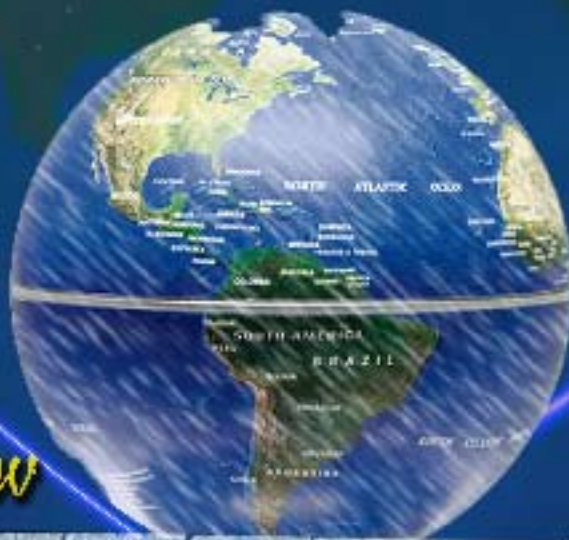


Institute of Chartered Accountants
of the Caribbean



Beyond the Wall



Creating New

Opportunities

2007 Annual Report



Institute of Chartered Accountants of the Caribbean



The Institute of Chartered Accountants of the Caribbean (ICAC) was established under the laws of Jamaica and incorporated as a company on October 28, 1988. It brought together accountants of the English-speaking Caribbean.

Today, with a network of approximately 3,000 professionals, the ICAC is the leading regional organisation dedicated to advancing the interest of accountants and professionals in the finance industry 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.

In 2006, the ICAC was recognised by IFAC as an “Acknowledged Regional Grouping” of accountancy bodies, a designation held by only three other regional groupings in the world.

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

Mission Statement

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

Objectives

The objectives of the ICAC are to:

- Promote internationally acceptable standards of best practice within the region.
- Foster a strong, cohesive and self regulated regional Accountancy profession.
- Implement and coordinate a regional monitoring programme in collaboration with reputable providers.
- Promote an institutional framework under the umbrella of territorial Institutes within which individual Accountants may associate and participate for mutual professional and fraternal benefit.
- Standardise the 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.



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Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of the Institute of Chartered Accountants of the Caribbean will be held at the Hyatt Regency Hotel, Trinidad, on June 26, 2008, commencing at 11:30 a.m. for the following purposes:

- To confirm minutes of the Nineteenth Annual General Meeting held at the St. Kitts Marriott Resort and Royal Beach Casino, St. Kitts, on Thursday, June 28, 2007
- To receive the report of the Directors
- To adopt audited Financial Statements for the year ended December 31, 2007
- To appoint Directors
- To elect officers for the period June 2008 to June 2009
- To appoint auditors for the year ending December 31, 2008
- To consider any other business that may be brought before the Annual General Meeting

BY ORDER OF THE BOARD

Leighton McKnight
Secretary
June 01, 2008



President's Report



Angela Lee Loy
ICAC President

I had the privilege of accepting the baton of leadership of the Institute of Chartered Accountants of the Caribbean (ICAC) at the 19th Annual General Meeting held on June 28, 2007 at the St. Kitts Marriott Resort and Royal Beach Casino. I am honoured to be the first elected female President of the ICAC. I commend Immediate Past President, Garth Kiddoe on the outstanding work he has done to further the goals and objectives of the ICAC and to increase the regional and international profile of the ICAC.

The ICAC is cognisant of the challenges facing the profession in today's global economy. However, we are optimistic about the future as we believe that the regional profession has the capacity to reach "*Beyond the Wall to Create New Opportunities*" in today's dynamic and diverse business environment. Among the positive opportunities ahead for the regional accountancy profession are the various initiatives being undertaken by the ICAC to further strengthen and enhance the capacity of the profession.

Strategic Goals & Initiatives - 2007

Our focus during the year was on advancing the goals of the ICAC that were formulated at a Strategic Planning Retreat held in Barbados in October 2005 to chart a future for ICAC for the next five years. Another successful Strategic Retreat was held on October 27, 2007 to review the strategic plans in order to determine the best way forward for the Institute. The strategic goals include:

- Increasing International Recognition of the ICAC
- Developing linkages with potential institutes, accountancy bodies and other stakeholders in the region in an effort to increase the regional presence of the ICAC
- Strengthening the ICAC Annual Conference as a profitable flagship event
- Boosting the efficiency of the ICAC Secretariat
- Enhancing the image of the ICAC
- Developing and maintaining a 'state of the art' website for the ICAC
- Assisting member institutes in their efforts to increase their membership

Priority attention was also given to the strategies to be implemented to further advance the initiatives being undertaken by the ICAC including, the ICAC/ACCA Regional Monitoring Scheme, the regional initiative to support the implementation of IFRS and ISA and the provision of regional training and website services

ICAC/ACCA Regional Monitoring Scheme

Significant progress was made during the year towards the implementation of a Regional Monitoring Scheme. The contracts for the monitoring programme have been finalised and are being reviewed by the four participating ICAC member territories, namely Trinidad and Tobago, Barbados, Guyana and Jamaica. It is anticipated that the formal signing of the contracts with the ACCA for the commencement of the programme will be done early next year.

Under the programme, the ACCA, which has over 15 years experience in the monitoring of its members worldwide on this important project, will undertake monitoring visits to firms to assess their level of compliance with professional standards and report its findings to the respective member institutes. The national institutes will retain full regulatory responsibility in ensuring that a firm or practitioner complies with the applicable standards and audit procedures.

The ICAC is pleased to partner with ACCA on the regional monitoring scheme. The scheme also signals ICAC's commitment to fulfil the International Federation of Accountants (IFAC) requirements for member countries worldwide to maintain an efficient quality assurance review system. During the upcoming year, efforts will be made to enlist the participation of other ICAC member institutes namely, Bahamas, Belize, and the Eastern Caribbean, in the practice monitoring programme.



President's Report

Regional Initiative to Support IFRS and ISA Implementation

Progress was also made with regard to the proposed regional initiative to support the implementation of and compliance with International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISA). The project is to be partially funded by the Inter-American Development Bank (IDB) through its Multilateral Investment Fund (MIF).

