challenges as well as opportunities for the Institute of Chartered Accountants of Belize (ICA-Belize). Difficulties were encountered in getting participation from members in the various initiatives to move the institute forward and there were low turn-outs at CPD and networking events hosted by the organisation.

On a positive note, during the year ICA-Belize embarked on revamping its policies and procedures and updating its Bye-laws and the Accountancy Profession Act in an effort to strengthen the institute. Opportunities came in the form of assistance from ICAC and ACCA in respect of institutional strengthening and co-sponsored CPD seminars.

During the year, the institute also focused on re-activating various sub-committees that were dormant due to lack of member participation and support. The reactivated sub-committees include Legal and Taxation; Public Relations and Investigations.

Council Changes

ICA-Belize held its 26th Annual General Meeting on July 26, 2012 at which the following persons were elected to Council for the period 2012-2013.

• Shawn Mahler	- President
• Reynaldo Magana	- Vice President
• Ivan Tesucum	- Treasurer
• Colin Mitchell	- Secretary
• Claude Burrell	- Member
• Brett Feinstein	- Member

The newly-elected Council has agreed to appoint a special task force to review the institute's Bye-laws with a view to updating and strengthening the regulations.

Regulatory/Monitoring Activities

The institute's Legal and Taxation Committee is in the process of updating the Bye-Laws in phases. The first phase commenced in August 2012 and involved a review of the membership section of the Bye-laws. The proposed amendments will be presented to the membership for approval at the Annual General Meeting to be held in July 2013.

Continuing Professional Development

On May 24, 2012, ICA-Belize hosted a successful Audit and Accounting CPD Seminar facilitated by Nagin Lad, experienced practitioner. The one-day seminar covered the topic, **Audit and Accounting of Financial Instruments**. The seminar was a joint initiative with ICAC and ACCA.

The CPD Committee is organizing various training activities for 2013.

Impact of the Profession on National Development

In November 2012, ICA-Belize held a seminar at the University of Belize, a government-owned higher education facility in Belize City. The seminar was geared towards educating students about career opportunities within the accounting industry in Belize.

In 2013, ICA-Belize will be assisting the Belize Chamber of Commerce to host seminars for its membership, in particular, small and medium- sized businesses.

Student Members

A total of 54 registered student members enrolled in the ACCA programme in 2012 under the ICA-Belize/ACCA Joint Scheme Programme. As of December 31, 2012, two students successfully completed the ACCA certification and are now seeking full membership with ICA-Belize.

Membership

ICA-Belize has experienced a stable growth in membership over the years maintaining an average of three new members per year for the past five years. In 2012, membership grew by five. ICA-Belize lost two members to migration during the year.

As more student members complete the ACCA program, ICA-Belize expects higher growth in membership in the years to come.

Operational Matters

To assist in the various initiatives and operations of ICA-Belize, sub-committees have been organized and the following chairpersons selected as follows:

- Legal and Taxation - Claude Burrell
- Public Relations - Dwight Hulse
- CPD - Colin Mitchell

In 2012 ICA-Belize hired a new administrative assistant, Ms. Devon Reid. She has extensive administrative experience and will be an asset to the Secretariat.

Conclusion

We thank the Council members, sub-committees and administrative staff of ICA-Belize for their continued support and dedication. Looking forward to 2013, ICA-Belize is confident that the efforts made in 2012 will encourage growth in 2013.

INSTITUTE OF CHARTERED ACCOUNTANTS OF THE EASTERN CARIBBEAN



In 2012, the active branches of the Institute of Chartered Accountants of the Eastern Caribbean (ICAEC) - Antigua/Barbuda, Dominica, Grenada, St. Kitts/Nevis and Saint Lucia - have all shown their commitment to the continued development of the accounting profession in the OECS, by strengthening the foundation of their members and facilitating CPD training sessions that covered IFRS, IFRS for SME's, and auditing practices and procedures. The Eastern Caribbean Central Bank (ECCB) together with the World Bank has played a great role in facilitating some of the training sessions. In addition, the regional practice monitoring programme continued in the Eastern Caribbean with visits by the ACCA practice review team to all jurisdictions except Grenada.

Council Changes

There were no changes in the composition of the Council during the year which remained as follows:

- Frank V. Myers - President
- Erwin Southwell - Vice President
- Donald Thompson - Treasurer
- Brian Glasgow - Secretary

Other Council Members representing ICAEC branches within the OECS are:

- Orlando Richards - ICAEC (Dominica branch)
- Isabelle Slinger - ICAEC (Grenada branch)
- Donald Thompson - ICAEC (St. Kitts/Nevis branch)
- Andrea St. Rose - ICAEC (St. Lucia branch)
- Sylvia Sutherland - ICAEC (St. Vincent branch)

Regulatory/Monitoring Activities

The visit cycle adopted by ICAEC under the regional practice monitoring agreement is six years with early follow-up visits within two years to those firms with unsatisfactory outcomes and where significant improvements are required. Where the outcome is found to be unsatisfactory with some improvements required, the firm would be visited in advance of the six-year cycle, normally within four years of the previous visit.

All firms visited since June 1, 2012, are required to provide an action plan detailing how they intend to rectify the deficiencies found at the visits. Only firms based in five Eastern Caribbean states are currently monitored. The reviewer visited 14 firms from January 1, 2012 to December 31, 2012 covering four of these five states, that is, Antigua, Dominica, St. Kitts and St Lucia. There were no firms required to be visited in Grenada during 2012 since there are only two firms in Grenada which perform audit work and where the principals are ICAEC members. Both were reviewed in 2011.

The 2012 summary is as follows:

Branch	First Visits	Follow ups	Total firms visited
Saint Lucia	1	4	5
Antigua	3	1	4
Dominica	1	2	3
St. Kitts	-	2	2
Total	5	9	14

Compliance with International Accounting and Auditing Standards

On April 21, 23 accountants in Dominica attended a four-hour session on International Financial Reporting Standards (An Overview of IFRS for SMEs). The session was facilitated by four members from the ICAEC - Dominica Branch who attended a week-long IFRS Train-the-Trainers Workshop at the Eastern Caribbean Central Bank (ECCB) Headquarters in St. Kitts in May 2011. It is anticipated that trainers will engage in the delivery of training in IFRS in their respective territories.

From April 30 to May 4, 2012, over 70 members from all branches participated in a “Train the Trainers” workshop on International Financial Reporting Standards (IFRS) at the Eastern Caribbean Central Bank (ECCB) in St. Kitts. The workshop, which is part of the World Bank-sponsored institutional strengthening project, was executed in partnership with ICAEC, the IFRS Foundation and the ECCB. It was designed to develop the capacity of participants to provide training in the use of IFRS. The workshop facilitators were Darrell Scott, Andrew Wells and Andrew Hyland of the IFRS Foundation / International Accounting Standards Board (IASB).

Institutional Strengthening

The three core deliverables of the World Bank/ICAEC project are scheduled for completion before 2013:

- The development of a cadre of competent trainers in the OECS to conduct IFRS Training;
- The creation of a long-term business plan that ensures the financial viability of an independent and sustainable ICAEC; and
- The designing of an Operations Manual outlining a quality assurance model of Accounting and Auditing Practices for the OECS. Work on the manual commenced in August 2012 when representatives from all the branches convened in St. Kitts to deliver the first draft. Comments are currently being solicited from the general membership.

