



THE INSTITUTE OF  
CHARTERED ACCOUNTANTS  
OF THE CARIBBEAN

SHARING OUR VALUES



Annual Report  
**2013**

# The Institute of Chartered Accountants of the Caribbean (ICAC)

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 accountancy grouping 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 Viritus (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 and a part-time Accounting Officer.

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# Mission Statement & Objectives

## Mission Statement

*ICAC is the internationally recognized body for the accountancy profession in the Caribbean, with an expanding influence in the region. It advances the interest of the accountancy profession in the region 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-sixth Annual General Meeting of the Institute of Chartered Accountants of the Caribbean (ICAC) will be held on Thursday, June 5, 2014 commencing at 4:00 p.m. at the Torarica Hotel, Paramaribo, Suriname for the following purposes:

- To confirm minutes of the Twenty-fifth Annual General Meeting held at the Hilton Barbados Resort, Barbados, on Thursday, June 27, 2013.
- To receive the Report of Directors.
- To adopt the audited Financial Statements for the year ended December 31, 2013.
- To appoint auditors for the year ending December 31, 2014.
- To appoint Directors for the period June 2014 - June 2015.
- To consider any other business that may be brought before the Annual General Meeting.

BY ORDER OF THE BOARD



Khalil Alli  
Secretary

May 6, 2014

# ICAC Executive Officers & Board Members

## Executive Officers

### **Frank V. Myers, FCCA**

President & Director, Eastern Caribbean



Frank V. Myers was elected President of the Institute of Chartered Accountants of the Caribbean (ICAC) in June 2013. Mr. Myers was first appointed to the ICAC Board in 2001 and has been playing a key role in the development of the accountancy profession regionally and internationally. He has served as Secretary of the ICAC for the period June 2010–2011 and Vice President from 2011 to 2013. He also served as the representative for the Caribbean and the Americas on ACCA's International Assembly (2006–2009) and is the current President of the Institute of Chartered Accountants of the Eastern Caribbean (ICAEC), a position he has held since 2006.

He is currently an Audit Assurance Partner with KPMG Eastern Caribbean, where he has practiced for the past 22 years. In addition to his core functions as an Assurance Partner and Head of Tax within KPMG Eastern Caribbean, he is responsible for Ethics and Independence, and Risk Management. A former Saint Lucia island scholar, Mr. Myers qualified as a chartered accountant in 1984. He is a former Chairman of the Public Service Commission in Saint Lucia and is also a past president and an active member of the Rotary Club of Saint Lucia.

### **Jasmine Davis CPA, CA**

Vice President & Director, Bahamas



Jasmine Davis was elected Vice President of the ICAC in June 2013. She was first appointed to the ICAC Board as Alternate Director in June 2012. Ms Davis is the current President of The Bahamas Institute of Chartered Accountants (BICA). A Certified Public Accountant (CPA), she entered the accountancy profession in The Bahamas in 1998 and received her training at PriceWaterhouseCoopers. She later joined the leading medical facility in Grand Bahama as the Financial Controller and is now the Vice President of Patient Finance at Doctors Hospital. Ms Davis also represents the profession on the Government's Central Revenue Agency (CRA) Steering Committee and the Bahamas Trade Commission Sub-Committee for the Financial Services Sector.

### **Vintoria Bernard, FCA, FCCA**

Treasurer & Director, Jamaica



A member of the Institute of Chartered Accountants of Jamaica (ICAJ) since 1987, Vintoria Bernard is a Past President of ICAJ. She is a Fellow of ACCA and the ICAJ and is an Associate Member of the Association of Certified Fraud Examiners. She is the Managing Partner of Vintoria Bernard Chartered Accountants and has been in practice since 1991. She previously worked with PricewaterhouseCoopers as well as with statutory organisations and within the manufacturing and distribution sectors. Ms Bernard was first appointed Alternate Director to the ICAC Board in June 2011 and was elected Treasurer in June 2013.

### **Khalil Alli, FCA**

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



Khalil Alli is a Partner with the firm of Jack A. Alli, Sons & Co., an accountancy firm located in Guyana. He qualified as a chartered accountant while working with the London office of PricewaterhouseCoopers United Kingdom. He studied Economics at undergraduate and postgraduate levels at the London School of Economics and Political Science. Mr. Alli served as President of the Institute of Chartered Accountants of Guyana from 2008 to 2011. He joined the ICAC Board as Alternate Director for Guyana in 2008 and has been a Director since 2011 and also serves as the ICAEW representative on the ICAC Board since 2008. He was elected Secretary of the ICAC Board in June 2013.

## Other Board Members



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



**Shawn Mahler, CA**  
Director, Belize



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



**Reece Chipman, CPA, CA**  
Alternate Director,  
Bahamas



**Andrew F. Brathwaite, CA**  
Alternate Director,  
Barbados



**Reynaldo Magana, CPA**  
Alternate Director,  
Belize



**Erwin D. Southwell, CPA**  
Alternate Director,  
Eastern Caribbean



**Ronald Alli, FCA**  
Alternate Director,  
Guyana



**Dennis Chung, FCA, MSc.**  
Alternate Director,  
Jamaica



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



**Rudie Tjong A. Hung, RA**  
Associate Representative  
Suriname Institute of Chartered  
Accountants (SUVA)



**Harryram Parmesar, FCCA**  
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)

## ICAC Secretariat Team



**Lomeah Reid**  
Accounting Officer



**Misha Lobban Clarke, MA**  
Chief Executive Officer &  
Ex-officio Member  
of the Board



**Shakeria Brown**  
Administrative Assistant



# Board of Directors' Report

This constitutes the Directors' Report for the year ended December 31, 2013.

The Institute held its Sixty-fifth, Sixty-sixth and Sixty-seventh Board of Directors' Meetings on February 9, June 27 and September 21, 2013, respectively. The Sixty-fifth and Sixty-sixth Board of Directors' Meetings were held in Barbados and the Sixty-seventh Meeting was held in Miami, Florida.

The 25th Annual General Meeting was held on June 27, 2013 at the Hilton Barbados Resort in Barbados.

## Board of Directors

The members of the Board of Directors representing the following member territories were appointed for the period 2013-2014 at the 25th Annual General Meeting:

|                              |                           |                          |
|------------------------------|---------------------------|--------------------------|
| <b>Bahamas</b>               | <b>Director</b>           | <b>Jasmine Davis</b>     |
|                              | <b>Alternate Director</b> | <b>Reece Chipman</b>     |
| <b>Barbados</b>              | <b>Director</b>           | <b>Joan Brathwaite</b>   |
|                              | <b>Alternate Director</b> | <b>Andrew Brathwaite</b> |
| <b>Belize</b>                | <b>Director</b>           | <b>Shawn Mahler</b>      |
|                              | <b>Alternate Director</b> | <b>Reynaldo Magana</b>   |
| <b>Eastern Caribbean</b>     | <b>Director</b>           | <b>Frank Myers</b>       |
|                              | <b>Alternate Director</b> | <b>Erwin Southwell</b>   |
| <b>Guyana</b>                | <b>Director</b>           | <b>Khalil Alli</b>       |
|                              | <b>Alternate Director</b> | <b>Ronald Alli</b>       |
| <b>Jamaica</b>               | <b>Director</b>           | <b>Vintoria Bernard</b>  |
|                              | <b>Alternate Director</b> | <b>Dennis Chung</b>      |
| <b>Trinidad &amp; Tobago</b> | <b>Director</b>           | <b>Anthony Pierre</b>    |
|                              | <b>Alternate Director</b> | <b>Derek Mohammed</b>    |

Ms. Jasmine Davis replaced Ms. Zelma Wilson as Director for Bahamas and Mr. Reece Chipman was appointed Alternate Director for Bahamas, effective June 2013.

Mr. Reynaldo Magana was appointed Alternate Director for Belize replacing Mr. Claude Burrell, effective June 2013.

Mr. Ronald Alli was appointed Alternate Director for Guyana replacing Mr. Colin Thompson, effective June 2013.

Ms. Vintoria Bernard replaced Mr. Archibald Campbell as Director for Jamaica and Mr. Dennis Chung was appointed as Alternate Director for Jamaica, effective June 2013.

## Executive Officers

The Executive Officers elected for the period 2013-2014 at a Special Meeting of the ICAC Board of Directors on June 27, 2013 at the Hilton Barbados Resort in Barbados were:

|                         |                       |
|-------------------------|-----------------------|
| <b>Frank V. Myers</b>   | <b>President</b>      |
| <b>Jasmine Davis</b>    | <b>Vice President</b> |
| <b>Khalil Alli</b>      | <b>Secretary</b>      |
| <b>Vintoria Bernard</b> | <b>Treasurer</b>      |

## Director's Attendance - Board Meetings

Meetings attended by Directors (and/or their Alternates) during the year were:

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

Note: All Directors mentioned were on the ICAC Board for part or all of the year 2013

## ICAC Member Bodies

### Members Membership as at December 31, 2012\*

|   |      |
|---|------|
| The Bahamas Institute of Chartered Accountants (BICA)                   | 444  |
| The Institute of Chartered Accountants of Barbados (ICAB)               | 776  |
| The Institute of Chartered Accountants of Belize (ICA-Belize)           | 58   |
| The Institute of Chartered Accountants of the Eastern Caribbean (ICAEC) | 216  |
| The Institute of Chartered Accountants of Guyana (ICAG)                 | 79   |
| The Institute of Chartered Accountants of Jamaica (ICAJ)                | 1091 |
| The Institute of Chartered Accountants of Trinidad and Tobago (ICATT)   | 1034 |
| Suriname Institute of Chartered Accountants (SUVA)                      | 30   |

\*Membership subscription for 2013 is based on the membership of each member institute as at December 31, 2012.

### Affiliate Members Representative

|   |                 |
|---|-----------------|
| 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 Accountants in England and Wales (ICAEW)                 | Khalil Alli     |
| The Certified Management Accountants – CMA (Nova Scotia, Bermuda and the Caribbean) | Nancy Foran     |

### Associate Member Representative

|  |                     |
|--|---------------------|
| Suriname Institute of Chartered Accountants (SUVA) | Rudie Tjong A. Hung |
|--|---------------------|

## 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, 2013 at the 25th Annual General Meeting of the Institute held on June 27, 2013.

## Acknowledgements

The Directors thank the management and staff of the ICAC Secretariat team for their continued dedication and hard work during the year 2013.

On behalf of the Board of Directors



**Frank V. Myers**  
President

# President's Report



Frank V. Myers

I thank the Board of Directors and by extension the individual institutes for giving me the opportunity to serve as President of ICAC during what is clearly a testing time for the accountancy profession globally. I am grateful to the Executive Officers and members of the ICAC Board of Directors, our member institutes and affiliates as well as

the staff of the ICAC Secretariat for their invaluable contribution during the past year and look forward to your continued support in 2014.

I also wish to record appreciation to the previous board under the leadership of Immediate Past President Joan Brathwaite for their sterling contribution to the ICAC during the past two years. I must also recognize the Chief Executive Officer of the ICAC, Misha Lobban-Clarke and her staff for their selfless and unwavering support to the Board and the Executive during a very challenging year. We will continue to build on the work and initiatives of this and previous administrations towards the objective of cementing ICAC's position as the point of reference for all matters impacting the profession in the region.

## ACHIEVEMENTS - REGIONAL INITIATIVES

Despite the fact that 2013 was a challenging year, as a regional body we have achieved some success in fulfilling our goals and objectives and in advancing initiatives for the benefit of the accountancy profession in the region. Our achievements over the period include:

### • Practice Monitoring & Enhancing Auditing Standards within the Region

Implementation of the regional practice monitoring programme continued during the year within member territories namely Barbados, Guyana, Trinidad, Jamaica and the Eastern Caribbean. I am also pleased to report that The Bahamas Institute finalized contractual arrangements with ACCA to commence monitoring visits in 2014.

The contract for the regional monitoring programme which commenced in 2008 with the Institutes of Barbados, Guyana and Trinidad and Tobago will expire in 2014 and the ICAC, through its Regional Monitoring Committee, is discussing with ACCA an extension of these existing contracts, while we prepare to negotiate a new contract in 2016. We expect to issue Requests for Proposals for the new contract soon and

we intend to give special consideration to any bidder who commits to engaging Caribbean nationals to perform monitoring services. It is hoped that the new contract will encompass all ICAC member countries in the region.

The ICAC Board is also actively considering the establishment of a regional monitoring unit to undertake practice monitoring on our own in the near future. While this will be a quantum leap in terms of the delivery of services to members, it represents the ICAC's commitment to ensuring ongoing efficient quality assurance review process in the region in the public's interest.

### • World Bank/ICAC Joint Initiative

The ICAC has been having ongoing discussions with the World Bank regarding a Regional ROSC Accounting and Auditing Report that is being developed in collaboration with the Bank. The objectives of this report include identifying challenges to the development of the profession in the Caribbean and assisting with improving regional corporate financial reporting. The consultant has reported that there is good progress in the preparation of the Initial Draft of the Caribbean ROSC - Accounting and Auditing Report and we expect to have an opportunity to review that document during 2014. It is being proposed that the findings of the report will assist in preparing a project to support capacity building for the profession in the region.

### • International Contribution & Representation

During 2013, the ICAC continued its initiative to strengthen its involvement and representation internationally including increased participation at IFAC meetings and other fora.