The regional initiative will commence with the institutes of Bahamas, Barbados, Belize and Guyana who will have responsibility for implementing the various components of the project which include strengthening the enforcement of and compliance with international accounting and auditing standards; strengthening the framework, legislation and regulation relating to the region's accountancy profession; supporting education and public awareness and enhancing the framework of financial reporting within the region.

During the year, a consultant, Patrick Corrigan, was engaged by the IDB to update the feasibility study on adopting and complying with IFRS and ISA in the region. The revised project abstract and final report have been circulated to the four participating institutes for review and sign-off. Plans for the project will be further advanced in the upcoming year.

Regional and International Focus

In keeping with the ICAC's goal to further develop its regional and international relations, the ICAC in response to an invitation from the Inter-American Association of Accountants (IAA) took the decision at its 47th Board Meeting on February 10, 2007 to seek "Observer Membership Status" with the IAA. Approval was granted to the ICAC in December 2007 and we look forward to partnering with the IAA for the benefit and the advancement of the profession in the Caribbean and the Americas. It is envisaged that both bodies can work together to advance the interest of the profession, for example, with regard to joint lobbying efforts on technical matters pertaining to IFRS, ISA, IPSAS at the levels of the International Federation of Accountants (IFAC) and the International Accounting Standards Board (IASB).

The ICAC also approached the American Institute of Certified Public Accountants (AICPA) and the Canadian Institute of Chartered Accountants (CICA) with a view to inviting them to re-establish affiliate membership in the ICAC based on the growing number of individuals holding or acquiring the CPA and CA qualification in the region. The AICPA accepted our invitation in June 2007 and we had the pleasure of welcoming the newly appointed affiliate director representing the AICPA at our 48th Board of Directors meeting held on June 28, 2007 in St. Kitts. Discussions with the CICA are ongoing.

The ICAC continues to make a contribution at the regional level through its representation on the Board of Trustees of the Caribbean Court of Justice Trust Fund, which is intended to provide resources to finance the biennial capital and operating budget of the Caribbean Court of Justice (CCJ) and the Regional Judicial and Legal service Commission (RJLSC). The ICAC is represented on the Board of Trustees by Immediate Past President, L. Garth Kiddoe, who is also the Chairman of the CCJTF Audit Committee.

The ICAC also continues to promote internationally acceptable standards and to keep its member bodies aware of changes to international accounting and auditing standards and other related updates issued by IFAC and the IASB. Of significance was the release by the IASB of an exposure draft (ED) on the International Financial Reporting Standard for Small and Medium-sized Entities (SMEs). The exposure draft was issued on February 15, 2007 with a request for comments on the proposed standards to be submitted to the IASB by October 1, 2007. In light of the difficulties being experienced by SMEs in the region in meeting the requirements for the preparation of financial instruments, the ICAC has encouraged its member institutes to actively participate in the standards setting process by providing feedback on the exposure draft to the IASB.

During the year the International Federation of Accountants (IFAC), of which ICAC is an acknowledged regional grouping, celebrated its 30th anniversary. IFAC organised, as part of its anniversary celebration activities to recognise the contributions of its member bodies, regional accountancy organisations and members of the profession in the development of the organisation and to raise awareness of the valuable role professional accountants play in contributing to economic



President's Report

growth and development worldwide. The ICAC encouraged its member institutes to organise an event in observance of IFAC's World Accountancy Week and a feature on IFAC's history and activities was included in the November issue of the ICAC newsletter. Efforts to look at creative ways to enhance the ICAC's profile and to increase presence and participation of the ICAC at the regional and international level are ongoing.

Annual Caribbean Conference of Accountants

The 25th Annual Caribbean Conference of Accountants was held at the St. Kitts Marriott Resort and Royal Beach Casino from June 28-30, 2007. The theme of the conference was *'Delivering Excellence - Polishing the Diamond'*. The conference attracted approximately 370 delegates including accounting and finance professionals and individuals from various sectors and we were very pleased with the high-calibre of speakers, who brought focus to a wide range of issues discussed during the technical sessions. We commend the conference's organising committee, chaired by ICAEC-St. Kitts/Nevis Branch President, Donald Thompson, for successfully organising and ensuring that the usual high standard of the ICAC's conference was maintained.

The ICAC's 26th Annual Conference will be hosted by the Institute of Chartered Accountants of Trinidad and Tobago (ICATT) over the period June 26 – 28, 2008. The event will be held at the luxurious Hyatt Regency Hotel in Trinidad. This conference promises to live up to the expectations of the ICAC's premier annual social event.

Institutional Strengthening & Development Services

Another important issue on the agenda is the ongoing review of the ICAC's Articles of Association. The objective is to strengthen the institutional capacity of the ICAC in an effort to enhance its effectiveness.

In keeping with efforts to increase the efficiency of the ICAC Secretariat, conference call services were utilised to facilitate discussion between the ICAC Executive and the Secretariat on matters relating to the operation of the Institute.

In October 2007, Mrs. Cheryl Gardner, CEO of the ICAC tendered her resignation after five years of service. The ICAC Board thanks Mrs. Gardner for her contribution to the development of the institute during her tenure. The new CEO is Miss Misha Lobban, a qualified Public Relations Practitioner with over 14 years of experience as well as extensive knowledge of the accountancy profession. Miss Lobban will play a key role in efforts to enhance the profile and presence of the ICAC in the region and in establishing effective communication linkages among member institutes.

With regard to our goal to develop and maintain a 'state of the art' website, we were pleased to receive the commitment of ACCA to assist the ICAC in redeveloping its current website. A detailed review of the website was completed during the year and the ACCA has since submitted proposed layouts for the redesign of the website. It is anticipated that the work on the website will be completed and that the new website will be officially launched during 2008.

The ICAC, in recognition of its role to provide training opportunities for members in the region, continues to promote its e-learning programme in association with KESDEE Inc. The e-learning programme provides CPE credits to accounting/finance professional by providing opportunities for enhanced knowledge and skills in various topics.

Conclusion

In my capacity as President, I remain committed to continue to advance the goals and objectives of the ICAC and to further increase the presence of the ICAC in the region as well as to strengthen the Institute's relations with its international affiliates.

I wish to thank the members of the Board of Directors for the confidence placed in me to lead this regional body and for their support and commitment during the past year in furthering the Institute's strategic goals and objectives. I also wish to thank the staff of the Secretariat for their hard work and their support during the year.