Continuing Professional Development

On May 14, 2012, the Grenada Branch held a joint one-day CPD seminar in collaboration with CGA on **Leveraging Business Analytics for Smarter Decisions and Better Results**. The presenter was Mr. Sam Cheung, FCGA, Business Excellence Decision Support Director for Nestle GLOBE Center Americas (AMS).

On April 27, 2012, ICAEC – St. Lucia Branch held a joint one-day CPD seminar in collaboration with ICAC and ACCA on the topic, **Principles & Procedures Made Simple**. The workshop was facilitated by Dr. Kenneth Henry, Clinical Associate Professor at Florida International University (FIU).

On November 14, 2012, ICAC jointly with ICAEC – St. Lucia hosted a workshop for audit practitioners in St. Lucia. The workshop focused on ISQC1, Quality Control for firms that perform audits and reviews of financial statements and other assurance and related services engagements. The Antigua/Barbuda hosted a similar audit training workshop for practitioners in Antigua on November 16, 2012.

In an effort to improve the skills of members and the wider business community, the ICAEC – Grenada branch hosted an Excel workshop on September 29 and October 6. The workshop introduced participants to different methods of using Excel in the Accounting and Business environment.

The ICAEC -Antigua/Barbuda Branch launched its Accountants' Week on October 14, 2012, under the theme, **Playing to Win - Staying Positive Amidst the Challenges**.

Impact of the Profession on National Development

In February 2012, a brain-storming session was held in St. Kitts with members of the private sector to identify strategies for the implementation phase of the Chamber of Commerce strategic plan. The ICAEC-St. Kitts branch will be involved in follow-up meetings with a view to assisting in creating a sustainable strategic plan for the Chamber of Commerce.

In March 2012, the Antigua/Barbuda branch met with representatives from the IMF and CARTAC, who were on the island to undertake a review of the technical assistance being provided to Customs and Inland Revenue, under the project funded by the European Union. The aim of this review was to ascertain, through discussions with various stakeholders, how the tax reforms at the Inland Revenue Department were impacting the business community.

The branch was also part of the grouping of professional organisations in Antigua/Barbuda that took the lead role in consultations between government and the private sector on the proposed changes in relation to the taxing of allowances and benefits. As a result of the recommendations made by the grouping of professional organizations, a significant number of changes were made to the original proposal from the Inland Revenue Department. The final document which took

effect on April 2, 2012 was considered much more favourable than the original proposal which contemplated increasing personal income tax on the middle class by as much as 50%. The final document increased personal income taxes by less than 20% for most taxpayers.

The ICAEC – St. Lucia branch responded to an invitation from a Government-appointed task force that was set up to address the decline in St. Lucia's "doing business rating" report at www.doingbusiness.org, by soliciting comments from its members at meetings held on February 27 and 28, 2012. The discussions dealt with Laws, Policies and Procedures which currently impede the ease of doing business in St. Lucia. The findings along with recommendations were submitted to the Task Force on March 9, 2012.

On June 4, 2012, members of ICAEC – St. Lucia were invited to a workshop that was facilitated by the VAT implementation office. The aim of the workshop was to provide a general understanding of the proposed VAT which is scheduled for implementation on October 1, 2012 and to solicit feedback from members regarding their concerns.

ICAEC – St. Lucia Members were also invited to a meeting on June 19, 2012 by the Ministry of Investment and Commerce regarding the proposed St. Lucia – Canada Trade and Development Agreement. The aim of the meeting was to obtain feedback from members regarding the measures that should be considered in granting access for practice in St. Lucia.

Regional & International Focus

The 30th ICAC Caribbean Conference was successfully hosted by the ICAEC – Antigua/Barbuda branch in Antigua over the period June 21 – 23, 2012. Approximately 400 persons attended the conference.

ICAEC members have also made professional strides in the region with Brenda Williams being elected to the Board of the St. Lucia Chamber of Commerce in November 2012.

Membership

A breakdown of the ICAEC membership is as follows:

Country	Members as at Dec. 31, 2011	Members as at Dec. 31, 2012
Antigua	65	66
Dominica	22	23
Grenada	30	29
St. Kitts/Nevis	42	46
St. Lucia	61	62

The ICAEC secretariat was established in Grenada at the end of 2011 with one employee and has served to improve the Institute's accessibility in a significant way. The ICAEC extends special thanks to the members of Council for their cooperation during the year and reaffirms its commitment to provide continued training and support to members of the accounting profession.



Council Changes

On March 29, 2012, the Institute of Chartered Accountants of Guyana (ICAG) hosted its 46th Annual General Meeting at its office at 47 Main Street, 2nd Floor, GCIS Building in Georgetown. After the AGM, the following changes were made to the composition of the ICAG Council in April:

• Colin Thompson	- President
• Chandradat Chintamani	- Vice President
• Vishwamint Ramnarine	- Secretary
• Gobardhan Resaul	- Treasurer
• Rameshwar Lal	- Council Member
• Ronald Alli	- Council Member
• Harryram Parmesar	

During the month of September, Paul Chan-A-Sue joined the membership of the ICAG Council.

Regulatory/Monitoring Activities

The second cycle of practice reviews was concluded in 2012 in accordance with the contract for audit monitoring services entered into by ICAG with ACCA. The practice monitoring programme guarantees adherence to international standards on auditing and quality control. It is an essential part of ensuring compliance and continuous development for the accounting profession in Guyana.

To assist practicing members, the Institute held a seminar on the monitoring programme focusing on the common deficiencies, as identified by the Practice Review Team, and solutions. The seminar was well attended by practicing members and staff of accounting firms. Additionally, ICAG in collaboration with the Guyana Private Sector Commission conducted a meeting with members of the business community during the year. The meeting served to inform and advise on the progress of the Practice Monitoring Programme.

A Regulatory Committee was formed comprising three individuals to receive and review the reports from the ACCA monitoring team. The Committee comprises two non-practising members and an attorney. Reports are to be handled confidentially except in the case where the Committee determines that action is necessary on the part of the institute. The Regulatory Committee is now in receipt of all reports for the firms visited during the two cycles of practice reviews. On conclusion of the review of the reports by the Committee, recommendations will be made by the Committee to the Council.

Continuing Professional Development

During the week of September 19 to 21, ICAG hosted its Annual Accountants' Week – a week of Continuing Professional Development (CPD) seminars which focused on the following areas:

- Review of Practice Monitoring
- Development in Financial Reporting and Update on Audit and Ethics Issues
- The Need for International Public Sector Accounting Standards (IPSASs) in Guyana
- Oil, Gas and Minerals Sectors: Legal, Accounting and Tax Issues

Student Matters

ICAG in collaboration with ACCA hosted a recognition ceremony on January 28, 2012 at the Pegasus Hotel Guyana for ACCA and CAT graduates who completed their exams at the December 2009, June 2010, December 2010 and June 2011 sittings.

During the month of October 2012, ICAG hosted a Students' Recognition Ceremony at the Pegasus Hotel Guyana for ACCA and CAT graduates who completed their exams at the December 2011 and June 2012 sitting.