I had the honour of addressing, on behalf of ICAC, the 2013 CReCER conference, the largest gathering of professional accountants in Latin America and the Caribbean, which was hosted by the Colombian Institute of Public Accountants in Cartagena, Colombia over the period July 31 - August 2, 2013. This was the 7th conference being held and the Caribbean region made its presence felt with its largest ever representation, some of whom were presenters and discussion leaders. The English-speaking Caribbean was well represented by ICAC board members Anthony Pierre and Andrew Brathwaite; Mrs. Jennifer Nero, General Manager of the Eastern Caribbean Central Bank, and Mrs. Pamela Monroe-Ellis, all of whom presented papers and participated in panel discussions. Also present were ICAC Vice President and President of BICA, Jasmine Davis and ICAC Treasurer Vintoria Bernard.



*Participants from the Caribbean at CReCER 2013 (from left to right): Reece Chapman, 1st Vice President, The Bahamas Institute of Chartered Accountants (BICA); Faye Choudhury, CEO, International Federation of Accountants (IFAC); Pamela Monroe Ellis, Auditor General of Jamaica and IFAC Board Member; Vintoria Bernard, Treasurer, ICAC; Warren Allen, President, International Federation of Accountants (IFAC); Jennifer Nero, General Manager, Eastern Caribbean Central Bank (ECCB); Jasmine Davis, Vice-President, ICAC; Frank Myers, President, ICAC; Charmaine Felter, Auditor General of Suriname; Leigh Trotman, Auditor General of Barbados; Dean Evans, Director of Audit Department of Antigua; and Anthony Pierre, ICAC Board Member*

I also represented the ICAC at the ordinary meeting of the IFAC Council in Seoul, South Korea on November 13 and 14, 2014. Prior to the Council meeting, the annual consultative meeting between IFAC and Regional Organisations/Accountancy Groupings was held on November 12, 2013. The consultative meeting was chaired by IFAC President Warren Allen and attended by Faye Choudhury, IFAC CEO along with other key representatives of IFAC. The IFAC President and the CEO shared their perspectives on IFAC's future strategy and related business lines and the opportunities they provide for collaboration with regional organizations and accountancy groupings. A key part of the meeting was the invitation to each regional organization and accountancy grouping to share its top priority for 2014. It was interesting to note that all accountancy groupings and regional organizations had similar challenges and it emphasized that instead as a regional body we should continue to seek to collaborate with other groupings using the opportunity created by IFAC.



*From left to right: ICAC CEO, Misha Lobban Clarke with IFAC President, Warren Allen; IFAC Board member and Auditor General of Jamaica, Pamela Monroe Ellis and Bruce Scott, Technical Advisor to Mrs. Monroe Ellis and ICAJ Council Member at the IFAC Board Meeting held in New York on February 28 and March 1.*

The Institute was represented at IFAC's Chief Executives' Strategic Forum held over the period February 25 – 27, 2013 in New York by CEO, Misha Lobban-Clarke. The annual forum brings together Chief Executives of IFAC member bodies, regional organisations and accountancy groupings, members of IFAC's Planning and Finance Committee, and chairs of IFAC committees as well as representatives

of independent standard-setting boards, to discuss matters of relevance to the global accountancy profession and to IFAC. The 2013 Forum focused on major issues being considered in the review of IFAC's Constitution and Bylaws, IFAC's strategic direction and other key issues affecting IFAC and the global accountancy profession. The CEO also represented the ICAC at IFAC's Board meeting which was held immediately following the CE's Forum on February 28 and March 1. The IFAC Board Meeting also focused on the review of IFAC's Constitution and Bylaws.

• **Regional Contribution & Stakeholder Engagement**

During the year, we continued to pursue our initiative with IFAC to host our annual consultative meeting of professional accountancy organisations (PAOs) in the Caribbean, which seeks to facilitate discussions and the sharing of ideas on critical issues confronting the accountancy profession both in the region and globally. The consultative meetings have been successful in helping to facilitate dialogue among accountancy bodies in the region and have also been valuable in helping to forge collaborative partnerships and the sharing of best practices and resources for the further growth and development of the accountancy profession.



*Representatives of Professional Accountancy Organisations (PAOs) in the Caribbean and affiliate organisations in the UK, USA, and Canada who attended the ICAC and IFAC annual consultative meeting on June 26, 2013 at the Hilton Hotel in Barbados.*

The 2013 meeting of regional PAOs held on June 26 at the Hilton Hotel in Barbados was a great success and featured presentations from Warren Allen, IFAC President; Deborah Williams, Chair of IFAC's PAO Development Committee; Szymon Radziszewicz, IFAC Senior Technical Manager – Member Body Development and Mozammal Hoque, Senior Financial

Management Specialist, World Bank. The meeting was attended by representatives of professional accountancy organisations (PAOs) in the Caribbean, as well as ICAC's affiliate member bodies from Canada, the United States and United Kingdom.

The ICAC continues to make a meaningful contribution through our representation on the Board of Trustees of the Caribbean Court of Justice Trust Fund (CCJTF) and on the Caribbean Actuarial Association (CAA) Advisory Council. During the year, Jasmine Davis, ICAC vice-president, was nominated by the Board to represent ICAC on the Board of the CCJTF. She succeeds Harry Parmesar, a past president of ICAC who represented the Institute on the Board of the CCJTF for the past three years. While extending best wishes to Ms. Davis during her tenure, I also thank Mr. Parmesar on behalf of the Board and the members of ICAC, for his sterling contribution to the work of the CCJ Trust Fund and for representing the profession well during his tenure on the Board.

During the year, CARICOM continued its plan towards the implementation of a regional policy for the Provision of Professional Services within CSME. The Council of Ministers responsible for Trade and Economic Development at their Thirty-Sixth Meeting held during May 2013 adopted, in principle, the Regional Policy and the Legal Affairs Committee (the body consisting of the Attorneys General in CARICOM) has considered the Model Professionals Bill and agreed to establish a small committee of related officials to revise the Bill to bring it in line with the regional policy. This policy will have significant implications for our profession and it is important that our views are represented at the highest level. In this regard, the ICAC Board met with Mr. Timothy Odle of the CARICOM Secretariat during the 2013 ICAC annual conference in Barbados to further discuss the proposed regional policy framework and provide give feedback on proposals relating to accounting professionals which is contained in the proposed regional policy.

Arising from the meeting the ICAC plans to make representation to the CARICOM Secretariat outlining our views on the draft policy, and to seek consideration for a "special dispensation" to be granted to the accountancy profession within CARICOM member states, in light of the fact that the regional accounting profession already has an established framework/structure for the regulation of accountancy professionals. Our representation to the CARICOM Secretariat will also create the opportunity for us to initiate discussions with key government decision makers in our respective jurisdictions towards the participation of our profession in finding solutions for the economic challenges that affects all CARICOM countries.

#### • Institutional Strengthening

On September 20, 2013, the Board undertook a review of the current strategic plan to determine where we stand in relation to the goals and objectives set out in

that plan and the adjustments, if any, that should be incorporated into a plan to chart the way forward for the ICAC over the next 3-5 years.

The structure of the ICAC regional committees that exist to facilitate the implementation of the regional goals and initiatives of the ICAC were also reviewed during the year resulting in the merger of the Education and Joint Seminar Committees; with the Bahamas Institute of Chartered Accountants (BICA) having co-ordinating responsibility for this Committee. It was also agreed that the Taxation sub-committee which was established in February 2012, should be a full committee in light of the importance of taxation issues regionally and internationally. The main objectives of the Committee are to consider, review, prepare where relevant and where appropriate present recommendations concerning current or proposed legislative and government measures relating to matters of taxation and fiscal policies, including changes in international and regional tax administration policies. The co-ordinating institute responsible for this committee is the Institute of Chartered Accountants of Guyana (ICAG).

At the ICAC Board meeting held in Barbados in June 2013, the Board requested that the membership committee undertake a review of the ICAC's rules for membership. The Committee is expected to submit its recommendations to the ICAC Board in the upcoming year.

#### • Annual Caribbean Conference of Accountants

The 31st edition of our flagship event, the Annual Caribbean Conference of Accountants, was held June 27-29, 2013 in Barbados and as anticipated it was another high quality conference.



*Prime Minister of Barbados, the Hon. Freundel Stuart, QC, MP, (right) addresses locals and overseas delegates at the official opening ceremony of the ICAC 31st Caribbean Conference of Accountants held in Barbados.*

The event attracted some 560 accounting and finance professionals as well as business leaders from the region and internationally. The cadre of regional and international speakers facilitated discussions around the conference theme, "Global Challenges – Regional Solutions," including the global economic recession and the changing international trade environment as well as the impact of new international accounting and auditing standards and regulations on the profession.



*Delegates and spouses enjoy the showcase of Barbadian culture and entertainment during the welcome cocktail reception at the 2013 Annual Caribbean Conference.*

We thank the Institute of Chartered Accountants of Barbados and its planning committee for a very well organised conference and for their efforts to ensure that the 2013 Annual Conference maintained its usual high standard of excellence. We also wish to thank our member institutes, affiliates and associate member bodies for their support in encouraging a high level of delegate registrations from their respective territories.

The ongoing global economic challenges together with changes in the international trade environment impact the accountancy profession and how we operate. The profession must confront these issues and it is important that our views are heard regionally and globally. Ethical conduct in all aspects of the profession will assist tremendously and we will seek to be represented at the highest level of related discussions.



*Conference delegates and spouses delight in dining under the wings of a retired British Airways supersonic aircraft at the Concorde Experience during the President's Dinner on Friday, June 28, 2013.*

There are a number of regional initiatives that will remain a priority for the ICAC during the upcoming year, and emerging from the review of the strategic plan held in September 2013, the ICAC will be formulating strategies aimed at ensuring the continued sustainability of the organization. Our Annual Caribbean Conference will continue to provide a forum for accounting and finance professionals in the region and beyond to discuss critical issues and share ideas and best practices that will enhance their role and further develop the regional accountancy profession. Whilst the annual conference has achieved its objectives in the past, the ICAC will continue to engage all interested parties as we seek to improve this important product. The ICAC will also continue to make a meaningful contribution regionally and internationally through its representation at various fora as well as by letting its voice heard on critical matters impacting the profession.



*Conference delegates and spouses having a fun-filled evening of music and dance at the President's Dinner.*

I look forward to working with all our stakeholders regionally and internationally, as we seek to more clearly define the role of the ICAC and our profession in an ever-changing global environment.

**Frank V. Myers**  
**President, ICAC**

**FUTURE OUTLOOK**

We aim to continue to provide leadership in the formulation of strategies to achieve regional economic development. Given our history, this is perhaps our greatest challenge as success requires a quantum shift in the perception of all regional institutions and governments to see ourselves as inter-dependent communities within the Caribbean nation, rather than defined jurisdictions, each following its self-centred agenda.

# Chief Executive Officer's Report



Misha Lobban Clarke

Despite the challenges during 2013, the ICAC Secretariat remained focussed on fulfilling its mandate to support the operations of the Institute and to implement the policy goals and initiatives formulated by the Board of the ICAC. Consistent efforts were made by the Secretariat team to fulfil

the goals and objectives outlined in the ICAC's Strategic Plan. Emphasis was placed on the key areas of branding, governance and expansion in keeping with the Plan.

## **Achievement of Key Strategic Targets**

### **•Facilitating Regional Collaboration**

With the change in management at the ICAJ and BICA Secretariats during 2013, it became imperative during the review period, for meetings to be convened to facilitate the introduction of the new Executive Directors to the role and function of the ICAC as a regional accountancy grouping and to establishing linkages with other managers of regional institutes. A meeting was held with the newly appointed Executive Director of the ICAJ on January 29 to discuss the role of the ICAC, its mandate, the strategic objectives and the importance of maintaining communication links between the ICAC and its member bodies as well as ways in which ICAJ can support regional initiatives for the benefit of the accountancy profession. Informal discussions were also held with the new Institute Executive Officer of the BICA Secretariat.

Arrangements were made to host a Forum of Executive Directors/Managers of regional Institutes on June 25, 2013 prior to the 31st ICAC Annual Conference in Barbados. The meeting was in keeping with the ICAC's objectives to facilitate networking and increased collaboration as well as the sharing of information among Executive Directors/Managers of regional institutes.

The Forum, which was initially planned to take the form of a workshop led by the Technical Manager for Member Body Development of the International Federation of Accountants (IFAC), had to be postponed due to the lack of a quorum. It was replaced by one-on-one interactive sessions

between the leadership of regional institutes and IFAC's Technical Manager. The meetings which were organised by the ICAC Secretariat were held on June 25 in Barbados and facilitated meaningful discussions between IFAC and regional institutes on the recent revisions to IFAC SMOs and the preparation of Action Plans for IFAC's Compliance Programme by member bodies in the Caribbean.

### **•Forging Strategic Partnerships through Joint Initiatives**

The ICAC in collaboration with IFAC hosted a successful annual consultative meeting of Professional Accountancy Organizations (PAOs) in the region on June 26, 2013 in Barbados. The meeting was held in conjunction with the ICAC's 31st Annual Caribbean Conference. The Cayman Islands Associate of Professional Accountants (CISPA) participated in the regional PAOs meeting for the first time.

Initiated to build relationships between the IFAC and regional professional accountancy organizations, the annual PAO meeting facilitates the sharing of ideas and experiences and promotes meaningful discussion concerning key issues and challenges affecting the profession. Another consultative meeting between the ICAC and the IFAC will be organised for June 2014 in conjunction with the 32nd Annual Caribbean Conference in Suriname.

The ICAC President and CEO met with representatives of the World Bank in January and February 2013, concerning the proposed Joint Synthesis Report on the findings of ROSC - Accounting and Auditing Reports for Caribbean countries. The Secretariat liaised with several member bodies with a view to collecting data required by the World Bank to assist with preparing the reports for countries where no ROSC studies have been done. Data was received from BICA, ICAB, ICA-Belize and ICAG. The Report is intended to assist in preparing a regional capacity development project in accounting and auditing and a strategy for the ICAC that will support capacity building for the ICAC and member bodies in the region.