Angela Lee Loy
President, ICAC



Directors' Report

The Directors hereby submit their report for the year ended December 31, 2007.

Members and Affiliate Members

Members	Membership as at December 31, 2006
The Bahamas Institute of Chartered Accountants	350
The Institute of Chartered Accountants of Barbados	602
The Institute of Chartered Accountants of Belize	50
The Institute of Chartered Accountants of Guyana	61
The Institute of Chartered Accountants of Jamaica	807
The Institute of Chartered Accountants of the Eastern Caribbean	133
The Institute of Chartered Accountants of Trinidad & Tobago	638

Affiliate Members	Representative
The Association of Chartered Certified Accountants	Mr. Muir Brown
The Certified General Accountants Association of Canada	Mr. Lyle Handfield
The Institute of Chartered Accountants in England and Wales	Mr. Ashley Clarke
The American Institute of Certified Public Accountants	Mr. Gary Scopes

The Executive

The Executive elected at the 19th Annual General Meeting held in St. Kitts in June 2007 was:

Angela Lee Loy	President
Harryram Parmesar	Vice-President
Leighton McKnight	Secretary
Brian Robinson	Treasurer

The Institute held its Forty-seventh, Forty-eighth and Forty-ninth Board of Directors' meetings on February 10, June 28, and October 26, 2007, respectively. The 19th Annual General Meeting was held on June 28, 2007 at the St. Kitts Marriott Resort and Royal Beach Casino.

Board of Directors

The Members of the Board of Directors are:

Members of the Board		
Angela Lee-Loy	President	Trinidad and Tobago
Harryram Parmesar	Vice-President	Guyana
Mr. Leighton McKnight	Secretary	Jamaica
Brian Robinson	Treasurer	Barbados
Daniel Ferguson	Director	Bahamas
Kendrick Christie	Alternate Director	Bahamas
Betty Brathwaite	Director	Barbados
Patrick Hinkson	Alternate Director	Barbados
Roy Panday	Director	Belize
Brett Feinstein	Alternate Director	Belize
Frank Myers	Director	Eastern Caribbean
Erwin Southwell	Alternate Director	Eastern Caribbean
Rameshwar Lal	Alternate Director	Guyana
Prunella Vassell	Alternate Director	Jamaica
Sean Ramirez	Alternate Director	Trinidad and Tobago



Directors' Report

Mr. Roy Panday replaced Mr. Giacomo Sanchez as Director for Belize and Mr. Brett Feinstein was appointed Alternate Director to the ICAC Board of Directors, effective July 2007.

Mr. Leighton McKnight replaced Mr. Garth Kiddoe as Director for Jamaica and Miss Prunella Vassell was appointed Alternate Director for Jamaica effective, June 2007.

Mr. Sean Ramirez replaced Mr. Kyle Rudden as Alternate Director for Trinidad, effective June 2007.

Directors' Attendance - Board Meetings

Meetings attended by Directors (and/or their Alternates) during the year were: (please note that all Directors mentioned were on the ICAC Board for part of or all of the year 2007):

Name	Position	Inst./Org.	Number
Garth Kiddoe	Outgoing President	Jamaica	2
Angela Lee Loy	President	Trinidad & Tobago	3
Harryram Parmesar	Vice-President	Guyana	2
Leighton McKnight	Secretary	Jamaica	3
Brian Robinson	Treasurer	Barbados	2
Daniel Ferguson	Director	Bahamas	1
Kendrick Christie	Alternate Director	Bahamas	1
Joan Brathwaite	Director	Barbados	1
Patrick Hinkson	Alternate Director	Barbados	1
Giacomo Sanchez	Outgoing Director	Belize	0
Roy Panday	Director	Belize	1
Brett Feinstein	Alternate Director	Belize	0
Frank Myers	Director	Eastern Caribbean	3
Erwin D. Southwell	Alternate Director	Eastern Caribbean	0
Rameaswar Lal	Alternate Director	Guyana	0
Prunella Vassell	Alternate Director	Jamaica	0
Kyle Rudden	Alternate Director	Trinidad & Tobago	0
Sean Ramirez	Alternate Director	Trinidad & Tobago	0
Muir Brown	Affiliate Director	ACCA	2
Lyle Handfield	Affiliate Director	CGA Canada	2
Ashley Clarke	Affiliate Director	ICAEW	2
Gary Scopes	Affiliate Director	AICPA	1

Auditors

The Auditors of the Institute, Mair Russell Grant Thornton, Chartered Accountants of 3 Houghton Ave. Kingston 10, Jamaica W.I., have indicated their willingness to continue in office and were re-appointment for year 2007.

The Directors wish to thank the Secretariat for their continued dedication and hard work during the year.

On behalf of the Board of Directors

Angela Lee Loy
President



Regional Committees & Their Coordinating Institutes

The five Regional Committees of the ICAC and their coordinating Institutes/Chairpersons are as follows:

<i>Regional Committee</i>	<i>Member Institute</i>	<i>Chair</i>
Education	Trinidad	Angela Lee Loy
Joint Seminar	Eastern Caribbean	Frank Myers
Membership	Barbados	Joan Brathwaite
Publicity	Jamaica	Leighton McKnight
Technical	Guyana	Harryram Parmesar

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

The main objective of the *Joint Seminar Committee* is to organise, in collaboration with territorial institutes, seminars aimed at broadening the continuing professional education of members within the region.

The *Membership Committee* is responsible for promoting an institutional framework for the participation of individual accountants under the umbrella of territorial 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 effective means of information exchange among member territories via the Institute's Secretariat and promoting the ICAC's role, responsibility and achievements in advancing the interest of the regional profession through various communication media.

The *Technical Committee* seeks to encourage the harmonisation of accounting and auditing standards within the region and the adoption of International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISA) regionally. The Committee also has responsibility for overseeing the establishment of a regional practice monitoring system to enhance the regulatory capacity of the profession within the Caribbean region.



Committee Reports



Angela Lee Loy
Education Committee

EDUCATION COMMITTEE

The ICAC, in recognition of its role to provide training opportunities for members in the region, has entered into a partnership agreement with KESDEE Inc., a US-based e-learning solutions company to provide online CPE courses.