Membership

During 2012, ICAG's membership increased to 79. Plans are in place to target associates within the business community to increase the number of members.

Operational Matters

The ICAG offices remain staffed by two persons namely Ms. Colita Atherley, Administrative Officer and Ms. Cardilla Agard, Administrative Assistant.

INSTITUTE OF CHARTERED ACCOUNTANTS OF JAMAICA



Although 2012 proved to be one of the most challenging years for the Institute of Chartered Accountants of Jamaica (ICAJ), it was, at the same time, a highly successful one. Buoyed by the support and goodwill of its members and other stakeholders, ICAJ embarked on projects specifically designed to enhance its operations, diversify its income stream, augment systems and processes and build brand recognition.

The institute continued to make strides in its efforts to improve service delivery to members, students and other stakeholders. In addition, the ICAJ completed its online database system and launched its new e-commerce facility to improve communication with its publics and to allow for more convenience in doing business with the institute.

Commemorative services to mark the ICAJ's 47th Anniversary were held on January 8 and January 22, 2012. Additionally, amidst commemorative activities for Jamaica's 50th anniversary of independence, ICAJ marked this milestone with its very successful "Jamaica 50 & A' Counting..." Lyme, under the theme **A Showcase of Jamaican Industries: Culture, Food, Art and Entertainment**, on September 28, 2012 at the ICAJ Secretariat.

The institute also hosted its gala Annual Awards Banquet on December 6, 2012 at the Jamaica Pegasus Hotel at which the prestigious ICAJ Distinguished Member Award was presented to ICAJ Founding Member, Denis P. A. Goldson, Managing Partner of Paul Goldson and Company.

Council Changes

The institute held its 47th Annual General Meeting on July 17, 2012, at the ICAJ Secretariat in Kingston. The following persons were elected to serve on Council for the period 2012/2013:

Vintoria Bernard	- President
Dennis Chung	- Vice-President
Dennis Brown	- Honorary Treasurer
Ethlyn Norton-Coke	- Honorary Secretary
Archibald Campbell	
Prunella Vassell	
Ann Marie Rhoden	
Glossie Stone	
Linroy Marshall	
Martin Gooden	
Audley Gordon	
Bruce Scott	
Raymond Campbell	
Alok Jain	

Regulatory/Monitoring Activities

On February 14, 2012, ICAJ signed a Memorandum of Understanding with the Jamaica Stock Exchange (JSE) to strengthen collaborative efforts to improve the quality of financial reporting by listed companies and member dealers in keeping with International Financial Reporting Standards (IFRS) and guidelines. Through the Memorandum, ICAJ and the JSE will be working to ensure compliance with the relevant standards and identification and curtailing of possible breaches.

Practice monitoring officially got underway in January 2012. A review of the programme was presented at a seminar hosted by the Public Accountancy Board and the ICAJ entitled, **A Discussion on Lessons from the ICAJ/ACCA Practice Monitoring Programme**, on December 8, 2012 at the Jamaica Pegasus Hotel. Findings from the ACCA/PAB Practice Monitoring Reviews and general information on the progress of the programme were presented by Mrs. Nadine Forrest-Allen, Senior Practice Reviewer, ACCA while Mrs. C. Patricia Hayle, Principal, CPH Consulting presented on the importance of engagement letters.

Compliance with International Accounting and Auditing Standards

A two-day IFRS training workshop covering IFRS updates and introduction of new standards, was held on February 4 and 5, 2012 at the Jamaica Conference Centre in Kingston. Mr. Ian Charles, from Emile Woolf International was the lead presenter.

A forum on Revisions to IAS 19 – Employee Benefits, was also hosted at the ICAJ Secretariat on November 29, 2012. The presenters were Mr Alok Jain, Chairman, Accounting Standards Committee, ICAJ, and Mr. Phillip Whittaker, Partner, Eckler Partners (Consultants & Actuaries).

The institute continued to impress upon Government the need for the adoption of International Public Sector Accounting Standards (IPSAS) and accrual accounting as the basis for preparing financial statements which will promote transparency and accountability in public sector finances and greater monitoring of government debt and liabilities. This call has been accentuated by the International Federation of Accountants' (IFAC) policy paper in March 2012, which documents the urgent need for governments across the world to adopt IPSAS as a tool for better resource allocation and fiscal decision-making.

Continuing Professional Development

During the year, 11 CPD events were held including seminars and practical workshops. The training focused on IFRS, business management, tax-related areas, forensic audit, fraud and practice monitoring.

The institute also sought to add another dimension to its professional development initiative by launching two new Clubs, the ICAJ Toastmasters and Writer's Clubs to engage its members and students in the art of public speaking and writing while nurturing leadership skills.

Student Members

Student membership for the ICAJ/ACCA Joint Scheme Examinations stood at 4,386 at the end of 2012.

Based on the June 2011 exam results, 29 students completed the Certified Accounting Technician (CAT) programme while six students completed the December 2011 sitting of the CAT exam. A total of 28 students completed the ICAJ/ACCA professional examinations - December 2011 sitting while 35 completed the June 2012 sitting of the exams.

A total of 35 students graduated during the Joint ICAJ/ACCA Certified Accounting Technician (CAT) Ceremony which was held at the ICAJ Secretariat on August 25, 2012. The guest speaker was Marjorie Gaynor, Educator and Distinguished Toastmaster.

Sixty-three graduates were honoured at the ICAJ/ACCA Joint Professional Graduation Ceremony held on October 27, 2012 at the Wyndham Kingston Hotel. The Director of Public Prosecutions, Ms. Paula Llewellyn was the guest speaker.

During the year, orientation sessions for new students were organized at which ICAJ members made presentations on the role and structure of ICAJ, the code of ethics of the profession and information on examination preparation. Members of the Student Affairs Committee also held sessions with the UWI Association of Aspiring Accountants to inform them about the ICAJ and the steps to becoming a Chartered Accountant.

A technical session was held for students on February 2, 2012 with Mr. Ian Charles, of Emile Woolf International, who provided students with theoretical and practical guidelines relating to the revised standards.

ICAJ received an award in recognition of its outstanding support at the 21st Annual Career Expo hosted by the Office of Placement and Career Services at University of the West Indies, Mona, on February 23 and 24, 2012 held under the theme, **Mapping Your Future, Transforming Jamaica**. The Expo provided the opportunity for ICAJ to provide secondary and tertiary students with valuable information on a career in accountancy and the importance of Chartered Accountants to national development.

On Wednesday, February 29, 2012, ICAJ participated in the CHOICES and ACCA Career & Education Expo held at the Medallion Hall Hotel in Kingston under the theme, **Preparing for Career Success in Accounting, Business and Management**. ICAJ also participated in other expos held on March 23 and March 29, 2012.

Impact of the Profession on National Development

The ICAJ continued to make an impact on national development through its outreach programmes, community involvements and charitable efforts. The institute was also very instrumental in national policy-making and contributed to Government papers, budget, tax reform and to legislations impacting the profession. Additionally, the ICAJ participated in several media interviews on current affairs issues.