The ICAC provided support to the Eastern Caribbean Central Bank's regional train-the-trainers workshop that was hosted jointly with the IFRS Foundation and the World Bank in St. Kitts over the period February 25-March 1, 2013, by circulating information to member institutes and encouraging



their participation in this training initiative. Facilitators were Mr. Darrel Scott, IASB member and Mr. Michael Wells, Director of IFRS Education Initiative, IFRS Foundation. Open to participants from all ICAC member bodies, the workshop was also aimed at attracting representatives of non-banking financial institutions within the OECS.

#### **•Promoting the ICAC Brand**

As part of the mandate to enhance the strategic positioning, raise awareness and increase the profile of the ICAC, every effort was made during the period under review to ensure that the activities of the ICAC received maximum publicity both internally and externally.

The ICAC's Annual Caribbean Conference, the flagship event and a major promotional tool for the organization, had its 31st staging in Barbados from June 27-29, 2013. Due to the extensive marketing and promotion of the event, it attracted 560 participants from the Caribbean, the USA, Canada and the UK. The ICAC records appreciation to member bodies, affiliates and associates for their continued support and assistance in marketing the annual conference to their membership and other stakeholders.

An ICAC Conference Planning manual, to guide the overall planning of the annual Caribbean Conference going forward and to ensure consistency in its standard and quality, was formulated by the Secretariat and approved by the ICAC Board at its June 2013 meeting. The ICAC Secretariat will also continue to provide key support and guidance in the annual conference planning process to ensure the integrity of the brand and the maintenance of the high standard of this premier regional event.

Efforts were made during the year to improve the functionality and revenue potential of the ICAC website through advertising. Advertising rates were formulated for standard website banner ads for promotion to local as well as regional organizations and revenue was realised from advertisement placed on the site by a regional organisation for a period of two weeks from June 21-July 5, 2013.

Meetings were held in August 2013, concerning updating the Content Management System and related enhancements to the website. The process involves improvement to the hosting of the site to enhance its efficiency and security. At the same time, options are being explored to improve the website's capability to offer revenue generating activities such as webinars; having an on-line document management system available as well as a user management system (to facilitate on-line registration e.g. for the Annual ICAC Caribbean Conference and Webinars).

Regular communication was maintained with both our internal and external publics during the year through media advisories and news releases; the Annual Report, newsletters, emails and correspondence to communicate activities and events of interest to member bodies and affiliates of the ICAC.

#### **•Expanding ICAC's Contribution/Representation**

The ICAC was represented by its CEO at the annual IFAC Chief Executives (CE) Forum held over the period February 25 – 27, 2013 in New York. The 2013 CE's Forum was aimed at obtaining input on the major issues being considered in the review of IFAC's Constitution and Bylaws; as well as input on IFAC's strategic direction. The CE's Forum remains an important medium for networking and an avenue through which the views of the ICAC as an acknowledged accountancy grouping of IFAC can be represented. Participation also affords the ICAC the opportunity to contribute to the development of IFAC's Annual Strategic Plan.

The ICAC CEO also attended the first day of the IFAC Board Meeting held immediately following the CE's Forum on February 28 and March 1.

The ICAC is represented by the CEO on the Practice Monitoring Committee established in 2012 by the Public Accountancy Board in Jamaica. Three meetings of the committee were held during 2013. The Committee is primarily responsible for receiving and reviewing monitoring reports of the ACCA practice reviewer. The Committee comprises three PAB non-practising representatives, two non-practising representatives of the ICAJ and one non-practising representative from the ICAC.

The ICAC President represented the organization and participated as a speaker at the 2013 CRECER Conference held in Cartagena, Colombia, over the period July 31- August 2, 2013.

The ICAC was also represented by the President at the IFAC's Consultative Meeting of Regional Organizations and Acknowledged Accountancy Groupings held in Seoul, South Korea on November 12, 2013. He also attended the Council Meeting which was held in Seoul on November 13 and 14.

#### **•Fulfilling ICAC's Mandate as an Accountancy Grouping**

In fulfilment of ICAC's mandate as an Acknowledged Accountancy Grouping (AG) of IFAC, the ICAC accomplished the following:

- ✓Prepared and submitted the Planned and Ongoing activities report for 2013 on January 23 for inclusion in the postings for the IFAC Board Meeting in February 2013.

✓Collaborated with IFAC to host a successful meeting of Regional Professional Accountancy Organizations (PAOs) on June 26, 2013 in Barbados.

✓Prepared and submitted the ICAC's Annual Report in fulfilment of its obligation as an Accountancy Grouping (AG). The report was included as part of the documents for the IFAC's Council Meeting in November 2013.

✓Prepared and submitted the ICAC's report of its planned activities for 2014 to the IFAC for review by the Compliance Advisory Panel and the PAO Development Committee.

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

During the period under review, the Secretariat continued to take the necessary steps to disseminate relevant and timely information and provide support to member bodies. As is customary, 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 pertinent operational and administrative matters relating to the Institute.

The ICAC conference call platform was used to host eight committee meetings as follows:

✓Regional Taxation Meeting on January 30 and May 7, 2013

✓ICAC Executive Officers Meeting on May 10, 2013

✓Regional Technical Committee Meeting on July 19, 2013

✓ICAC Executive Meeting, July 25, 2013

✓Regional Monitoring Unit on July 26 and December 19, 2013

✓ICAC Executive Officers Meeting on November 7, 2013

The Secretariat also supported the Meeting of the ICAC Regional Publicity Committee convened via Skype on August 22, 2013.

The Secretariat also provided administrative support to the work of the various regional committees.

During the period under review, the ICAC Secretariat prepared a Regional CPD Calendar for events being planned by regional institutes. This served to promote the various training initiatives, encourage forward planning and foster wide support. The Secretariat also assisted in marketing the CPD seminars and other events hosted by member institutes.

The ICAC's quarterly newsletter continues to be a source of relevant and timely information for member bodies throughout the region, featuring articles on the state of the local and global industry; changes within the ICAC leadership and within the administration of the various member bodies; highlights of meetings and conferences; training initiatives; as well as general updates on regional institutes, affiliates and other stakeholders including IFAC. 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. The ICAC records its appreciation to the Association of Chartered Certified Accountants (ACCA-Caribbean), Certified General Accountants of the Caribbean (CGA-Caribbean), and the Institute of Chartered Accountants of England and Wales (ICAEW) for their continued advertising support.

#### •**Operational and Administrative Matters**

A new Administrative Assistant of the ICAC Secretariat, Miss Shakeria Brown, assumed duties effective August 19, 2013. Former Administrative Assistant, Miss Lomeah Reid, has also been employed as an accounting officer on a part-time basis.

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 2013. The ICAC's Income Tax Returns for 2013 and Declaration of Estimated Income Tax Payable for 2014 were filed with the tax authorities.

#### **Conclusion**

The unwavering support of the ICAC Executive and the Board of Directors as well as the invaluable cooperation and assistance of the regional institutes and affiliate organisations, were critical to assisting the ICAC Secretariat achieve the targets set for 2013. We are grateful for the ongoing show of confidence and anticipate your continued support, as together we strive to achieve the goals of the ICAC and promote the interest of the accounting profession both regionally and globally.

# 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 2013-2014 period are:

| Regional Committee             | Member Institute  | Chair             |
|--------------------------------|-------------------|-------------------|
| <b>Joint Seminar/Education</b> | Bahamas           | Jasmine Davis     |
| <b>Membership</b>              | Barbados          | Andrew Brathwaite |
| <b>Publicity</b>               | Jamaica           | Vintoria Bernard  |
| <b>Taxation</b>                | Guyana            | Harryram Parmesar |
| <b>Technical</b>               | Trinidad & Tobago | Anthony Pierre    |

The main objective of the **Joint Seminar/Education Committee** is to develop, in collaboration with member institutes, CPD initiatives aimed at broadening the continuing professional development of members within the region. The Committee also seeks to facilitate and encourage the provision of training and development opportunities in collaboration with accredited regional and international bodies.

The **Membership Committee** is responsible for promoting an institutional framework for 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 image of 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.

The **Taxation Committee** was formally established as a full regional committee at the 67th ICAC Board Meeting held on September 21, 2013 in Miami, Florida. The objectives of the Committee is to consider, review and present recommendations on matters of taxation and fiscal policies relevant to the regional accountancy profession. The Committee is expected to make recommendations on changes in international and regional tax administration policies that impact the Caribbean and on matters relating to Double Taxation Treaties and other regional and international agreements on taxation. It will also seek to facilitate discussions, exchange of ideas and experiences on tax related matters affecting the region.

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



### Council Changes

The Bahamas Institute of Chartered Accountants (BICA) held its 22nd Annual General Meeting on Thursday, May 30, 2013. The following persons were elected to serve on the new Council for the term 2013/2014:

|                          |                       |
|--------------------------|-----------------------|
| Jasmine Y. Davis         | - President           |
| Darnell Osborne          | - 1st Vice President  |
| Gowon Bowe               | - 2nd Vice President  |
| Basil Ingraham           | - Treasurer           |
| Brent Roberts            | - Assistant Treasurer |
| Reece Chipman            | - Secretary           |
| Cecile Greene            | - Assistant Secretary |
| Cleo Armbrister-Charlton |                       |
| Terrance Bastian         |                       |
| Stacy Johnson            |                       |
| Aaron Jones              |                       |
| Lawrence Lewis           |                       |
| Candice Murton           |                       |
| Chato Outten             |                       |
| Zelma Wilson             |                       |

### Institutional Strengthening & New Committees

The following committees were established by the Council to ensure that all current matters relating to the strategic plan are being addressed and to support the membership through strengthening of the profession.

| COMMITTEES  | CHAIRPERSON(S)  |
|---|---|
| Practice Monitoring Committee   | Jasmine Y. Davis (President) & Terrance Bastian                             |
| Continuing Professional Education & Conference Planning Committee           | Stacy Johnson & Chato Outten  |
| Disciplinary Committee  | Cecile Greene (Asst Secretary)  |
| Grand Bahama & The Family Islands Committee                                 | Cleo Armbrister-Charlton  |
| Investigations & Ethics Committee   | Darnell Osborne (1st Vice President)  |
| Legislative Reform Committee  | Darnell Osborne (1st Vice President) & Cecile Greene (Asst. Secretary)      |
| Membership & Licensing, Public Practice & Associate Membership Committee    | Aaron Jones (Registrar) & Brent Roberts (Asst. Treasurer & Asst. Registrar) |
| Small & Medium Practice (SMPs) / Small & Medium Enterprise (SMEs) Committee | Basil Ingraham (Treasurer)  |
| Student Membership & Education / Scholarships Committee                     | Zelma Wilson  |
| Tax Reform Committee  | Reece Chipman (Secretary) & Lawrence Lewis                                  |
| Technical Committee   | Gowon Bowe (2nd Vice President) & Candice Murton                            |
| Public Relations & Branding Committee                                       | Reece Chipman (Secretary)   |
| Website   | BICA Secretariat  |

On December 4, 2013, the Institute launched its Taxation Committee comprising 23 members in public practice, industry and senior members of the profession. This Committee is chaired by Reece Chipman, Secretary of BICA. The main objectives of the Committee are to:

- Consider, review, prepare and present recommendations to the Council concerning the accounting aspects of the proposed legislative and government measures relating to matters of taxation and associated fiscal policies.

- Support the Council in educating the Institute's members and the public on issues relating to taxation and fiscal policies.

The Committee has been mandated to focus on accounting and business issues as it relates to the practical nature of implementing VAT by July 1, 2014.

### **Legislative Reform**

Some key changes were necessary to the legislation to ensure BICA's compliance with IFAC's SMOs, in particular SMO 1, 3, 5 and 7. During the year, the Legislative Reform Committee chaired by 1st Vice President, Darnell Osborne, drafted the changes to the legislation with the assistance of the Attorney General of The Bahamas. The Committee discussed the pending changes to the legislation with BICA members during Accountant's week held in November 2013.

### **Special Project Activities**

On May 7, 2013 members of the Institute met with Mozammal Hoque, Senior Financial Management Specialist for Latin America and the Caribbean Region, The World Bank to discuss BICA's input for the Joint Synthesis Report on ROSC Accounting and Auditing in the Caribbean. The findings will assist in preparing a regional capacity development project in accounting and auditing and a strategy for the ICAC that will be aimed at supporting capacity building for the ICAC and its member bodies.

### **Continuing Professional Development**

BICA held its 2013 Audit Workshop over the period February 12 –13, 2013. The presenter for the workshop was Anthony Pierre, Partner at Deloitte & Touche (Trinidad & Tobago). The objective of the workshop was to prepare licensees for Practice Monitoring.

Over the period March 15 - 16, 2013, the Institute held its second workshop entitled, "The Need for Accountability & Transparency" in Freeport, Grand Bahama. Presenters were Barry Malcom, President of the Grand Bahama Chamber of Commerce; Dave Smith, Executive Director Securities Commission of the Bahamas; Reece Chipman, 2nd Vice President to the Institute; K. Peter Turnquest, Member of Parliament for East End, Grand Bahama; Jasmine Davis, BICA's President; Pedro Delaney, Council Member to the Institute and Anishka Collie, Senior Internal Auditor at Bahamas First Holdings Limited.

A Value Added Tax (VAT) Conference with presenter, Mr. Denzil Whyte, Regulatory and Taxation Specialist from Jamaica was held on April 17, 2013. Mr. Whyte is also a member of the ICAC Regional Taxation Committee. The conference was aimed at addressing issues relating to the introduction of VAT in the Bahamas.