The ICAC/KESDEE e-learning programme, which commenced officially in March 2007, offers comprehensive and cost-effective online courses and serves to broaden the scope of CPE activities available to members in the region.

In preparation for the start of the programme, KESDEE developed a customer-friendly webpage with detailed information on each course including the number of courses offered for each programme and the CPE hours for each course.

During the year, the ICAC Secretariat spearheaded the marketing of the programme to all ICAC member institutes within the region by way of an e-mail promotional campaign. Each member institute was asked to provide a link to the ICAC/KESDEE e-learning webpage. Some member territories also assisted by placing a copy of the e-learning programme brochure on their websites. The Education Committee, through the ICAC Secretariat, continues to seek the assistance of other member institutes in promoting the programme to their members.

Despite the marketing efforts during 2007, the programme has not attracted the level of participation anticipated. The Committee believes that the ICAC/KESDEE e-learning programme is particularly beneficial to the smaller territories that have an existing need for training and development programmes. Efforts will be made in 2008 to aggressively market the benefits of the programme. KESDEE has also committed to assist in marketing the programme to encourage the participation of members in the region.

During the year, support was also given to the institutes of Guyana and St. Lucia in organising a professional education seminar on the Exposure Draft on IFRS for Small and Medium-Sized Entities (SMEs) issued by the International Accounting Standards Board (IASB). The seminars were conducted by Mr. David Raggay, IFRS consultant.



Frank Myers
Joint Seminar Committee

JOINT SEMINAR COMMITTEE

During the year, efforts were made to encourage member institutes to host a joint seminar with the ICAC on the *Exposure Draft - 'International Financial Reporting Standard for Small and Medium-sized Entities (SMEs)* issued by the International Accounting Standards Board (IASB). While this did not materialise for all the member institutes, the ICAC Secretariat assisted the Institutes of Guyana and St. Lucia in organising a seminar on the exposure draft. The seminars held in Guyana on September 18, 2007 and in St. Lucia on November 22 were conducted by Mr. David Raggay, IFRS consultant.

At the ICAC's Strategic Planning Retreat in October 2007, a decision was taken to explore opportunities for joint seminars with member institutes as part of the ICAC's goal to improve its services to members in the region and to increase its revenue base. In that regard, correspondences were sent to the institutes of Bahamas, Trinidad, Jamaica and Barbados inviting them to consider hosting joint seminars with the ICAC in 2008.

The ICAC will continue to pursue opportunities for joint seminars in the upcoming year in an effort to help meet the continuing professional education needs of chartered accountants in the region.



Committee Reports



Joan Brathwaite
Membership Committee

MEMBERSHIP COMMITTEE

The ICAC's total membership increased marginally in 2007 by 0.84%. This is attributed to ongoing efforts by member institutes to increase their membership base.

The Membership Committee continues to focus its efforts on broadening the ICAC's membership base. This included an invitation to Cayman Islands Society of Professional Accountants (CISPA) to join the membership of the ICAC. The American Institute of Certified Public Accountants (AICPA) and Canadian Institute of Chartered Accountants (CICA) were also invited to re-activate their affiliate membership, given their expanding influence and increased membership numbers in the region. The AICPA accepted the ICAC's invitation in June 2007. The Committee continues to pursue discussions with the CICA regarding re-activating its membership.

In an effort to broaden the reach of the ICAC's regional association, the Board of Directors took a decision in February 2007 to seek observer membership status in the Inter-American Accounting Association (IAA). The ICAC's application was approved by the IAA in December 2007. This means that the ICAC will have a representative at IAA meetings and similar courtesies will be extended to the IAA. It also provides an opportunity for both associations to work together for the benefit of the profession in the Caribbean and the Americas.

During the year, the Committee sought to ascertain from ICAC member institutes, information on the legislative treatment of issues relating to residency/non-residency of chartered accountants in the region in light of the implementation of the CSME and its implication for the movement of professionals in the region. In this regard, ICAC Directors were asked to place the issue on the agenda of their respective council meetings.

In 2006, the Board had solicited the agreement of each of the member institutes to a common list of primary bodies that would qualify for membership into the local institutes. Following further discussions on this matter, the ICAC is recommending that this decision be further formalised so that where a member institute's bye-laws are silent on the matter, it should be amended to reflect a reciprocal arrangement, that is, once a member is in good standing with his/her home institute, a reference letter should be sent to the host institute advising of the individual's status to facilitate approval of membership by the relevant institute. This issue is still being reviewed by some member institutes in the region.

The Committee will continue to pursue efforts to increase the ICAC's membership and to encourage the relevant member institutes to amend their bye-laws to take into consideration reciprocal arrangements to facilitate the movement of chartered accountants within the region.



Leighton McKnight
Publicity Committee

PUBLICITY COMMITTEE

During the year, the major focus of the Publicity Committee was overseeing the redevelopment of the ICAC website and production of the ICAC's newsletter publications as well as promoting the activities of the ICAC among member institutes within the region.

Website Upgrade

At the Strategic Planning Retreat in Barbados in 2005, it was agreed that for the ICAC Secretariat to become an innovative organisation in the future, there was need for a state-of-the-art website. In this regard, the ACCA was asked to assist with upgrading the ICAC's website. A business requirement specification document which sought to provide details regarding the requirements of the redesigned website was submitted by ACCA in



Committee Reports

April 2007. The document was reviewed by the Committee.

In October 2007 following consultation with the Committee, ACCA's website team submitted samples of layout for the new website pages. Feedback/comments were communicated to ACCA for incorporation in the redesign of the website, which is expected to be completed in 2008. ACCA has advised that they are redesigning the ICAC website at no cost.

ICAC Newsletter

Articles of general interest to members in the region were carried in the ICAC's newsletter publications during the year. The 2007 newsletters were published in January, July and November.

The ICAC takes this opportunity to thank ACCA, Envision Solutions Ltd., PKF Aulous F. Madden & Co. Accountants and Business Advisors and Manchester Business School for their support by way of advertisements in the newsletter publications during the year.

2006 Annual Report Publication

The 2006 annual report was circulated electronically to ICAC member institutes and was also mounted on the ICAC website.