Community Outreach & Welfare Initiatives

The ICAJ Welfare Fund assists qualifying past and present members in need, due to adverse circumstances such as retirement, disability, natural disasters or unemployment. Last year, the fund's first anniversary was commemorated with a thanksgiving service and a week of activities.

ICAJ's Outreach Sub-Committee continued to engage with its two projects, the Elsie Bemand Girls' Home and Sunbeam Children's Home for Boys. Some of the activities during the year were a Labour Day beautification project, Easter and Christmas Treats. Presentations of clothing and blankets, donated by members, were made to both homes.

Regional & International Focus

ICAJ is responsible for the ICAC regional publicity sub-committee. The sub-committee was reactivated during the year and it is anticipated that increased regional participation on the committee will result in a deeper level of integration of ICAC's publicity initiatives aimed at increasing the profile of the accountancy profession in the region.

In November 2012, Jamaica's Auditor General and ICAJ member, Mrs. Pamela Monroe Ellis, was elected to the Board of the International Federation of Accountants (IFAC), where she will be representing the Caribbean and Latin America. This is the first time that a Caribbean national will be serving on the IFAC Board. Mrs Monroe Ellis was nominated to the IFAC Board by ICAJ where she serves as Chairman of its Investigations Committee and as a member of its Public Sector and Audit Practice Committees.

ICAJ also appointed Mr. Bruce Scott, Council Member of ICAJ and Chairman of its Membership Committee to serve as Technical Advisor to Mrs. Monroe Ellis in her new role. IFAC stipulates that each nominating organisation has the right to appoint a technical advisor to provide technical support to its member in his or her contribution to the Board.

ICAJ Honorary Treasurer, Mr. Dennis Brown continues to serve on the United Nations Conference on Trade and Development's (UNCTAD) Consultative Group on Capacity Building.

Membership

The ICAJ membership continues to grow and stood at 1,168 at the end of 2012. This is attributable to the institute's aggressive and multi-faceted campaign to, not only retain existing members, but also to attract new ones. More creative strategies will be employed to successfully convert the large number of graduates as well as other eligible individuals to membership.

Operational Matters

As part of its efforts to improve customer service, the members of staff at the ICAJ Secretariat participated in a one-day Customer Service training workshop on Friday, September 14, 2012. The workshop was conducted by motivational speaker Dr. Leahcim Semaj and was sponsored by ACCA.

To diversify its income stream, the institute converted the lower floor of the Secretariat's new wing into meeting rooms for rental. The venue caters to small or medium-sized group meetings, executive meetings, and training sessions for up to 100 persons.

Conclusion

ICAJ thanks its valued members, staff, students, graduates and well-wishers for their unwavering support in its endeavours during the year and looks forward to the continued support and contribution of its various stakeholders.



The year 2012 was one of growth for ICATT as it experienced significant increases in participation at its CPD and stakeholder events.

Council Changes

ICATT hosted its 42nd Annual General Meeting in March 2012. Following the AGM, a recognition ceremony was held for new members who joined the institute from November 2011 to March 2012 at which 38 persons were recognized.

Council Members for the 2012/2013 term are as follows:

- Derek Mohammed - President
- Anthony Pierre - Immediate Past President
- Rudranand Maharaj - Vice President
- Amarjit Chadee - 2nd Vice President (Resigned)
- Nicole Joseph
- David Raggay (Resigned)
- Peter Gittens
- Kyle Rudden
- Sean Ramirez
- Marlene Murray
- Mohan Mahabir-Singh
- Neville Sandy
- Jennifer Frederick
- Camille Cumberbatch-Dhoray
- Roselyn Ramdin-Doobraj

Regulatory/Monitoring Activities

In March 2012, ICATT's Executive Committee met with the Inspector of Financial Institutions and a team representing the Central Bank of Trinidad and Tobago (CBTT) to discuss the External Audit Report in compliance with the requirements of Financial Obligation Regulations and the need for a closer working relationship between CBTT and ICATT. It was agreed in principle that both organisations should meet periodically to discuss matters of mutual interest. Another key issue discussed was the development of an Anti-Money Laundering Template Report.

In February 2012, ICATT met with members of the Financial Intelligence Unit of Trinidad and Tobago (FIU) to discuss the submission of compliance programmes by listed companies in keeping with FIU's regulations. ICATT continues to work with the FIU in terms of developing a template to be used by members in compliance with the Acts that govern the FIU.

During the year, ICATT also hosted a joint meeting with the Bankers' Association of Trinidad and Tobago (BATT) to discuss issues affecting timely financial reporting in Trinidad and Tobago. Follow-up meetings were also held in July and November, with November's meeting being conducted in Tobago.

ROSC Report for Trinidad and Tobago

As a follow-up to a scoping mission conducted by the World Bank in September 2011 to prepare a Report of Standard of Compliance (ROSC) on the level of compliance with International Accounting and Auditing Standards in Trinidad and Tobago, ICATT partnered with the Ministry of Finance and the World Bank to present the findings of the preliminary report. The Final Report is expected to be published during the second quarter of 2013.

Stakeholder Activities

In January, ICATT held the first of its quarterly meetings with ACCA. It was felt that regular meetings between the two organisations should be held in order to ensure better communication and to foster relationship building. The second quarterly meeting took place in April.

In May, ICATT was represented by Past President, Angela Lee Loy at the 5th AGM of the Trinidad and Tobago Coalition of Services Industries (TTCSI). Ms. Lee Loy was elected Treasurer for the TTCSI for the 2012-2013 term.

In June and July, ICATT met with the Central Bank of Trinidad and Tobago and representatives from the Ministry of Labour and Small and Micro Enterprise Development's Cooperative Development Division.

These meetings were held to discuss Credit Union issues, in particular the calculation of capital and solvency of credit unions and the onerous application of IFRS for Public Interest Entities.

In July, ICATT along with ACCA held a meeting with the various tuition providers. Several initiatives were discussed including:

- Quarterly meetings with the Tuition Providers;
- ICATT and ACCA to assist the Tuition Providers to develop strategies to reduce the decline in student registration;
- ICATT should create a Student Representative Committee with at least one representative from each institution representing ACCA and FIA students.
- Hosting a cricket competition for schools during the year.

In July, ICATT met with the Treasury Division of the Ministry of Finance to continue dialogue on developing a strategy towards the implementation of International Public Sector Accounting Standards (IPSAS) for Trinidad and Tobago.