On September 12, 2013, the Institute held a Lunch & Learn Technical Update for members, which covered IFRS 9, 10, 13 and the overall impact on SMEs.

On September 25, 2013, BICA partnered with the Association of Fraud Examiners (ACFE ) to hold a Fraud and VAT Seminar.

A seminar themed, "Value Added Tax (VAT) & its Applicability" was held on October 25, 2013 in Freeport, Grand Bahama. Presenters were John Rolle, Financial Secretary of the Ministry of Finance; Ishmael Lightbourne, VAT Coordinator of the Ministry of Finance; Pauline Peters, VAT Consultant of the Ministry of Finance; and Paul Hanson, Regional Director of Finance of Old Bahama Bay.

A two-day workshop entitled, "Guide to Practical Audit Compliance for Partners and Managers" was held over the period October 30 - 31, 2013. The workshop was facilitated by Michael Scott, a member of ACCA and the Institute of Chartered Accountants in Ireland.

On December 12, 2013, the Institute ended the year with the 3rd Annual Fraud, Ethics & Compliance Seminar that was held jointly with the Association of Fraud Examiners (ACFE), Bahamas Chapter.

### **Accountants Week 2013**

Accountants Week was held over the period November 11-14, 2013, under the theme, "Broadening Our Expertise to Support the Changing Economic Environment". It was a time of learning and networking by accounting professionals, business leaders, and finance professionals who participated in the event.

The Week commenced with a church service held at St. Anne's Anglican Church. The Ministry of Finance sponsored Day One of the presentations under the theme, "Preparing for VAT Implementation: Presenting All the Factors". On Day 2 of the presentations themed, "Building on Our Foundations In Accounting & Financial Services", Szymon Radiszewicz, Senior Technical Manager, IFAC spoke on the topic, IFAC Statements of Membership Obligation (SMOs). Mozammal Hoque, Senior Financial Management Specialist for Latin America & the Caribbean with the World Bank also presented on the topic, Institute Building Capacity.

"Maintaining Our Technical Competency" was the theme of presentations on Day 3 while Day 4 examined "Cutting Edge Tools, Energy Reform, Ethics & Certification Fundamentals" and featured speakers such as, Mark Whitehouse, Managing Partner of BGC Ltd.; Simon Townsend, Partner of KPMG; Geoff Andrews, Partner Deloitte & Touche and Keshelle Kerr, Executive Director of The Chamber of Institute.

The week ended with a Fun, Run, Walk, Push on Saturday November 16 from which part proceeds will be donated to the National AIDS Foundation.

### **Contribution to National Development**

BICA met with the Compliance Commission on February 20, 2013. The meeting focused on the Compliance Commission's new application process for persons to become agents acting on its behalf. The Compliance Commission welcomed the initiative and encouraged an annual meeting between both bodies.

On March 11, 2013, members of the Institute met with John Rolle, Financial Secretary in the Ministry of Finance to discuss the proposed Tax Reform for the Bahamas in the form of Value Added Tax (VAT).

Two members of the BICA's Council - Jasmine Davis and Reece Chipman - along with the Institute's Executive Officer, Merrilen Hepburn, attended the Multi-Sectorial Consultation for the implementation of the Economic Partnership Agreement (EPA). Ms S. H. Allyson Francis, Trade in Services & Investment Specialist in the Regional EPA Implementation Unit outlined the importance of the implementation of the EPA to the Bahamas. A bi-lateral meeting was also held with members of the Institute and the representative of the EPA Implementation Team.

### **Regional and International Focus**

Eleven delegates from the Bahamas attended the 31st ICAC Annual Caribbean Conference which was held in Barbados. Vincent Vanderpool-Wallace, former Minister of Tourism for the Bahamas spoke on "Tourism Outlook - Challenges & Opportunities".

In June 2013, Jasmine Davis, President of BICA was appointed Director for the Bahamas to the ICAC Board and Reece Chipman, BICA's Secretary was appointed Alternate Director for the Bahamas to the ICAC Board. Ms. Davis was also elected Vice President of the ICAC Board and Chair of the Regional Education Committee during a special meeting of the ICAC Board held in Barbados on June 27, 2013.

During the year, BICA was also represented at the CRECER 2013 which was held in Cartagena, Columbia by President, Jasmine Davis and Secretary, Reece Chipman.

### **Student Outreach Programme**

The College of The Bahamas students and faculty members participated in Accountants Week on November 14, 2013 and were provided with a book on "How to become a Professional Accountant." The BICA student membership registration was launched to register students who wish to participate in the Institute's activities.

The Chair of BICA's SMEs Committee participated in the BFSB (Bahamas Financial Services Board) Student of the Year Working Group. The BFSB award was presented to Jasmine Williams at the Gala Awards Dinner on November 1, 2013. Jasmine Williams holds a BBA in Banking and Finance (with Spanish).

### **Membership**

During the year, the Membership & Licensing Committee chaired by Aaron Jones and Brent Roberts launched its online membership cards. Members of the Institute are able to use the card to pay membership fees, license fees, and for CPD seminars.

### **Operational Matters**

The former Institute Executive Officer, Merrilen Hepburn, is no longer employed to the Institute. BICA wishes to extend its gratitude to Ms. Hepburn for her invaluable contribution to the advancement of the Institute during her period of service.



## Council Changes

The 39th Annual General Meeting of the Institute of Chartered Accountants of Barbados (ICAB) was held on May 30, 2013. The following members were elected to the Council for the period 2013 – 2014:

|                     |                            |
|---------------------|----------------------------|
| David Simpson       | - President                |
| J. Roger Arthur     | - Vice President           |
| Rueben Blenman      | - Treasurer                |
| Felton Burton       | - Secretary                |
| Andrew Brathwaite   | - Immediate Past President |
| Karol Ashby         |                            |
| J. Betty Brathwaite |                            |
| Gregory Cummings    |                            |
| Winsmore Humphrey   |                            |
| Lois Jones          |                            |
| William Layne       |                            |
| Bruce McClean       |                            |
| Hanif Patel         |                            |
| Dennis Shemeluck    |                            |
| Philmore Thorne     |                            |

Following the AGM, a presentation entitled, "Improving Business Facilitation" was delivered by the Hon. Donville Inniss, Minister of Industry, International Business, Commerce & Small Business Development.

## 2013 Committees

The Council subsequently appointed the following members to chair committees:

| CHAIRPERSONS        | COMMITTEES                          |
|---------------------|-------------------------------------|
| David Simpson       | Administration                      |
| Bruce McClean       | Accounting and Auditing Standards   |
| Rueben Blenman      | Ethics                              |
| Philmore Thorne     | Student & Member Services           |
| Gregory Cummings    | Continuing Professional Development |
| Andrew Brathwaite   | Legislation                         |
| Felton Burton       | Membership                          |
| Roger Arthur        | Taxation                            |
| J. Betty Brathwaite | Appeals                             |
| Winsmore Humphrey   | Investigations                      |
| Karol Ashby         | Disciplinary                        |
| William Layne       | Public Sector                       |
| William Layne       | Practice Monitoring                 |
| Roger Arthur        | Communication                       |

## Regulatory Reform

Following the AGM in May 2013, ICAB's Council appointed a committee to review the By-Laws, Rules, and Regulations. The priority areas for action identified were: minor amendments to the By-Laws to improve clarity; new regulations for Practice Monitoring; new regulations and detailed procedural rules for Investigations, Discipline and Appeals. Current IFAC best practice policies will be reflected in the new regulations.

## 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 2013 training sessions were held to update members on IFRS, and ISAs.

## Continuing Professional Development

During 2013, ICAB hosted and/or facilitated 26 CPD seminars as follows:

- January 16-18 - IBFD workshop on International Tax Treaties
- January 18 - Seminar of Financing & Administration of Pension Plans
- January 25 - Practice Monitoring Workshop

- February 13 - Annual Tax update seminar
- February 19 - AML Roundtable (held jointly with ACCA)
- March 6 - Intermediate Excel workshop
- March 13 - Intermediate Excel workshop
- April 10 - Presentation Skills workshop
- April 17 - Audit Roundtable (held jointly with ACCA)
- May 7 - Workshop on Practice Management, Risk Management & Corporate Governance
- May 30 - Improving Business Facilitation
- June 27-29 - ICAC's 31st Annual Conference (Barbados)
- August 6 - A presentation on "The Barbados Economy - Challenges & Opportunities"
- August 13 - Seminar on "Leadership - Simple but NOT Easy"
- August 30 - Seminar on International Business/Wealth Management
- September 12 - IFRS Update (held jointly with ACCA)
- September 13 - ISA Update
- September 14 - Seminar on "Keeping Client Money Safe - The UK Experience" (held jointly with Bar Association)
- September 25 - Public Seminar on "The Prevention of Corruption Act – What impact is it having on willingness to serve in Public Life?"
- October 9-11 - Introduction to VAT workshop hosted by the International Bureau for Fiscal Development (IBFD)
- October 18 - Joint ICAB/CGA seminar on "A Process Driven Approach to Assessment & Mitigation of Operational Risk"
- November 5 - Public Seminar on "Financial Management for Small Businesses in Tight Economic Times"
- November 8 - ICAB's Annual Conference
- November 21 - Practical Application of the IFAC Code of Ethics for Professional Accountants
- November 22 - Sensitizing Management on the Importance of Internal Auditing & Internal Controls (held jointly with CARTAC and Ministry of Finance)
- December 5 - Employee Engagement - Building a Stronger Nation

### **Accountants' Week 2013**

Accountants' Week was celebrated over the period November 3-8, 2013. The objectives of the week of activities were to:

1. Highlight the contribution of the accounting profession to national development;
2. Celebrate the achievements of members of the profession;
3. Provide an opportunity for professional and social interaction by members of the profession.

The Annual Conference themed, "Moving Forward - Productivity and Competitiveness, Keys to Our Future", was formally opened by the Minister of Foreign Affairs, Sen. Hon. Maxine McClean and featured 14 presenters and panelists who focused on strategies for making companies more competitive and individuals more productive. A free public lecture on "Financial Management for Small Businesses in Tight Economic Times" was held on November 5, 2013. The presenter was ICAB President and Entrepreneur, David Simpson. The community outreach for Accountants' Week involved donations to Verdun House to support its work in helping persons afflicted by substance abuse.

### **Contribution to National Development**

During 2013, ICAB was actively engaged in matters of public interest. The economic challenges facing Barbados during the year was the major focus of ICAB's advocacy on behalf of the accounting profession. In this regard, ICAB worked closely with private sector organisations and the Government to generate solutions to these challenges.

General elections were held in Barbados on February 21, 2013 and the Government was re-elected for a second term. Within the first three months of the new term, ICAB met with key Ministers to discuss matters of national interest and issues affecting the accounting profession. At a meeting with Hon. Donville Inniss MP, Minister of Industry, International Business, Commerce, and Small Business Development, matters discussed included the need for improved business facilitation, competitive challenges facing



the international business sector, proposed amendments to the Companies Act, and the support regime for small businesses. A meeting was also held with Hon. Christopher Sinckler, Minister of Finance and Economic Affairs, which facilitated an exchange of views on the state of the economy and the identification of strategies to engender growth.

Prior to the presentation of the Government's Financial Statement & Budgetary Proposals to Parliament on August 13, 2013, ICAB met with the Minister of Finance to discuss ICAB's suggestions for the 2013 Budget. A written submission was made and subsequently placed on the ICAB website along with comments on the Budget to inform members. One of the measures introduced in the Budget was a new Consolidation Tax. Members had several questions concerning the implementation of the tax which had an execution date of October 1, 2013. ICAB sought clarification from the Inland Revenue Department. The responses were shared with members for their guidance.

On May 8, 2013, the Prime Minister of Barbados along with representatives of the Barbados Private Sector Association (BPSA) and the Congress of Trade Unions & Staff Associations of Barbados (CTUSAB), signed a one year extension to Protocol VI on the Social Partnership and agreed to commence negotiations for Protocol VII. The full Social Partnership had two meetings during 2013 under the chairmanship of the Prime Minister. In addition, the Prime Minister chaired a National Consultation on the Economy on June 27, 2013 which was attended by persons from Government, Trade Unions, the private sector, and the opposition. There were presentations by the Central Bank, the BPSA and CTUSAB. ICAB participated as part of the BPSA delegation and also worked with private sector bodies to prepare inputs for the meeting.

The Sub-Committee of the Social Partners met on six occasions during the year. ICAB attended those meetings which discussed several matters including the Economy, lay-offs in the public and private sector, report of the Auditor General, implementation of the August 2013 budgetary proposals and Government's medium-term growth & development strategy.

### **Regional & International Focus**

ICAB hosted the ICAC's 2013 Caribbean Conference of Accountants over the period June 27-29. The Conference, which was held at the Hilton Resort, Barbados, was attended by approximately 559 persons (delegates, sponsors representatives, speakers, and observers) from the Caribbean as well as USA, Canada, and the United Kingdom. A delegation from Suriname, hosts of the 2014 Conference, was also in attendance as observers. The Prime Minister of Barbados officially opened the conference and a team of 37 speakers and panelists delivered outstanding presentations and facilitated discussions among delegates on topics relevant to the conference theme, "Global Challenges, Regional Solutions".

ICAB's Action Plan update required for IFAC's Member Body Compliance Programme was approved at the end of March 2013 and published on IFAC's website. The next update is due in April 2014.

### **Student Matters**

At the end of 2013, ICAB's student membership was 1,023. During the year, 110 new students were welcomed into the ICAB/ACCA Joint Examination Scheme.

The ICAB/UWI scholarship was presented to Cherise Dawson at an awards function on April 3, 2013.