Press Releases

In keeping with objectives to promote the activities of the ICAC, the Secretariat prepared and circulated two press releases to member Institutes for publication in their local newspapers. The first release entitled, *Caribbean Accountants elect first Female President*, promoted the election of new ICAC President, Angela Lee Loy and the second release entitled, *Women making a change in the Accountancy Profession*, highlighted the appointment of women to international accountancy organisation such as ICAC, CGA, and ACCA during 2007.



Harryram Parmesar
Technical Committee

TECHNICAL COMMITTEE

ICAC/ACCA Practice Monitoring Programme

Matters relating to the ICAC/ACCA Practice Monitoring Programme were the major focus of the Committee during the year.

Copies of the draft monitoring contract prepared by ACCA were sent to the participating member institutes, namely Barbados, Guyana, Jamaica and Trinidad & Tobago, in June 2006. Efforts were made during 2007 to encourage these territories to finalise the review of their respective contracts.

A regional monitoring sub-committee comprising representatives of the participating territories met in March 2007 at which various concerns were raised. The decision was taken to re-examine several clauses in the contract and to summarise by territory the various comments received on the draft contract. The sub-committee also decided that a legal advisor should be appointed to review the comments provided by the participating institutes and to draft a revised contract incorporating those comments.

The Jamaican-based legal firm, DUNNCOX, was contracted to redraft the contract based on the sub-committee's recommendations. The revised contract was received from the legal firm in June 2007 and was agreed to in principle by the participating territories.

ACCA was subsequently requested to provide a protocol that specifically addresses the issue of disclosure and the use of information obtained by ACCA during the course of audit monitoring visits. A memorandum was prepared by ACCA and subject to further amendments requested by the monitoring sub-committee, it was circulated to the participating institutes.



Committee Reports

The institutes of Trinidad, Barbados and Guyana have indicated their intention to sign the practice monitoring contracts to facilitate the implementation of the programme in 2008.

ICAC/IDB Regional Initiative

In preparation for the proposed regional initiative to support the adoption of, and compliance with, international accounting and auditing standards within ICAC member territories, the Inter-American Development Bank (IDB) engaged the services of a consultant to update the feasibility study on adopting and complying with IFRS and ISA, which was done three years ago. In November 2007, the revised project abstract and final report were circulated to the four participating institutes - Bahamas, Barbados, Belize and Guyana - for review and sign-off.

The project will be partially funded by the IDB through its Multilateral Investment Fund (MIF) and it is anticipated that activities relating to the project will be further advanced in the upcoming year.

IFRS for Small and Medium-sized Entities (SMEs)

The International Accounting Standards Board (IASB) issued an Exposure Draft on *IFRS for SMEs* inviting public comments on the ED. In this regard, ICAC member territories were encouraged to organise seminar discussions with a view to soliciting comments on the exposure draft.

Proposed Revisions to the IFAC's Regional Organisation and Other Grouping Policy Statement

During the year, IFAC advised that its Compliance Advisory Panel would be undertaking a review of the existing policy statement for Regional Organisations and Regional Groupings. The primary objectives of the revision were to:

- Better align the strategies and activities of IFAC and its regional and other partners.
- To update the policy to reflect the changes in the environment since the year 2000 when the last policy was issued.
- To clearly articulate the mutual accountabilities between IFAC and its regional and other partners.

In light of the fact that the ICAC is an Acknowledged Regional Grouping of IFAC, the proposed revisions were circulated to the ICAC Directors in October 2007 for comments.



Territorial Reports



Bahamas

BAHAMAS INSTITUTE OF CHARTERED ACCOUNTANTS

The year 2007 was very active for the Bahamas Institute of Chartered Accountants (BICA). It cemented its role as a major contributor on legislative matters and participated significantly in the financial services sector. BICA now has representation on various panels including the Central Bank Auditors Advisory Panel, The Bahamas Financial Services Board (BFSB) Branding Survey and the BFSB Manpower Assessment.

Council Changes

BICA held its Sixteenth Annual General Meeting at the British Colonial Hilton, Bay Street on Thursday, July 5th, 2007. The officers elected for the year 2007-2008 are:-

Daniel Ferguson	President
Lawrence Lewis	Vice-President
Kendrick Christie	Immediate Past President
Dominic Gomez	Treasurer
Roslyn Minnis	Secretary
Philip Galanis	Past President
Lambert Longley	Past President
Peter Turnquest	Chair – Freeport
Theofanis Cochinamogolus	
Basil Ingraham	
Ronald Knowles	

Compliance with International Accounting and Auditing Standards

On Wednesday, November 7th, during Accountants' Week 2007, Deloitte & Touche presented a seminar on the topic, *IFRS Technical Update & Differences with U.S. GAAP*. The seminar was well attended and informative and was historic as a simulcast (live video streaming) was arranged for the benefit of New Providence and Freeport, Grand Bahama. Given the geography of the Bahamas, the simulcast facilitated linkage with accountants in New Providence and Grand Bahama.

Mr. Patrick Corrigan from the Inter-American Development Bank visited the Bahamas from May 7th – May 9th, 2007. This visit was a follow-up to Mr. David Raggay's visit and the study conducted in November, 2003 with regard to the regional initiative to support the adoption of and compliance with international accounting and auditing standards. While in the Bahamas, Mr. Corrigan met with key personnel at the local office of the IDB, financial industry stakeholders, such as, the Governor of the Central Bank of The Bahamas and BICA's President, Mr. Kendrick Christie.

Continuing Professional Education

During 2007, the institute organised four CPE seminars. The first seminar was held on February 7th and 8th on the topic, *An International Presentation on Basel II and New Challenges for the Financial Services Sector* (held in conjunction with Bahamas Institute of Financial Services). The other seminars held on March 22, May 17 and September 27 focused on the topics, *Leadership & Regulatory Training for Managers; Business Continuity and Estate Planning; and Examining the Global Economic Environment and Its Impact on The Bahamas*, respectively.

Impact of the Profession on National Development

In 2007, the institute undertook an historic signing of a Memorandum of Understanding with The College of The Bahamas. This is a five-year commitment to award B\$500, annually, to a student studying accounting at the College, who has achieved the highest score. The institute also assisted an accounting student at the College by way of the BICA Award of Excellence and BICA's Scholarship Award.

Accountants' Week 2007 was held November 5–8 at the British Colonial Hilton. Prior to the week of seminars and discussions, a Fun/Run/Walk was held November 3rd and a Church Service on November 4th. The week culminated with



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a cocktail reception on November 8th.