Continuing Professional Development

CPD events hosted by ICATT during the year were as follows:

- An International Taxation workshop facilitated by Mr. Merlin Sergeant, Former Chairman, Board of Inland Revenue in January.
- A Public Speaking Developmental workshop for Finance Professionals, facilitated by Ms. Janice Learmond-Criqui, a Professional Life Coach and motivational speaker in February.
- A seminar on **Scenario Planning: Navigating through Today's Uncertain World** hosted in partnership with the Certified Management Accountants (CMA) of Canada.
- Annual two-day Taxation Workshop facilitated by Mr. Rupert Gooding, Chartered Accountant, Tax Consultant and Attorney at Law.
- Seminar on best practices for Public Sector Reporting as guided by the International Federation of Accountants (IFAC) which was facilitated by Ron Salole, a member of the International Public Sector Accounting Standards Board. Several key members of the Auditor General's Office of Trinidad and Tobago and the Ministry of Finance attended. From all reports these stakeholders are making arrangements to formally adopt these standards.
- A workshop on Presentation Skills for Finance Professionals.
- Seminar on Regional Tax Treaties and Tax Information Exchange Agreements & OECD Standards that examined the Peer Review Report, Phase 1 – Legal & Regulatory Framework – Trinidad & Tobago put forward by the Global Forum on Transparency and Exchange of Information for Tax Purposes and Its Implications. The presenter was Ben Arrindell of CIDEL Barbados who has extensive experience in International Taxation from the Caribbean perspective. Participants also heard from representatives of the Board of Inland Revenue and a tax advisor of Ernst & Young Caribbean.
- A workshop on **Leveraging Business Analytics for Smarter Decisions and Better Results** held jointly with CGA Caribbean. The workshop was facilitated by Sam Cheung of Nestle Globe Centre Americas.
- A training session held in collaboration with the Information Systems Audit and Control Association (ISACA), Trinidad and Tobago Chapter. The session was entitled **IT Governance: Sustaining Regulatory Compliance, Laws Securities and Policies**.
- A two-day workshop in collaboration with ACCA, facilitated by Mr. Graham Fairclough, FCCA. The workshop focussed on International Financial Reporting Standards and an Update on International Standards on Auditing.
- A Pensions Update Seminar in collaboration with KR Consulting Services and Consulting Interface Limited.
- A seminar entitled, **A Practical Approach to the Presentation of Financial Statements**.

ICATT hosted its Annual International Finance and Accounting Conference in October at the HYATT Regency in Port of Spain with almost 250 participants in attendance.

Impact of the Profession on National Development

In February 2012, ICATT embarked on a Tobago stakeholder visit to meet with officials from Tobago House of Assembly in the areas of education and finance. ICATT also used the opportunity to meet with members and students resident in Tobago. The venture was very successful and ICATT plans to conduct similar activities in the future.

ICATT continues to engage in negotiations with the Tax Appeal Board of Trinidad and Tobago to introduce Alternative Dispute Resolution (ADR) to address the backlog of matters to be considered by the Board and the implications of tax appeal issues that are not being resolved. This process began in April 2011.

An exploratory meeting with key stakeholders, the Central Bank of Trinidad and Tobago and the Trinidad and Tobago Securities and Exchange Commission, was held in July. The purpose of this meeting was to examine the pros and cons of establishing a Public Oversight Committee in Trinidad and Tobago. In August, members of the Executive Committee paid a courtesy call on Governor Rambarran, the new Governor of the Central Bank of Trinidad and Tobago.

Regional & International Focus

In January, Anthony Pierre, then ICATT President and Subert Gilbert, the institute's General Manager, assisted in the planning and implementation of a Strategic Planning Working Session for the Institute in Suriname (SUVA). SUVA was further assisted during the year as ICATT members David Raggay and Kyle Rudden conducted IFRS workshops in Suriname on behalf of SUVA.

In March, consultations on the Model Professional Services Bill took place with representatives of CARICOM. ICATT was represented at the meetings by Derek Mohammed, Marlene Murray and Subert Gilbert. It was proposed that this model Bill will guide regulation of the Professional Services Sector in the region.

ICATT's General Manager, Subert Gilbert, attended the 9th meeting of the Council of Securities Regulators of the Americas (COSRA) in October. Issues such as the development of Corporate Bond Markets; Investor Education, Corporate Governance and Capital Financing in Small and Medium-Sized Enterprises were discussed. This meeting was moderated by local, regional and international experts including the Inspector of Financial Institutions – Carl Hiralal, Tula Alexopoulos of the Ontario Securities Commission and Clemente del Valle of the World Bank.

The ICATT General Manager also visited the headquarters of the International Federation of Accountants in New York during the year where he met with Szymon Radziszewicz, Senior Manager Body Development Team Leader and Martha Russell, Technical Manager Member Body Development. The major focus of the discussion was capacity building to assist with the development of the institute.

ICATT was also represented by its General Manager at the ordinary meeting of the Council of the International Federation of Accountants (IFAC) in Cape Town, South Africa.

Membership

For the year 2012, ICATT recorded a growth of 83 new members. Total membership at the end of the year was as follows:

Member Type	Amount
Members in Practice (MP)	179
Members Not in Practice (MNP)	826
Members Resident Overseas (MRO)	42
Members in Retirement (MR)	73
Total	1120

Operational Matters

ICATT continues its pursuit of the acquisition of a parcel of land from the Government of Trinidad and Tobago to construct an Administrative Office for the Institute.

During the year, an HRM Consultant concluded the review, report, and redesign of ICATT's Human Resource Management systems, policies and procedures. Recommendations to enhance the efficiency and effectiveness of the organisation were made and presented to ICATT.

ICATT is presently working with Scotiabank regarding the re-introduction of e-payment facilities via the institute's website.

Conclusion

Thanks are extended to Council Members, the General Manager, Committee Members and the dedicated staff of ICATT for their continued support in seeking to meet the needs of members and to advance the accountancy profession in Trinidad and Tobago.

Treasurer's Overview



Archibald Campbell

The ICAC suffered a reversal of its surplus position for the year ending December 31, 2012 with a loss of US\$1,975. This was due to a reduction in income from joint seminars and the share of profits from the 2012 annual conference. Also, based on higher levels of anticipated revenue for 2012, the ICAC had planned for greater involvement in international fora, and so, there was an increase in expenses related to travelling and entertainment as well as meetings in 2012.

The main sources of revenue continue to be subscription fees and income from the ICAC's annual conference and joint seminars. Subscription revenues have increased by 5% over the previous year as a result of marginal increases in those who have joined the membership of regional institutes. There has, however, been no increase in membership subscription rates. There was a slight increase in other income as well as a 20% increase in the interest on short-term deposits over the past year.

The overall expenses were curtailed during the year but notwithstanding this effort, actual expenditure increased by \$13,979 or 12.03% over the previous year. While costs were carefully managed and were well within the budget and there were unexpected savings in employee salaries and benefits for the year due to the ICAC Secretariat being without its full staff complement for the entire period, there was an overall increase of 12 % over the previous year. The increase was, however, in line with budget as the Board of the ICAC took the decision to be more involved in the development of some of its smaller members and to be more involved in the future of the profession by participating in meetings such as the International Standard Setters, IFAC Council as well as hosting meetings of regional professional accountancy organisations in collaboration with IFAC. Going forward, however, our participation will reflect our ability to generate resources to support these efforts.

Despite the decline in accumulated surplus, the ICAC continued to enjoy a solid financial position with reserve of US\$135,011 which amounted to 93.28% of total assets. Total liabilities, which is made up of accruals and payables accounted for 6.6% of total assets.

Cash and cash equivalents were the most significant asset on the Balance Sheet totalling \$95,681 or over 66% of total assets which had decreased by 13.7% over the previous year.

While other short-term deposits accounted for a further 24.5% of total assets, the liquidity position of the Institute continues to be very strong allowing the organisation a degree of flexibility in undertaking its objectives. Despite the financial strength of the Institute, the aggregate level of resources allows for only modest levels of expenditure. Therefore, as the ICAC continues to further enhance and develop the accounting profession in the Caribbean, we will continue to seek the support of our larger member Institutes and affiliates to help us achieve this objective.