ICAB provided financial assistance to the UWI Accounting Students Association (ASA) at the Cave Hill Campus. The President, David Simpson, delivered a presentation on the topic "Pride in the Profession" during the ASA week of activities which was celebrated in March 2013.

### **Membership**

As at December 31, 2013, ICAB's membership was 824, which represents an increase of 6% over the previous year. The following table shows an analysis of the Institute's membership for 2013.

| <b>Member Category</b> | <b>Number</b> |
|------------------------|---------------|
| Ordinary               | 606           |
| Practising             | 183           |
| Overseas               | 20            |
| Retired                | 15            |
| <b>Total</b>           | <b>824</b>    |

## **Operational Matters**

### ***Institutional Strengthening***

ICAB's Strategic Plan 2011-2015 and Action Plan continued to guide the policy and activities of the Institute during 2013. There was a special focus on institutional strengthening which is one of the key programmes in the Action Plan. The information technology infrastructure was strengthened by the installation of a new server, improved data security and increased telecommunications bandwidth. The iMIS database was used for the registration of delegates for the ICAC conference, the production and emailing of the CPD certificates as well as registrations for all ICAB seminars.

A contract was awarded for the building of a new ICAB website which is expected to be completed in the first quarter of 2014.

### ***Communications***

ICAB generated significant media publicity and improved its communication with members during 2013. The electronic newsletter, ICAB eNews, was re-launched as a monthly publication to keep members informed of ICAB's activities and to provide a convenient medium for the dissemination of useful information.

The ICAB website ([www.icab.bb](http://www.icab.bb)) and FaceBook Group (discussion forum), which has a membership of 337 persons, provides a valuable opportunity for the informal exchange of ideas among members.

# INSTITUTE OF CHARTERED ACCOUNTANTS OF BELIZE



## Council Changes

There were no changes to the composition of the Council of the Institute of Chartered Accountants of Belize (ICA-Belize) for the year 2013. The members of the Council are:

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

## Institutional Strengthening

The Council approved new terms of reference for the institute's committees on December 16, 2013. The committees include:

- Tax and Legislative Committee
- Publicity Committee
- Membership and Continuing Professional Development Committee
- Disciplinary Committee

The Tax & Legislative Committee was reorganized during the year and has been mandated to review some recent changes to the Accounting Records and Maintenance Act introduced in the House of Representatives. The proposed changes have significant implications for the operations of the financial services sector and the accountancy profession. The Tax & Legislative Committee played an active role in assisting the profession to recommend changes to Government. The recommendations were accepted and the legislation was revised and subsequently passed in January 2014.

During 2013 the Institute focused on revamping its internal control procedures, implementing an Operations Manual and upgrading its computer processing systems.

The Institute also upgraded its website which will be fully operational by the end of March 2014. The new website will feature an intranet portal for membership which will provide resources such as forums and blogs for the sharing of ideas and topics relevant to the profession.

## Continuing Professional Development

A CPD Seminar on "Business Fraud" was hosted by Moore Stephens Magana LLP in August 2013. The seminar covered fraud detection and prevention and was well attended by the business community.

CPD seminars planned for the remainder of the year were cancelled due to unstable weather and flooding which impacted the country from October to December 2013.

## Membership

ICA-Belize membership as at December 31, 2013 is 54. Two new members were admitted during 2013 while four members migrated.

The Institute's annual Christmas social for members was held on December 12, 2013 at the Radisson Fort George Hotel and Marina.

Student membership has fluctuated during the period as growth was equivalent to losses due to student drop-out from the ACCA programme.

## Conclusion

ICA-Belize thanks its members and administrative staff for their commitment and dedication throughout the year.

# INSTITUTE OF CHARTERED ACCOUNTANTS OF THE EASTERN CARIBBEAN



## Council Changes

There were no changes to the Institute of Chartered Accountants of the Eastern Caribbean's (ICAEC) Council during the year. The executive members of Council remain as follows:

- Frank 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)

## ICAEC Rules and Institutional Strengthening

The ICAEC is in the final stages of the World Bank project for institutional strengthening of the ICAEC. In July 2013, dissemination workshops were held in Saint Lucia, Grenada and Antigua to discuss the Operations and Quality Assurance Manual. These workshops, jointly hosted with the World Bank and the Eastern Caribbean Central Bank (ECCB), were facilitated by consultant Professor Zeljko Sevic.

The Manual seeks to guide the operation of the ICAEC and will be implemented in all member states of the Institute which includes Anguilla, Antigua and Barbuda, the Commonwealth of Dominica, Grenada, Montserrat, St. Kitts & Nevis, St. Lucia, St Vincent and the Grenadines. Once the final document has been agreed to by all branches of the Institute, these rules will be implemented and the local branches will then implement public awareness programmes so that the general public, including investors, financial institutions, regulators and Inland Revenue can be sensitized.

## Special Project Activities

A joint ICAEC/World Bank workshop for accounting and audit professionals in the Eastern Caribbean Currency Union (ECCU) was held at the ECCB Headquarters, St Kitts & Nevis from May 27 – 31, 2013 as part of a World Bank sponsored project to strengthen accounting and accountability in the region. The Business Plan which would facilitate the sustainable growth and development of the ICAEC was finalised and over 70 members from all branches of the ICAEC including members from St. Vincent and the ECCB were trained in the understanding and application of the International Standard on Quality Assurance 1 (ISQC1).

It was agreed that the final changes to the Business Plan, based on feedback received at the workshop held on May 27 and 28 will be made and the plan disseminated to members of the Institute by the end of July 2013. With respect to the Operations and Quality Assurance Manual, the participants concluded that the manual would raise the standard of the profession in the Eastern Caribbean and would serve as a working document to guide practitioners as they prepare and audit financial statements.

The ISQC1 workshop addressed the standard for accounting and audit practitioners in the performance of audits and reviews of financial statements, and other assurance and related services engagements. The areas covered included: the System of Quality Control, Relevant Ethical and Human Resources Requirements and Standards for Engagement Performance. Speakers at the workshops included Jennifer Nero, Managing Director of the ECCB; Sir. K. Dwight Venner, Governor of the ECCB; consultant Professor Zeljko Sevic and Frank Myers, President of ICAEC. The participants expressed a great sense of satisfaction with the quality of the workshops and the value that was added to their professional capacity in their thrust to enhance corporate governance and the conduct of business in the ECCU.

### **Continuing Professional Development**

On May 16, 2013 the St. Kitts/Nevis Branch conducted training on IFRS for SMEs. The topics covered were: Property Plant and Equipment, Statement of Financial Position and Presentation of Financial Statements. The presenters were members of the Institute who were trained under the World Bank Train-the-Trainers programme.

On July 30, 2013, accountants and other finance personnel in Dominica attended a one-day workshop on IFRS. The workshop was conducted by five branch members who attended the Train-the-Trainer Workshop on full IFRS in St. Kitts in May 2012. This workshop gave participants an overview of IFRS's and IAS's relevant to their business entities. The seventeen persons who attended the workshop were from the Credit Union Movement, local accounting firms and private sector businesses.

The ICAEC Dominica branch held a workshop in August 2013 that focused on IFRS for SMEs.

The ICAEC St. Lucia branch hosted a series of half day workshops on full IFRS during the month of August for members and non-members. All workshops were very well attended. Facilitators of the workshops were drawn from the trainers who attended the Train-the-Trainer workshop in St. Kitts that was facilitated by representatives from IASB.

On August 22, 2013, the ICAEC Antigua & Barbuda branch hosted a seminar on IFRS for SMEs. The topics covered included the scope and concepts of the standards and also the specific areas of financial statements, accounting policies, revenue, inventories, investment property, property plant and equipment, impairments, leases, provisions, and income tax.

### **Contribution to National Development**

As a means of improving and strengthening the relationship between the accounting profession and the general public, ICAEC Dominica branch President, Orlando Allan Richards and member Gerald Smith participated in the official launch of the Junior Achievement Programme held in April 2013. Orlando Allan Richards and Gerald Smith currently serve on the Junior Achievement Dominica Board with Mr. Richards holding the position of Chairman of the Board.

The voices of members of the St. Lucia branch of the ICAEC were heard when they issued a press release entitled, "Let Good Sense Prevail" in response to industrial action taken by the country's civil servants in the form of a "sick out" earlier in the year. This action was due to an inability by the parties to reach a settlement in relation to the current wage negotiations taking place between the Government Negotiating Team and the Trade Union Federation. Following the release, a press interview was held with branch President, Andrea St. Rose. The salary negotiations were subsequently resolved.

The Ministry of Commerce solicited the assistance of the ICAEC-St. Lucia branch to conduct a regional review with respect to the financial reporting requirements in other CARICOM jurisdictions. The aim of the study is to provide an informed basis for raising the level of financial reporting provided to various government institutions as well as to enhance the confidence of banks and financial institutions including consistency in the financial information that is provided across institutions. This is in response to the high level of default by customers.

During the year, the Government of Saint Lucia responded to the fall in the island's world ranking on the international guide for doing business, by establishing a committee to provide feedback regarding improvements in St. Lucia's world ranking. The St. Lucia branch was invited to provide input and was represented by Branch President, Andrea St. Rose on the committee set up by the Ministry of Commerce.

On August 14, 2013, the ICAEC St. Lucia branch was represented at a discussion forum regarding the development of an investment policy for St. Lucia. The comments submitted by the ICAEC were well-received.

Council Member, Brenda Williams was elected to serve on the Board of the Saint Lucia Chamber of Commerce and Council Member, Joanne Cooper was also elected to serve on the Integrity Commission in St. Lucia.

# INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA



The Institute of Chartered Accountants of Guyana (ICAG) is continuing its activities towards the professional development of its members and students while maintaining active involvement in matters of relevance to accounting and other related issues in the national arena.

## Council Changes

The Institute held its 47th Annual General Meeting at its Secretariat in Georgetown on Monday, March 25, 2013. The following persons were elected to serve on Council during the year 2013/2014:

- Ronald Alli - President
- Colin Thompson - Vice President
- Pramila Persaud - Secretary
- Vishwamint Ramnarine - Treasurer
- Paul Chan-A-Sue - Member
- Ramesh Lal - Member
- Harryram Parmesar - Member
- Shelliza Yusuf - Member

## Special Project Activities

The President and Vice-President met with Mozammal Hoque, Senior Financial Management Specialist, World Bank during a visit to Guyana to discuss the accountancy profession in Guyana and the role of the Institute of Chartered Accountants of Guyana as the regulatory body.

## Practice Monitoring

The monitoring visit cycle adopted by ICAG was six years (2009 – 2014). At the end of December 2013, the first set of early follow-up visits within the two year period 2011 and 2012 was completed and the second set of follow-up visits for the two year period 2013 and 2014 had commenced. The report for the ACCA Quality Assurance Review Team for visits for the year 2013 was received by the Regulatory Committee.

The impact of the revised Statement 1 of IFAC's Membership Obligations to the Institute's quality assurance review programme of all firms or partners performing audits of financial statements, is being reviewed with particular emphasis on the requirements for a three year maximum cycle period for firms performing audits of financial statements of public interest entities. The implementation date for the revised SMO 1 is January 1, 2014 which will cover the final year of the audit monitoring programme being undertaken by ACCA. The implication of this overlap is also being assessed with inputs from IFAC and ACCA.

Council approved the extension of the ACCA contract to December 31, 2015 in keeping with ICAC's mandate. Arrangements will be made with ACCA to amend the contract accordingly. Council has also been updated on the work of the Regional Monitoring Committee to re-tender the contract for implementation from January 1, 2016.

## Contribution to National Development

Members in practice attended a meeting with officials of the Bank of Guyana regarding Technical Assistance - Financial Sector and Strengthening Initiative (First Initiative): Company Accounts, Forms and Documents for the proposed amended Insurance Act. Further meetings are to be requested with the Bank of Guyana to also discuss other amendments to the proposed Insurance Act.

ICAG provided comments on the Draft Insurance Act and the Anti – Money Laundering and Countering the Financing of Terrorism (Amendment) Bill 2013 following reviews of the proposed legislation by our Technical Committee in July and August 2013.

ICAG highlighted matters of inconsistency between Supervision Guideline No. 10 issued by the Bank of Guyana, and other legislation and IFRS and met with officials of the Bank of Guyana to discuss the inconsistencies and their implications.

At the invitation of Organisation of American States, ICAG made a presentation at an "Anti-Corruption Mechanism Forum" on October 8, 2013. The presentation was made on our members' perspective and experience with regard to the work of a number of oversight bodies in place to prevent, detect, punish and eradicate corrupt acts. The opportunity was taken to highlight the benefits of application of SMO 1 (External Quality Assurance System) and SMO 7 (International Financial Reporting Standards for preparation of financial statements) within the accountancy profession in Guyana.

Attention was drawn to the development of the International Public Sector Accounting Standards (IPSAS) by the International Federation of Accountants (IFAC) to meet a globally – harmonized framework for the public sector. These have not been adopted by the Government of Guyana. Of interest also was the strategy for the period 2011 – 2016 by the International Organisation of Supreme Audit Institutions (INTOSAI) for the promotion of quality assurance in the public sector through voluntary peer reviews.

### **Continuing Professional Development**

The following activities were carried out by the Institute's Technical Committee during the period:

- An International Financial Reporting Standards (IFRS) workshop held in August 2013 on Developments in International Financial Reporting Standards. Topics discussed were:
  - Annual Improvements Projects of IASB
  - Guide for Micro-sized Entities
  - IFRS 10 - Consolidated Financial Statements
  - IFRS 11- Joint Arrangements
  - IFRS 12 - Disclosure of Interests in Other Entities
  - Exposure Draft on Leases
  - Expose Draft on Revenue Recognition
- A workshop was held in September 2013 on new practice issues. The workshop covered Revised IFAC Statement of Membership Obligation 1 – Implications for Practice Monitoring Programme; IAASB's proposals for the revised "Auditor's Report"; ISRE 2400 – Revised Guidance for Review Engagements and Changes to IFAC's Code of Ethics and Responding to Illegal Acts.
- With the support CESO/SACO, ICAG conducted an IT workshop to train 25 personnel from audit firms in Guyana in IT Audit. The workshop was conducted during the week December 2-6, 2013.