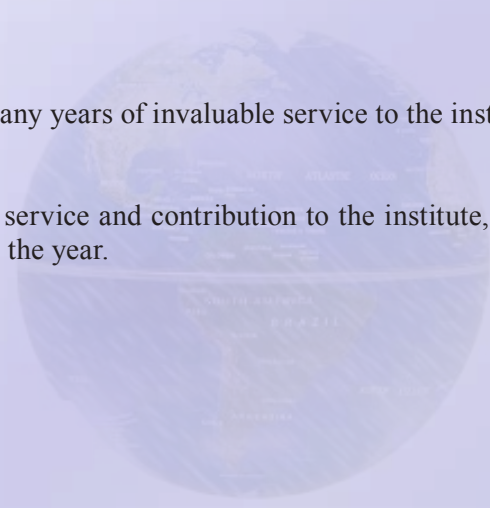
Membership

BICA's membership for the year 2007 was 350.

Operational Matters

In February 2007, Ms. Patricia Bowe retired after many years of invaluable service to the institute. Mrs. Joycelyn Butler was appointed Office Administrator in March 2007.

Special thanks to the members of Council for their service and contribution to the institute, and to the membership for their support of the institute and its activities during the year.





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Barbados

INSTITUTE OF CHARTERED ACCOUNTANTS OF BARBADOS

During 2007, the Barbados corporate landscape saw three of the nineteen publicly listed companies being the subject of takeovers and their delisting from the Barbados Stock Exchange is imminent.

The role of the Institute of Chartered Accountants of Barbados (ICAB) in the takeovers was questioned by the local investment community. Several members of ICAB were at the forefront of the takeovers to ensure proper public disclosure of information and to ensure minority shareholders' interest were not overlooked. The takeovers, however, highlighted several weaknesses in our regional stock exchange and the need to harmonise takeover rules and regulations across the region.

Council Changes

The persons elected to Council at the Institute's 33rd Annual General Meeting were Petula Ashby, Roger Arthur, Patricia-Ann Forde Blanchard, Joan Brathwaite, Rendra Gopee, Winsmore Humprey and Patrick Hinkson.

Brian Robinson, former ICAB President and current Treasurer for the ICAC, did not seek re-election. We wish him all the best and thank him for his years of service to the institute.

The Executive elected for 2007–2008 was:

Patrick Hinkson	President
Rueben Blenman	Vice-President
Andrew Brathwaite	Treasurer
Michael Carrington	Secretary

Regulatory/Monitoring Activities

During the year, ICAB worked along with ACCA to finalise the practice monitoring agreement for Barbados which is expected to be signed in 2008. The monitoring programme is expected to commence in the third quarter of 2008.

Compliance with International Accounting and Auditing Standards

During 2007 no new standards were introduced by the IASB, however, a number of exposure drafts issued by the IASB were circulated by the Institute to its members.

On the issue of Financial Reporting by Small and Medium-Sized Entities, ICAB submitted comments from members which arose from a survey conducted in August 2007. The institute also participated in the IASB field testing of the draft SME standards.

ICAB assisted in the local implementation of certain standards and also assisted with the impact of IFRIC Interpretation 2, Members' Shares in Co-Operative Entities and similar instruments on the local credit union movement.

The institute was represented by Treasurer, Andrew Brathwaite, at the International Standards of Accounting and Reporting (ISAR) consultative working group session in Geneva. The session was held to develop further comments on the IASB's SME exposure draft and to provide an update on UNCTAD's draft accounting principles for micro-enterprises.

Special Project Activities

Discussions with the IDB on the regional project for strengthening the profession in the region continued during the year. Following the final report from the consultant in 2007, ICAB gave approval to move forward with the project.



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Continuing Professional Development

During the year, ICAB provided members with 32 hours of structured CPE activities by hosting seminars covering the following topics:

- Anti-Money Laundering
- IFRS for Small and Medium Enterprises (SME's)
- Update on the International Financial Services Sector
- Update on the International Financial Reporting Standards
- Business Essentials for Small & Medium Enterprises (SME)

ICAB's Annual Conference was held in November 2007 under the topic, *Corporate Reality – Managing the New Environment*. The main address which was delivered by Mr. Clyde Mascoll, the former minister of state in the Ministry of Finance, focused on the measures being introduced by the then government to combat the spiraling cost of living. The role of the accountant was highlighted as key in that initiative and the availability of accurate and timely financial information was critical to assisting the government in its decision-making processes.

Membership

During 2007, the number of members increased by 13. A total of 22 new members were admitted, with 6 members being delisted and 3 resigning during year.

Operational Matters

Mrs. Pauline Richards, who has been a stalwart member of staff of the institute retired, effective April 30, 2007. ICAB has commenced efforts to identify a Chief Executive Officer to manage the affairs of the ICAB Secretariat.

We wish to thank the staff of the Secretariat and all the members who have served on Council and the various standing committees for all their efforts in ensuring that the institute fulfills its mandate.



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Belize

INSTITUTE OF CHARTERED ACCOUNTANTS OF BELIZE

Council Changes

The institute's Annual General Meeting was held in July 2007 at which there was a change in leadership. Brett Feinstein replaced Roy Pandy as President. Other Council members for 2007-2008 are:

Claude Burrell	Vice President
Reynaldo Magana	Secretary
Maria Stuart	Treasurer
Ernest Castro	Council Member
Michael Coye	Council Member

Improvements have been made to ICAB's website and fees for practising members were increased to help meet additional costs.

Compliance with International Accounting and Auditing Standards

It is mandatory that all practicing members of ICAB comply with international accounting and auditing standards. ICAB will continue to monitor compliance with these standards among its members.

Special Project Activities

ICAB has committed to participate in the ICAC's regional project to support the implementation of and compliance with international accounting and auditing standards to be funded by the IDB and is awaiting an implementation timetable.

Continuing Professional Education

New rules for the institute's continuing profession education (CPE) programme have been drafted and will be presented to the membership for approval.

Student Membership

ICAB is awaiting examination results for 2007 from ACCA. During the period, student membership declined from an estimated 150 to 90. This decline is due mainly to the lack of tuition providers. However, efforts are being made to address this situation in preparation for the December 2008 examination sitting.