Auditors' Report and Financial Statements

Year ended December 31, 2012

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Independent auditors' report

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**To the Members of
The Institute of Chartered Accountants of
the Caribbean**

Report on the Financial Statements

We have audited the accompanying financial statements of The Institute of Chartered Accountants of the Caribbean, which comprise the statement of financial position as at December 31, 2012, and the statement of income and accumulated surplus and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the Jamaican Companies Act, 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

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Partners:
Kenneth L. Lewis, CD
Morsia E. Francis
Sixto P. Coy

Associates:
Audrey C. Hoyle
Karen A. Lewis

Audit • Tax • Advisory
Member of Grant Thornton International Ltd

Independent auditors' report (cont'd)

**To the Members of
The Institute of Chartered Accountants of
the Caribbean**

Report on the Financial Statements (cont'd)

Auditors' Responsibility (cont'd)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Institute as at December 31, 2012, and of the Institute's financial performance, changes in reserves and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

Report on Additional Requirements of the Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit. In our opinion, proper accounting records have been maintained, and the financial statements are in agreement with the accounting records, and give the information required by the Jamaican Companies Act, in the manner so required.

Kingston, Jamaica

May 24, 2013


Chartered Accountants



**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2012**

	<u>Note</u>	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Assets			
Current assets			
Cash and short-term deposits	(3)	96,214	111,525*
Due from members and other receivable	(4)	6,717	7,072
Other short-term deposits	(5)	35,427	21,836*
Taxation recoverable		<u>3,422</u>	<u>2,510</u>
		<u>141,780</u>	<u>142,943</u>
Non-current assets			
Equipment	(6)	<u>2,956</u>	<u>4,139</u>
		<u>2,956</u>	<u>4,139</u>
Total assets		<u>144,736</u>	<u>147,082</u>
Liabilities and reserves			
Current liabilities			
Bank overdraft	(3)	533	-
Owing to members	(7)	312	406
Payables and accruals	(8)	<u>8,734</u>	<u>7,067</u>
		<u>9,579</u>	<u>7,473</u>
Non-current liability			
Deferred tax liability	(9)	<u>146</u>	<u>123</u>
		<u>146</u>	<u>123</u>
Total liabilities		<u>9,725</u>	<u>7,596</u>
Reserves			
Accumulated surplus		78,123	80,098
Administrative assistance development fund	(10)	13,809	13,809
Development fund	(11)	<u>43,079</u>	<u>45,579</u>
Total reserves		<u>135,011</u>	<u>139,486</u>
Total liabilities and reserves		<u>144,736</u>	<u>147,082</u>

* Restated (Note 3)

The notes on the accompanying pages 6 to 16 form an integral part of these financial statements.

Approved for issue by the Board of Directors on May 24, 2013 and signed on its behalf by:

Joan Brathwaite
President

Archibald Campbell
Treasurer



**STATEMENT OF INCOME AND ACCUMULATED SURPLUS
YEAR ENDED DECEMBER 31, 2012**

	<u>Note</u>	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Revenue	(2j)		
Subscriptions		76,550	72,657
Annual conference and seminars	(12)	36,477	47,846
Interest on short-term deposits		4,150	3,452
Other income	(13)	<u>8,560</u>	<u>8,521</u>
		125,737	132,476
Administrative and other expenses	(14)	(130,127)	(116,148)*
Gain on disposal of equipment		<u>-</u>	<u>75</u>
(Deficit)/surplus for the year before tax	(15)	(4,390)	16,403*
Income tax	(16)	<u>(85)</u>	<u>(170)</u>
(Deficit)/surplus after tax and before transfers		(4,475)	16,233*
Transfer from administrative assistance development fund	(10)	-	1,028*
Transfer from development fund	(11)	<u>2,500</u>	<u>-</u>
(Deficit)/surplus for the year after tax and transfers		(1,975)	17,261
Accumulated surplus at start of year		<u>80,098</u>	<u>62,837</u>
Accumulated surplus at end of year		<u>78,123</u>	<u>80,098</u>

* Restated (Note 14)

The notes on the accompanying pages 6 to 16 form an integral part of these financial statements.



STATEMENT OF CASH FLOWS YEAR ENDED DECEMBER 31, 2012

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Cash flows from operating activities:		
(Deficit)/surplus for the year before tax	(4,390)	16,403*
Adjustments for:		
Interest income	(4,150)	(3,452)
Gain on disposal of equipment	-	(75)
Depreciation and impairment (Note 6)	<u>1,571</u>	<u>1,976</u>
	(6,969)	14,852*
Changes in operating assets and liabilities		
Decrease/(increase) in due from members and other receivable	608	(5,288)
Increase in payables and accruals	1,667	3,008
Decrease in owing to members	<u>(94)</u>	<u>-</u>
Cash (used in)/generated from operations	<u>(4,788)</u>	<u>12,572*</u>
Cash flows from investing activities:		
Purchase of equipment (Note 6)	(388)	(1,548)
Proceeds from disposal of equipment	-	1,412
Net investment in short-term deposits	(13,591)	(21,836)
Interest received (net of withholding tax) (Note 16c)	<u>2,923</u>	<u>2,576</u>
Net cash used in investing activities	<u>(11,056)</u>	<u>(19,396)</u>
Net decrease in cash and cash equivalents	(15,844)	(6,824)*
Cash and cash equivalents at beginning of year	<u>111,525</u>	<u>118,349</u>
Cash and cash equivalents at end of year (Note 3)	<u><u>95,681</u></u>	<u><u>111,525*</u></u>

* Restated (Notes 3 & 14)

The notes on the accompanying pages 6 to 16 form an integral part of these financial statements.



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

1. IDENTIFICATION AND ACTIVITIES

The Institute of Chartered Accountants of the Caribbean (the Institute) was incorporated on October 28, 1988, under the Laws of Jamaica as a company limited by guarantee and not having a share capital. The registered office of the Institute is located at 6 Lockett Avenue, Kingston 4, Jamaica.

The membership of the Institute comprises the following member institutes from the Caribbean and affiliated accountancy organisations from Non-Caribbean territories:

Members

The Bahamas Institute of Chartered Accountants
The Institute of Chartered Accountants of Barbados
The Institute of Chartered Accountants of Belize
The Institute of Chartered Accountants of Guyana
The Institute of Chartered Accountants of Jamaica
The Institute of Chartered Accountants of the Eastern Caribbean
The Institute of Chartered Accountants of Trinidad & Tobago

Affiliates

The Association of Chartered Certified Accountants
The Certified General Accountants Association of Canada
The Institute of Chartered Accountants in England and Wales
The American Institute of Certified Public Accountants
The Certified Management Accountants of Canada

Associate

Suriname Association of Accountants

The principal objectives of the Institute are:

- (1) To promote, foster and maintain a respectable image of the accountancy profession, establish professional levels of competence, character and integrity and to promote the highest standards of ethical conduct within the region's accountancy profession in order to serve the public's interest.
- (2) To promote the harmonisation of regional accounting and auditing standards as well as company law and taxation legislations among member territories.