### **Annual Conference**

ICAG held its Annual Conference on November 7 and 8, 2013 under the theme "Focus on Financial Services Sector". The conference was well attended and featured topics such as:

- Preparing for FATCA
- Anti- Money Laundering Measures in Guyana
- Regulating the Financial Services Sector
- New Supervision Guidelines – Bank of Guyana
- Integrated Financial Reporting
- IFRS 9 – Expected Credit Losses on Financial Instruments
- IFRS 13 – Fair Values
- Reforming Insurance and Pension Legislation
- Proposed Accounting Standard on Insurance Contracts

### **Student Matters**

Results for the December 2012 Examination session were issued on February 8, 2013. A total of 13 students completed the ACCA Examinations Scheme while 25 students completed the CAT Examinations Scheme. A Guyanese student was announced as one of the Top Three Achievers for the Caribbean in the ACCA Examinations (December 2012 sitting).

During 2013, 27 students successfully completed the ACCA final examinations, while 41 students successfully completed the Certified Accounting Technician (CAT) examinations.

At the end of the year 2013 there were 3,011 ACCA and CAT active students on record.

### **Membership**

The Council has taken pro-active measures to ensure that approximately 100 affiliates satisfy the requirements for membership in the Association of Chartered Certified Accountants (ACCA) and also enroll as members of the Institute.

A number of professional accountants who are not members of the ICAG have been targeted by the Membership Committee for enrollment as members of the Institute. At the end of 2013, there were 82 members on the Institute's register.

### **Regional Focus**

ICAG, through its representatives, participated during the year in the meetings of the Regional Monitoring and Technical committees of the ICAC.

In September 2013, Guyana was nominated to chair the Taxation Committee of the ICAC. The ICAG Council has appointed Harryram Parmesar to chair this committee.



Despite prevailing challenges, the Institute of Chartered Accountants of Jamaica (ICAJ) celebrated a successful year in 2013. The Institute took decisive measures to strategically examine its position in a volatile and competitive environment and on April 6, 2013, a Strategic Planning Retreat was held to identify a number of short and medium-term strategies which could be employed for income generation as well as opportunities for marketing and branding.

In keeping with its mandate, ICAJ continued to play a major role in the professional development of its members, students, as well as non-members who are involved in accounting and other related fields.

## **Council Changes**

The Institute held its 48th Annual General Meeting on July 25, 2013, at the ICAJ Secretariat in Kingston. The following persons were elected/appointed to serve during 2013/2014:

- Dennis Chung - President
- Bruce Scott - Vice President
- Dennis Brown - Treasurer
- Elaine Robinson - Secretary
- Vintoria Bernard
- Archibald Campbell
- Raymond Campbell
- Audley Gordon
- Alok Jain
- Linroy Marshall
- Marlene McIntosh
- Allison Peart
- Ann Marie Rhoden
- Eric Scott

## **Regulatory/Monitoring Activities**

Practice Monitoring was launched in Jamaica in 2011 by the Public Accountancy Board (PAB), in partnership with the ICAC, ICAJ and ACCA. ICAJ, in conjunction with the PAB, ACCA and ICAC, continues to engage partners, directors and sole proprietors of accounting firms to apprise them of developments in practice monitoring and provide feedback to firms which have been reviewed.

## **Compliance with International Accounting and Auditing Standards**

A two-day training workshop, covering IFRS updates and the introduction of new standards was held on February 1 and 2, 2013. The workshop was facilitated by local presenters and was rebroadcast online from February 25 - March 31, 2013. Plans were also put in place for members to access online up-to-date information on IFRS and Interpretations (IFRIC/SIC).

## **Continuing Professional Development**

During the period under review, ICAJ sought to maintain its mandate by engaging in various activities aimed at ensuring that members continue a programme of lifelong learning and are kept abreast of developments within the profession, locally and internationally. A series of 16 CPD training events were held including seminars and workshops focusing on IFRS, taxation, forensic audit, fraud and practice monitoring. A seminar on "Effective Corporate Governance with a Public Sector Emphasis" was also held during the year.

Maximization of technology is critical and it is the Institute's intention to further develop the capability of technology to host seminars and other forms of training online. Already there is a growing trend towards the utilization of lower cost webcast option for seminars.

## **Student Matters**

### **ICAJ/ACCA Joint Scheme**

ICAJ and ACCA signed a historic Memorandum of Understanding establishing mutual cooperation between both bodies to develop and implement a recruitment drive in secondary schools and tertiary institutions in Jamaica, to introduce the Foundation Level and ACCA professional qualifications to students.



Student membership of the ICAJ/ACCA Joint Scheme Examinations stood at 3,634 as at December 31, 2013.

The ICAJ/ACCA joint Graduation Ceremony was held on October 26, 2013 to recognize students who successfully completed the CAT and ACCA professional examinations (December 2012 - June 2013 sittings). Fifteen (15) students successfully completed the CAT programme while 64 students successfully completed the ACCA professional examinations.

ICAJ in association with ACCA hosted a revision session on May 17, 2013. The session facilitated by ACCA Tutor, Nagin Ladd focused on examination techniques for papers F5 – Performance Management and F7 – Financial Reporting. The ICAJ and ACCA will continue to host such sessions in the future for the benefit of students.

Orientation sessions for new students were organised during the year, designed to assist students to enhance their performance in the ACCA examinations. Presentations focused on the role and structure of ICAJ and the Joint Scheme partnership with ACCA. ICAJ also hosted a students' briefing session on "Preparation for Job Interviews" on January 15, 2013. Dawn Ebanks, Director for Finance, Human Resource Management and Institutional Strengthening at the Management Institute for National Development (MIND) guided the students on resume writing, interview dress code and conduct.

### **UWI MSc. Accounting Students**

ICAJ continued to work with UWI Mona on new initiatives under its Cooperative Agreement with the University. This included a work experience programme where UWI MSc. Accounting students are tenured for three months to gain first-hand experience in the audit environment. A session was organized for students of the MSc. Accounting programme on September 30, 2013 at the UWI, which was attended by approximately 50 students. Presentations were made on the benefits of ICAJ membership and the role that the ICAJ plays in the professional development of accountants.

### **Career Expos**

ICAJ copped the Best Booth Award at the UWI Annual Career Exposition which was held on February 28 and March 1, 2013. Themed, "Career Development - A Multi-Dimensional Approach," the Expo is one of the largest outreach programmes of the UWI, providing valuable career information and guidance.

ICAJ also participated in the Ministry of Education's National Mathematics Expo held on March 6, 2013 and the Wolmer's Boys' School Career Day which was held on March 8, 2013.

### **Contribution to National Development**

The Institute has continued to make an impact on national development through its outreach programmes, community involvements and charitable efforts. The Institute is also very instrumental in formulating and influencing national policy and has made contributions to Government papers, budget, tax reform and to legislations impacting the profession. ICAJ also continues to keep its members current through regular seminars and workshops and has participated in several media interviews on current affairs issues. Additionally, ICAJ is committed to assist both current and prospective accountants with their careers by awarding various scholarships.

Many of the Institute's members have also been contributing to national development through service on various boards and committees.

The ICAJ saluted two of its members - Leighton McKnight, Past President and Ethlyn Norton-Coke, past Secretary - who were accorded National Honours in 2013 for their outstanding service in their respective fields. Mr. McKnight received the Order of Distinction in the rank of Commander in recognition of his distinguished contribution over the years to Public Service, Philanthropy and Community Service. Mrs. Norton-Coke received the Order of Distinction in the rank of Officer in recognition of her outstanding service in the field of Taxation.

During the year, the ICAJ's Outreach Sub-Committee continued to support its two community projects - the Elsie Bemand Home for Girls and Sunbeam Children's Home for Boys. Some of the activities during the year were Easter and Christmas Treats. A benefit of Trevor Rhone's classic play, "Two Can Play", was successfully hosted on February 10 to raise funds for both projects.

### **Regional & International Focus**

The ICAC Regional Publicity Committee is chaired by the ICAJ. The Committee has proposed that an ICAC Lifetime Achievement Award be established to recognise members of the Institute of Chartered Accountants of the Caribbean who have contributed significantly to the development and prestige of the accountancy profession within their respective territories, and regionally. The Award will be presented at the ICAC annual conference in June as part of increasing ICAC's visibility and enhancing the profile of the regional accountancy profession.

ICAJ also continued to provide timely reports on its activities for the ICAC's Board of Directors meetings, annual report and newsletters.

ICAJ member & Chairman of the Investigations Committee, Pamela Monroe Ellis, continued to make a significant contribution as a member of the Board of the International Federation of Accountants (IFAC). She is supported in this role by ICAJ Vice President, Bruce Scott, who serves as her Technical Advisor.

### **Membership**

Last year, focus was placed on the recruitment of new members and at the end of 2013 the Institute's membership stood at 1,134. The ICAJ has persisted in its efforts to retain existing members, and attract new ones. A cocktail reception for prospective members was held on January 29 and on October 3, 2013. The events were attended by approximately 30 and 40 persons respectively, including graduates of the UWI's MSc. Accounting and ACCA programmes.

The 2013 Distinguished Member Award was presented to Everton McDonald, Past President, at the ICAJ's gala Annual Awards Banquet on December 5, 2013. A former Managing Partner and Territory Senior Partner at PricewaterhouseCoopers, Mr. McDonald was honoured for his yeoman service to the Institute and to the development of the local and regional accountancy profession.

A Welfare Fund has been established to provide assistance to qualifying past and present members in need, due to adverse circumstances resulting from retirement, disability, natural disasters or unemployment.

The Institutes Toastmasters Club and Writers Club continue to engage members and students in the art and mastery of speaking and writing, while nurturing leadership skills.

### **Operational Matters**

In January 2013, the Institute welcomed Mrs. Rosemarie Heaven as its new Executive Director and bade farewell to Mr. John Waite who previously served in that position.

As part of its efforts to provide excellent customer service to all its members, students and other stakeholders, the staff of the ICAJ Secretariat participated in a customer service training session on August 30, 2013, entitled, "Customer First."

The building project at the ICAJ Secretariat continues to be regarded as a flagship project. Work recommenced during the year on the upper level, after completion of the lower level which houses meeting rooms for rental and the George S. Willie Resource Centre.

### **Conclusion**

The ICAJ wishes to thank its valued members, staff, students, graduates and well-wishers for their unwavering support of the Institute and its goals and objectives. We look forward to your continued support and contributions as we further advance the profession locally and globally.



The year 2013 was a dynamic one for the Institute of Chartered Accountants of Trinidad and Tobago (ICATT). The Institute engaged in developing strategic partnerships' with the Government of Trinidad & Tobago - Ministry of Public Administration, The Tobago House of Assembly (THA), Regulators and Approved Learning Partners. There was also a focus on the enhancement of administrative efficiency and effectiveness by implementing a revised organization structure.

## **Council Changes**

The Institute held its 43rd Annual General Meeting and Council meeting on March 27, 2013. Council Members for the 2013/2014 period are as follows:

- Derek Mohammed - President
- Jennifer Frederick - Vice President
- Anthony Pierre - Immediate Past President
- Rudranand Maharaj
- Nicole Joseph
- Kyle Rudden
- Sean Ramirez
- Marlene Murray
- Mohan Mahabir-Singh
- Roselyn Ramdin-Doobraj
- Camille Cumberbatch-Dhoray
- Leslie Nelson
- Pria Narinesingh

Following the AGM, a networking cocktail reception was held for members.

## **Regulatory/Monitoring Activities**

The Institute developed a template arising out of a project initiated by the Supervisory Authorities - The Central Bank of Trinidad and Tobago, the Financial Intelligence Unit of Trinidad & Tobago and the Trinidad & Tobago Securities and Exchange Commission - under the relevant anti money laundering laws and regulations. The objective was to provide all external auditors with a reporting template to be utilized when reporting to the Board of Directors. The relevant Supervisory Authority when executing the reporting obligation defined in Regulation 10 (2) (a) in the Financial Obligations Regulations 2010, can also utilize this template.

An Anti-Money Laundering template was developed in collaboration with the Financial Intelligence Unit of Trinidad and Tobago. This approved Anti-Money Laundering Compliance Programme template was developed for the purpose of reporting by all ICATT Members who are "qualifying accountant" as defined by the Proceeds of Crime Act (Amendments) 2009.

## **Compliance with International Accounting and Auditing Standards**

Training events were conducted during the year which covered several new international standards that became effective on January 1, 2013

## **Special Project Activities**

A Report on the Observance of Standards and Codes (ROSC) – Auditing and Accounting was prepared for Trinidad & Tobago by the World Bank working in conjunction with ICATT. The report summarized the Bank's observations on the standard of Accounting and Auditing practices in Trinidad and Tobago. Council reviewed the report and is working to formulate a plan to address the areas for improvement noted therein, in the short, medium and long term

## **Continuing Professional Development**

CPD events hosted by the Institute during the year 2013 were as follows:

- A Petroleum Taxation Seminar facilitated by Valerie Mercer-Blackman, Lead Economics Specialist for the Caribbean, Inter-American Development Bank and Andrew Jupiter, President, Energy Strategic Unit, The National Gas Company of Trinidad and Tobago.