Impact of the Profession on National Development

ICAB actively participated in several workshops hosted by both the Ministry of Trade and the Belize Chamber of Commerce and Industry on strategic planning and implementation.

Regional and International Focus

ICAB is currently represented on the Board of the Institute of Chartered Accountants of the Caribbean (ICAC) by our President, Brett Feinstein, who serves as an Alternate Director. The Institute maintains a relationship with overseas bodies through its members in Canada and the USA.

Membership

ICAB's membership has remained at approximately 50 members for the past five years.

Operational Matters

The operation of the ICAB Secretariat is currently carried out by a part-time employee. ICAB wishes to thank members of Council and the staff for their valuable input in the activities of the institute. Appreciation is also being extended to Mike Sheppard for undertaking improvements to ICAB's website.



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Eastern Caribbean

INSTITUTE OF CHARTERED ACCOUNTANTS OF THE EASTERN CARIBBEAN

During the year, the Antigua branch of the ICAEC established a number of subcommittees including Taxation, Membership, Technical and Education and Public Relations to carry out the goals and objectives of the institute.

Regulatory/Monitoring Activities

Early in the year, representatives of the St. Lucia branch held discussions with representatives of the World Bank who were conducting a country assessment of St. Lucia. It was recognised that the Institute was in need of institutional strengthening and towards this end the World Bank will be providing assistance with respect to identifying possible funding sources.

The Council of the ICAEC-Antigua branch met with the Financial Services Regulatory Commission (FSRC) and the Office of National Drug Council Planning (ONDCP) on two occasions during the year with regard to the impending move to add accountants to the list of regulated bodies to which the Anti-Money Laundering and Terrorism rules would apply. The Council also met with representatives of the Regional Task Force for Money Laundering at which information on the institute's function, its membership and its interaction with the FSRC and ONDCP was provided.

Continuing Professional Development

Most of the CPD training carried out by ICAEC–St. Lucia branch during the year focused on IFRS and SME issues. In September 2007, a seminar was conducted jointly with ACCA on IAS 39, IFRS 7 and the proposed IFRS for SMEs. In November 2007, a workshop conducted by David Raggay, IFRS Consultants, was organised by the Institute in an effort to solicit feedback/comments from members on the exposure draft on IFRS for SMEs issued by the IASB.

The ICAEC–Antigua branch organised two training sessions during the year. The first session was held in March 2007 following the introduction of the Antigua and Barbuda Sales Tax. The other CPD session was a seminar on Anti-Money Laundering which was held in September 2007. Facilitator for the seminar was Erita Griffith, a local compliance specialist.

The institute is actively pursuing discussions with ACCA with a view to hosting CPD courses in the future. The institute is also having discussions with CGA with regard to a joint seminar in the coming year.

Impact of the Profession on National Development

In July 2007, the St. Lucia Branch of the ICAEC made a presentation to the St. Lucia Medical and Dental Association during its forum on the topic, *Business of Medicine*. In addition, presentations on pursuing a career in accounting were made to students at various secondary schools in St. Lucia.

During September 2007, a series of activities were held to mark Accountants' Week under the theme, *Accountability through qualification, continued education and practice monitoring*. Activities during the week included a church service and brunch for members and thier families, media discussions (radio and television), presentations to various schools, a seminar on anti-money laundering and a social. A scholarship competition for US\$1,000 was also organised by the institute. Participants had to be studying accounting or finance and were required to submit an essay outlining why they wanted to be an accountant. The winner was a second-year ACCA student.

During the year, the institute published a list of practicing members in the print media as well as the Gazette and the Business Focus magazine. An article was also included in the Business Focus magazine outlining the difference between an ordinary member and a practicing member.

Membership

Membership increase has been relatively flat for the Eastern Caribbean Institutes of Antigua and St. Lucia. It has been recognised that there is a need for renewed commitment from Council members with regard to encouraging eligible persons to become members.

Plans are underway to establish a Secretariat to assist in the delivery of services to members as well as the implementation of a membership drive.

We extend special thanks to the members of Council for their support during the period under review.



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Guyana

INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA

Council Changes

The executive members of Council for the 2007/2008 period are:

Rameshwar Lal	President
Khalil Alli	Vice President
Colin Thompson	Secretary
Troy Beharry	Treasurer

Other members of Council are Ronald Alli, Paul Chan-A Sue, Harryram Parmesar, Christopher Ram and Goberdhan Resaul.

Regulatory/Monitoring Activities

ICAG has agreed to a proposal from ACCA for a peer monitoring programme for practising accountants in Guyana. An agreement is expected to be signed in 2008 simultaneously with the institutes in Trinidad and Tobago and Barbados for the commencement of this programme. Practice monitoring will apply to practitioners and will seek to assess their compliance with international standards on auditing and quality control processes.

Compliance with International Financial Reporting and Auditing Standards

ICAG continued its efforts to provide members with information on changes to financial reporting. The Institute also hosted a number of sessions on International Financial Reporting Standards to assist members in effectively applying the standards.

A seminar on Interpretations issued by the International Financial Reporting Interpretation Committee was held on June 23, 2007. The seminar sought to examine the requirements of relevant Interpretations and was conducted by members of ICAG's Technical Committee.

On August 23, 2007, ICAG and ACCA jointly hosted a seminar on IFRS 7 - Financial Instruments: Disclosures and IAS 39 - Financial Instruments: Recognition and Measurement. The seminar was conducted by Mr. Kyle Rudden, Managing Director and Consultant Actuary of KR Services Ltd. of Trinidad and Tobago. The seminar covered topics such as:

- Overview of IAS 39, IAS 32
- Applications to Typical Products
- Review of IFRS 7 Disclosure Requirements
- Practical Implications

On September 18, 2007, ICAG hosted a session focusing on the IASB Exposure Draft on IFRS for small and medium-sized entities. The session was conducted by Mr. David Raggay, Chartered Accountant and Managing Principal of IFRS Consultants, Trinidad and Tobago. Mr. Raggay was involved in the consultations leading to the publication of the exposure draft. ICAG intends to continue its efforts to provide members with information to assist them with the effective application of IFRS and ISA.