In addition to its annual conference which provides a forum for the sharing of knowledge and experience that benefits finance professionals, the Institute has implemented various initiatives including the implementation of a regional practice monitoring programme, to strengthen and enhance the capacity of accountants and professionals in the finance industry within the Caribbean.



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements are prepared in accordance with the International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) issued by the International Accounting Standards Board (IASB).

The significant accounting policies that have been used in the preparation of these financial statements are summarized below. These have been consistently applied for all the years presented.

(a) Management judgements and key sources of estimation uncertainty

When preparing the financial statements management makes estimates and assumptions that affect the amounts reported in the financial statements. The actual outcome may differ.

There were no critical judgements, apart from those involving estimation, that management made in the process of applying the Institute's accounting policies and that have a significant effect on the amounts recognised in the financial statements.

The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

(i) Depreciation of equipment

Depreciation is provided so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 2(b).

(ii) Taxation

The Institute is required to estimate income tax payable to the Commissioner General of Tax Administration Jamaica on any surplus derived from operations. (Note 16). This requires an estimation of the current tax liability together with an assessment of the temporary differences which arise as a consequence of different accounting and tax treatments. These temporary differences result in deferred tax assets or liabilities which are included in the statement of financial position. Deferred tax assets and liabilities are measured using the enacted tax rate at the end of the reporting period. Details of deferred taxation are given in Note 9.

If the tax eventually payable or recoverable differs from the amounts originally estimated then the difference will be accounted for in the accounts in the year such determination is made.

(b) Equipment

(i) Equipment is stated at cost less accumulated depreciation and impairment.

(ii) Depreciation is provided on the straight line basis at such rates as will write off the cost of various assets over the period of their expected useful lives. The useful life approximates to ten (10) years for furniture and four (4) years for computer equipment.

(iii) The cost of repairs and renewals, which do not increase the expected lives of assets or enhance their carrying amount, is charged to surplus or deficit when incurred.

(iv) Gains or losses on disposal of equipment are included in surplus or deficit, when they arise.



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Foreign currency

(i) Functional and presentation currency

The currency of Jamaica is the Jamaican Dollar. However, the Institute uses the United States Dollar as its functional currency in order to facilitate measurement and recording of balances and transactions with its members, who do not share a common currency.

Except where otherwise stated, these financial statements are expressed in United States Dollars.

(ii) Transactions and balances

Jamaican Dollar transactions and balances at the end of the year have been converted to United States Dollars on the following bases:

Equipment	-	Exchange rate ruling at date of transaction.
Current assets and liabilities	-	Exchange rate ruling at the end of the reporting period.
Income and expenses	-	Exchange rate ruling at date of transaction.

Gains or losses due to fluctuations in exchange rates are recognised in surplus or deficit.

(d) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity instrument in another entity. Financial assets and financial liabilities are recognised in the Institute's statement of financial position when it becomes a party to the contractual provisions of the instruments.

The financial instruments carried in the statement of financial position are:

Financial assets:

Due from members and other receivable, cash and short-term deposits and other short-term deposits;

Financial liabilities:

Bank overdraft, payables and accruals and owing to members.

The particular recognition methods adopted are disclosed in the respective accounting policies associated with each item.

(e) Due from members and other receivable

Due from members and other receivable are initially recognised at transaction price and subsequently measured at amortised cost. A provision for doubtful debt is recognised when there is an indication that the debt is impaired.



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, current and savings account balances, bank overdraft and highly liquid, short-term deposits with maturity dates of three or less months on average, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(g) Other short-term deposits

Other short-term deposits are investments with maturity dates of six months.

(h) Payables and accruals

Payables and accruals are initially recognised at transaction price and subsequently measured at amortised cost.

(i) Owing to members

Owing to members are initially recognised at transaction price and subsequently measured at amortised cost.

(j) Revenue recognition

Revenue represents membership dues, income from conferences, seminars, advertising and income from short-term investments. Revenue is measured by reference to the fair value of consideration received or receivable and is accounted for in the year to which it relates.

(k) Taxation

Tax expense comprises current tax and deferred tax.

Current tax is the expected tax payable on the taxable surplus for the year, using tax rates enacted at the end of the reporting period, and any adjustments to tax payable in respect of previous years.

Deferred tax is calculated on temporary differences arising from difference between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable surplus. Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable surplus in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable surplus in the future, and any unused tax losses or unused tax credits.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in surplus or deficit.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable surplus/(deficit) of the periods in which it expects the deferred tax asset to be realized or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(I) Impairment of equipment

At each reporting date, equipment is reviewed to determine whether there is any indication that the assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in surplus or deficit.

3. CASH AND CASH EQUIVALENTS

	<u>Interest rate</u> <u>% p. a.</u>	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Cash and short-term deposits:			
Bank and cash:			
RBC Royal Bank Jamaica Limited			
- J\$ Current account		-	858
- US\$ Savings account	0.35	6,049	11,657
Cash in hand		<u>70</u>	<u>70</u>
		<u>6,119</u>	<u>12,585</u>
Short-term US\$ deposits:			
Sagicor Investments Jamaica Limited (formerly Pan Caribbean Merchant Bank Limited)	2.35	10,167	20,783
JN Fund Managers Ltd.	3	<u>79,928</u>	<u>78,157</u>
		<u>90,095</u>	<u>98,940</u>
Total cash and short-term deposits		<u>96,214</u>	<u>111,525</u>
Bank overdraft		<u>(533)</u>	<u>-</u>
Total cash and cash equivalents		<u>95,681</u>	<u>111,525</u>

Cash and cash equivalents for 2011 has been restated from US\$133,361 to US\$111,525 as short-term deposits with maturity date of six months have been separately disclosed. (Note 5).



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

4. DUE FROM MEMBERS AND OTHER RECEIVABLE

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Due from members:		
Subscriptions	3,800	-
Share of profit from seminars	-	4,500
Advertisements	1,807	1,785
Interest	<u>660</u>	<u>407</u>
	6,267	6,692
Prepayments	<u>450</u>	<u>380</u>
Total	<u>6,717</u>	<u>7,072</u>

5. OTHER SHORT-TERM DEPOSITS

	<u>Interest rate</u> <u>% p. a.</u>	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Sagcor Investments Jamaica Limited (formerly Pan Caribbean Merchant Bank Limited)	3.3	35,427	21,836
		<u>35,427</u>	<u>21,836</u>

6. EQUIPMENT

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Gross carrying amount		
Balance at beginning of year	10,373	10,353
Additions	388	1,548
Cost eliminated on disposal	-	(1,528)
Balance at end of year	<u>10,761</u>	<u>10,373</u>
Accumulated depreciation		
Balance at beginning of year	6,234	4,449
Depreciation and impairment	1,571	1,976
Less: Accumulated depreciation on assets disposed of	-	(191)
Balance at end of year	<u>7,805</u>	<u>6,234</u>
Carrying amount		
Carrying amount at beginning of year	4,139	5,904
Additions	388	1,548
Disposals	-	(1,528)
Depreciation and impairment	(1,571)	(1,976)
Accumulated depreciation on assets disposed of	-	191
Carrying amount at end of year	<u>2,956</u>	<u>4,139</u>