- A two-day Taxation Workshop facilitated by Rupert Gooding, Chartered Accountant, Tax Consultant and Attorney at Law. Two sessions were held covering both the northern and southern areas of Trinidad.
- A soft skills workshop targeting not only accountants but other professionals in the workplace. The event was geared towards developing coping mechanisms in dealing with conflict in the workplace as well as team building skills. The Facilitator Janice Learmond-Criqui, a highly sought-after Ideal Life Coach.
- Seminar held jointly with Global Expert Systems (GES) from Barbados in May 2013.
- A seminar entitled “Financial Accounting and Reporting for NGO’s” hosted jointly with The Network of Non-Governmental Organizations of Trinidad and Tobago. A follow-up seminar was held in South Trinidad.
- An Ethics Breakfast Meeting held in collaboration with ACCA. Presenters included Christine Sahadeo, ACCA’s International Assembly Representative for Trinidad and Tobago and Professor Winston H. E. Suite.
- A two-day conference entitled “Governance, Audit and Compliance - Changing the way we do business” held in collaboration with CAACM.
- A seminar entitled “I.T. - Strategic Partner in Providing Value” held in collaboration with ISACA.
- Seminar entitled “Client Money” which was the first of an ICATT/ACCA interactive workshop series. Two additional seminars on IFRS and ISA were held as part of the workshop series.
- A three-day Tax Conference entitled “Treaties & Transfer-Pricing Aspects of International Tax Planning” was hosted in partnership with the International Bureau of Fiscal Documentation (IBFD).
- A workshop entitled “International Public Sector Accounting Standards - How does it impact a country?”
- A workshop entitled, “Fundamentals of Risk Management” held in partnership with Caribbean Information & Credit Rating Services Limited – CariCRIS. The workshop was facilitated by Wayne Dass of CariCRIS.
- A seminar entitled the “Property Tax - International Best Practices” held in collaboration with the International Property Tax Institute.
- An IFRS update seminar held in December 2013.
- A workshop on “Audit Committee Effectiveness - The Value Proposition” facilitated by David Hall, President of the Institute of Internal Auditors of Jamaica.

### **Annual International Accounting and Finance Conference**

ICATT hosted another successful Annual International Accounting and Finance Conference in 2013. The conference themed, “Avoiding the Fiscal cliff” featured over 32 presenters including regional representatives from the Ministry of Finance in Jamaica, Grenada and Barbados; representatives from the banking and commerce sector, accounting and auditing firms, small and medium firms. A cocktail reception brought the curtain down on the two day event, with participants and presenters eagerly awaiting the 2014 conference

### **Stakeholder Engagement & Contribution to National Development**

The ICATT Executive Committee on an invitation from the Office of The President of Trinidad and Tobago paid a courtesy call to – His Excellency Anthony Thomas Aquinas Carmona, S.C. ORTT on September 26, 2013. During the visit the Committee took the opportunity to discuss matters of mutual interest with His Excellency.

Meetings were held with the Central Bank of Trinidad & Tobago to discuss appropriate rotation guidelines for audit personnel that should be included in proposed legislation which will be forthcoming for credit unions, pension plans etc.

In Trinidad & Tobago, it is common that banks and insurance companies (the entities) act as Trustees and Asset Managers for multiple plans and funds. In line with best practice, it is felt that the primary auditors of these banks and insurance companies should provide to the auditors of the individual plans and funds, assurance with respect to the entity's overall control environment, investment valuation models etc. A working committee was established to explore and resolve among stakeholders how this can be best achieved.

ICATT presented proposals to the Honourable Minister of Finance in respect of the 2013/2014 budget and certain recommendations presented by the Institute were included in the budget presentation.

The Institute was invited by the Ministry of National Energy and Energy Resources to present ICATT's recommendations on fiscal and administrative adjustments that were required to the taxation regime in respect of the energy sector. Certain recommendations presented by ICATT to the Ministry were accepted.

ICATT sought feedback from members on the proposed legislation - Insurance Bill (No.2) 2013. A committee was charged with the task of collating and presenting recommendations on the proposed legislation. The recommendation was submitted to the Joint Select Committee of Parliament for review of the draft legislation.

The Central Bank of Trinidad and Tobago (CBTT) is giving priority to the development of T&T's Capital Markets. Accordingly, CBTT organized a Capital Markets Development Initiative (CMDI). The CMDI strategy included an extensive collaboration with both public and private stakeholders. Three workshops were held with a wide cross-section of market players. Five Steering Teams were formed and ICATT members were included on three Steering Committees.

### **Regional & International Focus**

ICATT has been working with the Institute of Chartered Accountants of Barbados (ICAB), to establish a bilateral agreement that will allow duly qualified members to apply for and receive practicing certificates in Barbados and Trinidad where they are not resident. This initiative is ongoing and is seen as critical as auditors deal with rotation requirements among other matters.

In the first quarter of 2013, ICATT's General Manager, Subert Gilbert participated in the Chief Executives' Strategic Forum hosted by IFAC. Following the two-day forum, the General Manager met with Deborah Williams, Chair, IFAC Professional Accountancy Organizations Committee; Szymon Radziszewicz, Senior Technical Manager, Member Body Development and Matha Russell, Technical Manager, Member Body Development to discuss matters relating technical development assistance and capacity building for ICATT.

ICATT's General Manager met with Sam Weller, the Executive Director of the Government Finance Officers Association of British Columbia (GFOA of BC) during the year. Mr. Weller was in Trinidad working on a project sponsored by The Federation of Canadian Municipalities (FCM). Arising from the meeting a decision was taken to conduct two IPSAS training events during the year.

The management and staff of the Suriname Institute of Chartered Accountants (SUVA) visited ICATT's office during the year as part of the building of relationship between the two bodies. During the visit they were invited to participate in the Joint ACCA/ICATT CPD seminar on Practice Monitoring/ Quality Assurance which was followed by a working luncheon at the ICATT office.

### **Student Matters**

Student membership of the ICATT/ACCA Joint Scheme programme stood at 5,716 as at December 31, 2013. ICATT in collaboration with ACCA jointly held a Recognition Ceremony to honour students who completed the FIA and ACCA Professional exams in December 2012 and June 2013. This event was held on November 13, 2013.

The Annual Schools' Cricket Competition was held on March 30, 2013. Teams from Omardeen's School of Accountancy, School of Business and Computer Science (SBCS) and Student Accountancy Centre (SAC) participated. Omardeen's emerged the overall winner with SAC capturing the runner-up position.

### Membership

ICATT has experienced consistent growth in its membership for the last five years, recruiting approximately 100 members per year. The Institute recorded a growth of 92 new members over the period January 1 to December 31, 2013. Total membership at the end of the year was as follows:

| <b>Member Category</b>          | <b>Amount</b> |
|---------------------------------|---------------|
| Members in Practice (MP)        | 186           |
| Members Not in Practice (MNP)   | 912           |
| Members Resident Overseas (MRO) | 41            |
| Members in Retirement (MR)      | 81            |
| <b>Total</b>                    | <b>1120</b>   |

### Operational Matters

The Institute developed a Strategic Plan for the period 2014 -2018. In order to improve and enhance the administrative efficiency and effectiveness of the organization, a revised organizational structure was developed together with a review of all job descriptions to include key performance indicators. All human resource functions were also reviewed and redesigned resulting in the implementation of a revised Human Resource Policies & Procedures Manual, a revised Performance Management System and change management initiatives to enhance team relationships within the organization.

ICATT is continuously updating its website in order to better serve members and stakeholders. The re-introduction of e-payments facilities using the website is almost completed.

### Conclusion

The Institute acknowledges the invaluable contribution of the members of Council, Committee Members and the Management and Staff of the Secretariat during the year.

# Treasurer's Overview



Vintoria Bernard

At the end of the financial year, December 31, 2012, the ICAC suffered a loss of US\$1,975.00. During 2013, the situation further deteriorated resulting in a significant loss of US\$21,900.00 as at December 31, 2013. This was due to the significant diminution in the share of profits from the 2013 annual conference, which is one the ICAC's primary sources of income.

The main sources of income continue to be subscription fees, the share of profits from the ICAC's annual conference and joint seminars. In 2013, there were no joint seminars and there has been no increase in the ICAC's membership subscription rates. Subscription revenues increased by 5% over the previous year as a result of marginal increases in the membership of regional institutes. Other income reflects an increase of 53% over the previous year due to the generous gift of US\$10,000.00 by an affiliate.

There was a determined effort to contain expenses during the year. Notwithstanding this effort, actual expenses grew by US\$9,089.00 or 7% over the previous year. While cost was carefully monitored and managed throughout the year, there was an increase in employees' benefits of 9% which is due to the fact that, unlike the previous year, the ICAC had its full complement of two (2) staff members in 2013. Additionally, an individual was contracted to provide accounting services on a part time basis.

The ICAC continued its mandate to be more involved in the development of the smaller institutes in the region and also to be more involved in the future of the profession by participating in international fora such as meetings of the International Federation of Accountants (IFAC) and the Conference for Accounting and Accountability for Regional Economic Growth (CReCER). This, as well as greater involvement in the planning and administration of the annual conference, contributed to the overall increase in expenses of 7% when compared with the previous year.

Despite the decline in accumulated surplus, the ICAC continued to enjoy a solid financial position with reserve of US\$113,111.00 which amounted to 94% of total assets. Cash and cash equivalents were the most significant asset on the Statement of Financial Position at 31 December 2013, totaling US\$110,857.00 or 93% of total assets, which decreased 17% when compared with the previous year.

The liquidity position of the Institute continues to be very strong. With current assets to current liabilities ratio of 17:1, the Institute enjoys flexibility in carrying out its objectives. Notwithstanding its financial strength, the limited sources of income and aggregate level of resources allow for only modest levels of expenditure. Therefore, the ICAC has to continue to manage its financial resources wisely as it executes its mandate to expand and develop the accounting profession regionally.

# Auditors' Report and Financial Statements

Year ended December 31, 2013

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## Independent auditors' report

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, 2013, 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 of financial statements that give a true and fair view in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and with the requirements of 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 of financial statements that give a true and fair view 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.

## Independent auditors' report (cont'd)

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

### **Opinion**

In our opinion, the financial statements give a true and fair view of the financial position of The Institute of Chartered Accountants of the Caribbean as at December 31, 2013, and of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Jamaican Companies Act.

### **Report Other Legal and Regulatory Requirements**

As required by the Jamaican 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 kept, so far as appears from our examination of those records, and the accompanying financial statements are in agreement therewith, and give the information required by the Jamaican Companies Act, in the manner required.

Kingston, Jamaica

May 9, 2014

*Mair Russell Grant Thornton*  
Chartered Accountants



STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2013

|  | Note | 2013<br>US\$   | 2012<br>US\$   |
|--|------|----------------|----------------|
| <b>Assets</b>                              |      |                |                |
| <b>Current assets</b>                      |      |                |                |
| Cash and short-term deposits               | 3    | 110,857        | 96,214         |
| Due from members and other receivables     | 4    | 2,170          | 6,717          |
| Other short-term deposits                  | 5    | -              | 35,427         |
| Taxation recoverable                       |      | 4,395          | 3,422          |
|  |      | <u>117,422</u> | <u>141,780</u> |
| <b>Non-current asset</b>                   |      |                |                |
| Equipment                                  | 6    | 2,417          | 2,956          |
|  |      | <u>2,417</u>   | <u>2,956</u>   |
| <b>Total assets</b>                        |      | <u>119,839</u> | <u>144,736</u> |
| <b>Liabilities and reserves</b>            |      |                |                |
| <b>Current liabilities</b>                 |      |                |                |
| Bank overdraft                             | 3    | -              | 533            |
| Owing to members                           | 7    | 212            | 312            |
| Payables and accruals                      | 8    | 6,516          | 8,734          |
|  |      | <u>6,728</u>   | <u>9,579</u>   |
| <b>Non-current liability</b>               |      |                |                |
| Deferred tax liability                     | 9    | -              | 146            |
|  |      | <u>-</u>       | <u>146</u>     |
| <b>Total liabilities</b>                   |      | <u>6,728</u>   | <u>9,725</u>   |
| <b>Reserves</b>                            |      |                |                |
| Accumulated surplus                        |      | 56,223         | 78,123         |
| Administrative assistance development fund | 10   | 13,809         | 13,809         |
| Development fund                           | 11   | 43,079         | 43,079         |
| <b>Total reserves</b>                      |      | <u>113,111</u> | <u>135,011</u> |
| <b>Total liabilities and reserves</b>      |      | <u>119,839</u> | <u>144,736</u> |

The notes on the accompanying pages 6 to 14 form an integral part of these financial statements.

Approved for issue by the Board of Directors on May 9, 2014 and signed on its behalf by:

Frank V. Myers  
President

Vintoria Bernard  
Treasurer



**STATEMENT OF INCOME AND ACCUMULATED SURPLUS**  
YEAR ENDED DECEMBER 31, 2013

|   | <b>Note</b> | <b>2013<br/>US\$</b> | <b>2012<br/>US\$</b> |
|---|-------------|----------------------|----------------------|
| <b>Revenue</b>  | 2(j)        |                      |                      |
| Subscriptions   |             | <b>80,015</b>        | 76,550               |
| Annual conference and seminars                            | 12          | <b>20,522</b>        | 36,477               |
| Interest on short-term deposits                           |             | <b>3,562</b>         | 4,150                |
| Other income  | 13          | <b>13,071</b>        | 8,560                |
|   |             | <b>117,170</b>       | 125,737              |
| Administrative and other expenses                         | 14          | <b>(139,216)</b>     | (130,127)            |
| Deficit for the year before income tax                    | 15          | <b>(22,046)</b>      | (4,390)              |
| Income tax for the year                                   | 16          | <b>146</b>           | (85)                 |
| <b>Deficit after income tax and before transfer</b>       |             | <b>(21,900)</b>      | (4,475)              |
| Transfer from development fund                            | 11          | <b>-</b>             | 2,500                |
| <b>Deficit for the year after income tax and transfer</b> |             | <b>(21,900)</b>      | (1,975)              |
| <b>Accumulated surplus at start of year</b>               |             | <b>78,123</b>        | 80,098               |
| <b>Accumulated surplus at the end of year</b>             |             | <b>56,223</b>        | 78,123               |

The notes on the accompanying pages 6 to 14 form an integral part of these financial statements.



**STATEMENT OF CASH FLOWS**  
YEAR ENDED DECEMBER 31, 2013

|   | Note | 2013<br>US\$    | 2012<br>US\$    |
|---|------|-----------------|-----------------|
| <b>Cash flows from operating activities</b>                 |      |                 |                 |
| Deficit for the year before income tax                      |      | (22,046)        | (4,390)         |
| Adjustments for:  |      |                 |                 |
| Interest income   |      | (3,562)         | (4,150)         |
| Depreciation  | 6    | 1,483           | 1,571           |
|   |      | <u>(24,125)</u> | <u>(6,969)</u>  |
| <b>Changes in operating assets and liabilities</b>          |      |                 |                 |
| Decrease in due from members and other receivables          |      | 4,218           | 608             |
| (Decrease)/increase in payables and accruals                |      | (2,218)         | 1,667           |
| Decrease in owing to members                                |      | (100)           | (94)            |
| <b>Cash used in operations</b>                              |      | <u>(22,225)</u> | <u>(4,788)</u>  |
| <b>Cash flows from investing activities:</b>                |      |                 |                 |
| Purchase of equipment                                       | 6    | (944)           | (388)           |
| Net decrease/(increase) in short-term deposits              |      | 35,427          | (13,591)        |
| Interest received (net of withholding tax)                  | 16c  | 2,918           | 2,923           |
| <b>Net cash provided by/(used in) investing activities</b>  |      | <u>37,401</u>   | <u>(11,056)</u> |
| <b>Net increase/(decrease) in cash and cash equivalents</b> |      | <b>15,176</b>   | <b>(15,844)</b> |
| <b>Cash and cash equivalents at beginning of year</b>       |      | <b>95,681</b>   | <b>111,525</b>  |
| <b>Cash and cash equivalents at end of year</b>             | 3    | <b>110,857</b>  | <b>95,681</b>   |

The notes on the accompanying pages 6 to 14 form an integral part of these financial statements.



## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2013

### 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 (BICA)  
The Institute of Chartered Accountants of Barbados (ICAB)  
The Institute of Chartered Accountants of Belize (ICA-Belize)  
The Institute of Chartered Accountants of Guyana (ICAG)  
The Institute of Chartered Accountants of Jamaica (ICAJ)  
The Institute of Chartered Accountants of the Eastern Caribbean (ICAEC)  
The Institute of Chartered Accountants of Trinidad & Tobago (ICATT)

#### Affiliates

The Association of Chartered Certified Accountants (ACCA)  
The Certified General Accountants Association of Canada (CGA-Canada)  
The Institute of Chartered Accountants in England and Wales (ICAEW)  
The American Institute of Certified Public Accountants (AICPA)  
The Certified Management Accountants of Canada (CMA-Canada)

#### Associate

Suriname Association of Accountants (SUVA)

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.

### 2. Basis of preparation and summary of significant accounting policies

The financial statements are prepared in accordance with the International Financial Reporting Standard 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 summarised 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.



NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013

**2. Basis of preparation and summary of significant accounting policies (cont'd)**

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.

(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.



## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### 2. Basis of preparation and summary of significant accounting policies (cont'd)

(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 receivables, 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 receivables

Due from members and other receivables 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.

(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.





## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### 2. Basis of preparation and summary of significant accounting policies (cont'd)

(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 realised 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.

(l) 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.



## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### 3. Cash and cash equivalents

|   | Interest Rate<br>% p.a. | 2013<br>US\$   | 2012<br>US\$  |
|---|-------------------------|----------------|---------------|
| Cash and short-term deposits:             |                         |                |               |
| Bank and cash:                            |                         |                |               |
| RBC Royal Bank Jamaica Limited            |                         |                |               |
| - J\$ Current account                     |                         | 1,669          | -             |
| - US\$ Savings account                    | 0.35                    | 2,936          | 6,049         |
| Cash on hand                              |                         | 70             | 70            |
|   |                         | <u>4,675</u>   | <u>6,119</u>  |
| Short-term US\$ deposits:                 |                         |                |               |
| Sagicor Investments Jamaica Limited       | 2.0                     | 24,510         | 10,167        |
| JN Fund Managers Ltd                      | 2.85                    | 81,672         | 79,928        |
|   |                         | <u>106,182</u> | <u>90,095</u> |
| <b>Total cash and short-term deposits</b> |                         | <u>110,857</u> | <u>96,214</u> |
| Bank overdraft                            |                         | -              | (533)         |
| <b>Total cash and cash equivalents</b>    |                         | <u>110,857</u> | <u>95,681</u> |

### 4. Due from members and other receivables

|                   | 2013<br>US\$ | 2012<br>US\$ |
|-------------------|--------------|--------------|
| Due from members: |              |              |
| Subscriptions     | 40           | 3,800        |
| Advertisements    | 250          | 1,807        |
| Interest          | 331          | 660          |
| Other             | 186          | -            |
|                   | <u>807</u>   | <u>6,267</u> |
| Prepayments       | 1,363        | 450          |
| <b>Total</b>      | <u>2,170</u> | <u>6,717</u> |

### 5. Other short-term deposits

|                                     | 2013<br>US\$ | 2012<br>US\$  |
|-------------------------------------|--------------|---------------|
| Sagicor Investments Jamaica Limited | -            | 35,427        |
| <b>Total</b>                        | <u>-</u>     | <u>35,427</u> |



## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### 6. Equipment

|                                       | 2013<br>US\$  | 2012<br>US\$  |
|---------------------------------------|---------------|---------------|
| <b>Gross carrying amount</b>          |               |               |
| Balance at beginning of year          | 10,761        | 10,373        |
| Additions                             | 944           | 388           |
| <b>Balance at end of year</b>         | <b>11,705</b> | <b>10,761</b> |
| <b>Accumulated depreciation</b>       |               |               |
| Balance at beginning of year          | 7,805         | 6,234         |
| Depreciation                          | 1,483         | 1,571         |
| <b>Balance at end of year</b>         | <b>9,288</b>  | <b>7,805</b>  |
| <b>Carrying amount</b>                |               |               |
| Carrying amount at beginning of year  | 2,956         | 4,139         |
| Additions                             | 944           | 388           |
| Depreciation                          | (1,483)       | (1,571)       |
| <b>Carrying amount at end of year</b> | <b>2,417</b>  | <b>2,956</b>  |

### 7. Owing to members

|                       | 2013<br>US\$ | 2012<br>US\$ |
|-----------------------|--------------|--------------|
| Member's dues prepaid | 212          | 212          |
| Other                 | -            | 100          |
| <b>Total</b>          | <b>212</b>   | <b>312</b>   |

### 8. Payables and accruals

|                              | 2013<br>US\$ | 2012<br>US\$ |
|------------------------------|--------------|--------------|
| Accrued vacation leave       | 2,509        | 1,812        |
| Honorarium to auditors       | 2,300        | 2,100        |
| Utilities                    | 382          | 194          |
| Statutory liabilities        | 140          | -            |
| Board meeting expenses       | -            | 2,128        |
| Contribution to workshops:   |              |              |
| ICAEC St. Lucia Branch       | -            | 1,250        |
| ICAEC Antigua/Barbuda Branch | -            | 1,250        |
| Other                        | 1,185        | -            |
| <b>Total</b>                 | <b>6,516</b> | <b>8,734</b> |



## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

### 9. Deferred tax

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

|  | 2013<br>US\$ | 2012<br>US\$ |
|--|--------------|--------------|
| Balance at beginning of year                     | 146          | 123          |
| Taxation (credit)/charge for the year (Note 16a) | (146)        | 23           |
| <b>Balance at end of year</b>                    | <b>-</b>     | <b>146</b>   |

Deferred tax balance arose on temporary differences in respect of:

Deferred tax asset on:

Unused losses

|      |      |
|------|------|
| (88) | (27) |
| (88) | (27) |

Deferred tax liability on:

Equipment

Interest receivable

|    |     |
|----|-----|
| 6  | 8   |
| 82 | 165 |
| 88 | 173 |

**Net deferred tax liability**

|   |     |
|---|-----|
| - | 146 |
|---|-----|

### 10. Administrative assistance development fund

The above represents amounts reserved by the Institute to assist small territorial institutes in the development of the accountancy profession in their territories.

### 11. Development fund

|   | 2013<br>US\$  | 2012<br>US\$  |
|---|---------------|---------------|
| Balance at beginning of year                            | 43,079        | 45,579        |
| Transfer to statement of income and accumulated surplus | -             | (2,500)       |
| <b>Balance at end of year</b>                           | <b>43,079</b> | <b>43,079</b> |

The above represents amounts which the Institute had set aside to meet costs associated with the development of the accountancy profession in the Caribbean.

### 12. Annual conference and seminars

Included in the amount for prior year, is an amount of US\$2,297 representing the Institute's share of profits from two joint seminars held during that year. The directors however agreed to contribute the 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

|                          | 2013<br>US\$  | 2012<br>US\$ |
|--------------------------|---------------|--------------|
| Advertising – newsletter | 2,995         | 5,355        |
| Contribution             | 10,000        | 3,100        |
| Miscellaneous            | 76            | 105          |
| <b>Total</b>             | <b>13,071</b> | <b>8,560</b> |

The amount reflected as contribution above represents an amount received from ACCA as a contribution towards expenses incurred in attending International Federation of Accountants (IFAC) meetings.



NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

**14. Expenses by nature**

Total administrative and other expenses:

|                                | 2013<br>US\$   | 2012<br>US\$   |
|--------------------------------|----------------|----------------|
| Employee benefits              | 69,883         | 64,017         |
| Depreciation                   | 1,483          | 1,571          |
| Insurance                      | 297            | 296            |
| Postage and delivery           | 1,801          | 1,100          |
| Rent and maintenance           | 4,817          | 4,876          |
| Printing and stationery        | 8,662          | 9,099          |
| Annual conference and seminars | 4,027          | 2,238          |
| Board meetings and retreats    | 24,712         | 21,298         |
| Utilities                      | 7,115          | 5,647          |
| Travelling and entertainment   | 7,915          | 8,438          |
| Honorarium to auditors         | 2,300          | 2,100          |
| Development assistance         | -              | 4,797          |
| Loss on foreign exchange       | 1,109          | 626            |
| Other expenses                 | 5,095          | 4,024          |
| <b>Total</b>                   | <b>139,216</b> | <b>130,127</b> |

The amount reflected as development assistance represents the Institute's contributions to certain member institutes to assist in their development (Notes 11 & 12).

**15. Deficit for the year before income tax**

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

|                                       | 2013<br>US\$ | 2012<br>US\$ |
|---------------------------------------|--------------|--------------|
| Key management personnel compensation | 56,461       | 51,888       |
| Depreciation                          | 1,483        | 1,571        |
| Honorarium to auditors                | 2,300        | 2,100        |
| Loss on foreign exchange              | 1,109        | 626          |
| Interest income                       | (3,562)      | (4,150)      |

**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 25% on the non-exempt income, adjusted for tax purposes comprises:

|                                | 2013<br>US\$ | 2012<br>US\$ |
|--------------------------------|--------------|--------------|
| Prior year adjustment          | -            | 62           |
| Deferred tax (credit)/charge   | (146)        | 23           |
| <b>Income tax for the year</b> | <b>(146)</b> | <b>85</b>    |



## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

- (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\$973 (2012 – US\$974) 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\$782 (2012 – US\$111) are available to be set off against future taxable profits. These losses if not utilised will be carried forward indefinitely. However, effective January 1, 2014, losses utilised in any one year are restricted to fifty percent (50%) of the chargeable income.
- (f) The Institute has a potential deferred tax asset of US\$195 in respect of its carry forward losses. However, of this amount, only US\$88 (being the amount required to offset the potential deferred tax liability) has been recognised in these financial statements. The Institute is exempt from taxation under the mutuality principle (Note 16a) and is not expected to have taxable surplus on its non-exempt income against which to offset the balance of the losses.

### 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

|  | 2013           | 2012           |
|--|----------------|----------------|
|  | US\$           | US\$           |
| Financial assets measured at amortised cost less impairment: |                |                |
| Cash and short-term deposits (Note 3)                        | 110,857        | 96,214         |
| Due from members and other receivables (Note 4)              | 807            | 6,267          |
| Other short-term deposits (Note 5)                           | -              | 35,427         |
| <b>Total</b>   | <b>111,664</b> | <b>137,908</b> |

#### (ii) Financial liabilities

|   | 2013         | 2012         |
|---|--------------|--------------|
|   | US\$         | US\$         |
| Financial liabilities measured at amortised cost: |              |              |
| Bank overdraft (Note 3)                           | -            | 533          |
| Owing to members (Note 7)                         | 212          | 312          |
| Payables and accruals (Note 8)                    | 4,007        | 6,922        |
| <b>Total</b>                                      | <b>4,219</b> | <b>7,767</b> |



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SHARING OUR VALUES



THE INSTITUTE OF  
CHARTERED ACCOUNTANTS  
OF THE CARIBBEAN

# 2013

Annual Report