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

7. OWING TO MEMBERS

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Membership dues prepaid	212	406
Other	<u>100</u>	<u>-</u>
Total	<u>312</u>	<u>406</u>

8. PAYABLES AND ACCRUALS

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Accrued vacation leave	1,812	1,912
Auditors' honorarium	2,100	2,100
Utilities	194	409
Statutory liabilities	-	1,287
Board meeting expenses	2,128	-
Subscription	-	600
Contribution to workshops – ICAEC St. Lucia Branch	1,250	-
– ICAEC Antigua/Barbuda Branch	1,250	-
Other	<u>-</u>	<u>759</u>
Total	<u>8,734</u>	<u>7,067</u>

9. DEFERRED TAX LIABILITY

Deferred taxes are calculated on all temporary differences method using a tax rate of 25% (2011 - 33⅓%).
(Note 16b) The movement on the deferred tax account is as follows:

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Balance at beginning of year	123	150
Taxation charge/(credit) for the year (Note 16a)	<u>23</u>	<u>(27)</u>
Balance at end of year	<u>146</u>	<u>123</u>



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

9. DEFERRED TAX LIABILITY (CONT'D)

Deferred tax balance arose on temporary differences in respect of:

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Deferred tax asset on:		
Unused losses	(27)	-
Equipment	<u>-</u>	<u>(13)</u>
	<u>(27)</u>	<u>(13)</u>
Deferred tax liability on:		
Equipment	8	-
Interest receivable	<u>165</u>	<u>136</u>
	<u>173</u>	<u>136</u>
Net deferred tax liability	<u>146</u>	<u>123</u>

10. ADMINISTRATIVE ASSISTANCE DEVELOPMENT FUND

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Balance at beginning of year	13,809	14,837
Transfer to statement of income and accumulated surplus	<u>-</u>	<u>(1,028)</u>
Balance at end of year	<u>13,809</u>	<u>13,809</u>

The above represents amounts reserved by the Institute up to December 31, 2005 to assist small territorial institutes in the development of the accountancy profession in their territories. In 2006, the directors decided to cease setting aside amounts. During the year ended December 31, 2011 US\$1,028 was paid to Suriname Association of Accountants to assist in their development. (Note 14).

11. DEVELOPMENT FUND

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Balance at beginning of year	45,579	45,579
Transfer to statement of income and accumulated surplus	<u>(2,500)</u>	<u>-</u>
Balance at end of year	<u>43,079</u>	<u>45,579</u>

The above represents amounts which the Institute had set aside up to December 31, 2005 to meet costs associated with the development of the accounting profession in the Caribbean. In 2006, the directors decided to cease setting aside amounts. During the year the Board took the decision to contribute US\$2,500 to certain member institutes towards audit training workshops. The amounts were paid subsequent to year end. (Notes 8 & 14).



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

12. ANNUAL CONFERENCE AND SEMINARS

Included in the above, is an amount of US\$2,297 representing the Institute's share of profits from two joint seminars held during the year. The directors however decided to contribute this amount as development assistance to the respective institutes i.e. US\$1,342 to ICAEC St. Lucia Branch and US\$955 to ICA Belize. (Note 14).

13. OTHER INCOME

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Advertising – newsletter	5,355	5,821
Contribution	3,100	2,700
Miscellaneous	<u>105</u>	<u>-</u>
	<u>8,560</u>	<u>8,521</u>

The amount reflected as contribution above represents an amount received from ACCA as a contribution towards expenses incurred in attending IFAC meetings.

14. EXPENSES BY NATURE

Total administrative and other operating expenses:

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Employee benefits	64,017	64,436
Depreciation and impairment	1,571	1,976
Insurance	296	228
Postage and delivery	1,100	1,243
Rent and maintenance	4,876	4,572
Printing and stationery	9,099	8,815
Annual conference and seminars	2,238	5,309
Board meetings and retreats	21,298	11,209
Utilities	5,647	5,252
Travelling and entertainment	8,438	4,013
Honorarium to auditors	2,100	2,100
Development assistance	4,797	1,028
Loss on foreign exchange	626	472
Other expenses	<u>4,024</u>	<u>5,495</u>
Total	<u>130,127</u>	<u>116,148</u>

The amount reflected as development assistance represents the Institute's contributions to certain member institutes to assist in their development (Notes 10, 11 & 12). The amount of US\$1,028 in 2011 was previously accounted for in the administrative assistance development fund. The administrative and other expenses has therefore been restated.



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

15. (DEFICIT)/SURPLUS FOR THE YEAR BEFORE TAX

(Deficit)/surplus for the year before tax is stated after charging/(crediting):

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Key management personnel compensation	51,888	52,484
Depreciation and impairment	1,571	1,976
Honorarium to auditors	2,100	2,100
Loss on foreign exchange	626	472
Interest income	<u>(4,150)</u>	<u>(3,452)</u>

16. TAX EXPENSE

- (a) The Institute obtained permission from the Commissioner General of Tax Administration Jamaica for exemption from income tax under the mutuality principle in respect of income derived from transactions with members.

Income tax computed at the rate of 33 $\frac{1}{3}$ % on the non-exempt income, adjusted for tax purposes comprises:

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Prior year adjustment	62	-
Current tax charge	<u>-</u>	<u>197</u>
	<u>62</u>	<u>197</u>
Deferred tax charge/(credit):		
Origination and reversal of temporary differences	<u>23</u>	<u>(27)</u>
Income tax charge for the year	<u>85</u>	<u>170</u>

- (b) The Government of Jamaica enacted a change of the income tax rate for unregulated companies from 33 $\frac{1}{3}$ % to 25% effective January 1, 2013.
- (c) During the year the Institute suffered withholding tax at source of US\$974 (2011 – US\$860) on interest income earned on its short-term deposits.
- (d) Prior year adjustment above relates to the net write-off of prior year withholding tax considered no longer recoverable.
- (e) Subject to the agreement of the Commissioner General of Tax Administration Jamaica, losses of approximately US\$111 (2011 – NIL) are available to be set off against future taxable profits. These losses if not utilized will be carried forward indefinitely.



NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2012

17. RELATED PARTY TRANSACTIONS

The members of the Board of Directors are volunteers. No member of the Board has received payment in respect of services to the Institute, other than by way of reimbursement or payment of expenses incurred on behalf of the Institute.

18. FINANCIAL ASSETS AND LIABILITIES BY CATEGORIES

(i) Financial assets

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Financial assets measured at amortised cost less impairment:		
Cash and short-term deposits (Note 3)	96,214	111,525
Due from members and other receivable (Note 4)	6,267	6,692
Other short-term deposits (Note 5)	<u>35,427</u>	<u>21,836</u>
Total	<u>137,908</u>	<u>140,053</u>

(ii) Financial liabilities

	<u>2012</u> <u>US\$</u>	<u>2011</u> <u>US\$</u>
Financial liabilities measured at amortised cost:		
Bank overdraft (Note 3)	533	-
Owing to members (Note 7)	312	406
Payables and accruals (Note 8)	<u>6,922</u>	<u>5,155</u>
Total	<u>7,767</u>	<u>5,561</u>





THE INSTITUTE OF
CHARTERED ACCOUNTANTS
OF THE CARIBBEAN

2012 Annual Report