Inter-American Development Bank (IDB) Project

The ICAG is awaiting confirmation from the IDB of its approval of funding for a project to improve the implementation of IFRS and ISA in Guyana. During the year, an IDB-appointed consultant met with members of the institute to assess the existing need for the project. The IDB has already funded similar programs in Jamaica and Trinidad and Tobago and is considering a regional project involving the institutes of Guyana, Barbados, Belize and Bahamas.

Continuing Professional Education

In an effort to assist members with implementation issues relating to the Value Added Tax, ICAG hosted a seminar in collaboration with the Commissioner of the Value Added Tax and Excise Tax Department, Ms. Hema Khan. The session covered a range of issues including the processing of refunds, the application of VAT to services and the classification



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of exempt supplies, among other matters. On November 15, 2007, Mr. Paul Moxey, Head of Corporate Governance and Risk Management at ACCA made a seminar presentation to ICAG members on Corporate Governance Issues. The topics covered included:

- How are ethics and risk management related
- The importance of halving the right ethical culture
- The leadership role of the finance professional
- Recent research results into ethical practices of CFO's

ICAG intends to increase the provision of training on topics relevant to members in industry in the coming year.

Student Members

During the year, 27 students successfully completed the ACCA examinations while 137 students completed the Certified Accounting Technician (CAT) examinations. In September 2007, the institute in collaboration with ACCA hosted two graduation ceremonies to honor the students who successfully completed the ACCA and CAT examinations. The graduation ceremonies were held at the Georgetown Club. The speakers for these events were Mr. Shaik Baksh, Hon. Minister of Education; Ms. Brenda Lee Tang, Head of Policy Development - ACCA Caribbean Office, Mr. Rameshwar Lal, ICAG President and Mr. Harryram Parmesar, ICAG Council Member. Special guests included Dr. Ashni Singh, Hon. Minister of Finance and Mr. Harry Nawbatt, Hon. Minister of Public Works.

Special awards were presented to the following graduates for outstanding performance in the examination:

- Taheera Rasheed - December 2006, CAT Graduate
- Naywantie Etwaroo - June 2007, CAT Graduate
- Daniel Bissoondial - December 2006, ACCA Affiliate
- Tara Persaud - June 2007, ACCA Affiliate

ICAG continued to provide tuition to both ACCA and CAT students during 2007. However, there was a decline in student attendance resulting in a decision by Council to temporarily discontinue the classes.

Membership

A main goal of the Council during the year was to attract eligible persons resident in Guyana into membership of the institute. Despite the negative impact on ICAG's membership due to migration, the institute was successful in increasing its membership during the year with the admission of three new members. Total membership as at December 31, 2007 was 59.

ICAG continues to encourage other eligible persons to join the institute in order to enjoy lower fees for technical seminars and the opportunity to network with other professionals in Guyana and to contribute to the development of the profession locally.

Regional and International Focus

ICAG is represented on the Board of the Institute of Chartered Accountants of the Caribbean (ICAC) by Council member, Harryram Parmesar, who was elected to serve as Vice President at ICAC's 19th Annual General Meeting on June 28, 2007 in St. Kitts.

ICAG is pleased to host the ICAC's 27th Annual Caribbean Conference in June 2009 and preliminary planning has already begun.

Conclusion

The Council wishes to record its appreciation to all members who volunteered their time and service to the various tasks executed during the year, as well as to the administrative staff of the institute. We look forward to even greater support in the coming year as we strive to meet the ever-expanding needs of the profession.



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Jamaica

INSTITUTE OF CHARTERED ACCOUNTANTS OF JAMAICA

The Institute of Chartered Accountants of Jamaica (ICAJ) began the year with services of thanksgiving to mark its 42nd anniversary. The first service was held on January 7, 2007 at the Sts. Peter & Paul Catholic Church while the second was held on January 14, 2007 at the Blessed Sacrament Catholic Church. An anniversary luncheon was held on February 7, 2007 at the Holiday Sunspree Resort, Montego Bay

Council Changes

Following ICAJ's 42nd Annual General Meeting held on July 25, 2007, the principal officers elected to serve for the period 2007/2008 were:

Prunella Vassell	President
Archibald Campbell	Vice President
Patrick Chin	Treasurer
Ethlyn Norton-Coke	Secretary

Other council members elected for the period were Mrs. Ann Marie Rhoden, Miss Vintoria Bernard, Mr. Linroy Marshall, Mr. Garth Kiddoe, Mr. Leighton McKnight, Mr. Dennis Brown, Mr. Carey Metz, Mr. Martin Gooden and Mr. Dennis Chung.

One of the main priorities of the ICAJ Council for 2007 was to continue to implement and promote adherence to globally acceptable standards within the local Accountancy profession.

Regulatory/monitoring Activities

In an effort to fulfil IFAC requirements that member bodies apply quality assurance review programmes for their members, the ICAJ received grant funding in October 2007 under the Private Sector Development Programme (PSDP), a joint Government of Jamaica and European Union Funded Programme for a project to provide training for practitioners and Registered Public Accountants in preparation for the implementation of a practice monitoring programme. This nine-month project is intended to enhance the quality of audit practice carried out in Jamaica, thereby assisting the ICAJ in fulfilling its membership obligation to the IFAC while increasing competitiveness of Jamaican practitioners in the Caribbean and internationally.

The specific objectives of the project are to train audit practitioners to operate and manage the audit process efficiently to ensure that financial statements are at an internationally acceptable standard by employing appropriate auditing procedures, applying International Standards on Auditing, maintaining accurate audit documentation and following proper protocol in dealing with clients.

In another initiative to strengthen regulatory practices, representatives from the ICAJ held discussions with the Minister of Finance and Planning, the Hon. Dr. Omar Davies, representatives of the Public Accountancy Board (PAB), the Financial Services Commission (FSC) and the Bank of Jamaica (BOJ), on June 8, 2007 to discuss matters relating to the regulation of the Accountancy profession in Jamaica.

Compliance with International Accounting and Auditing Standards

Training seminars were hosted by the ICAJ focussing on revisions to the IFRS; effective use of technology in an IFRS environment and IFRS assessment and application. In addition, the institute's Accounting Standards and Audit Practice Committees continue to monitor compliance with IFRS and ISA while providing guidance to members and other stakeholders where necessary.



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ICAJ/IDB Technical Co-operation Project

Activities under the ICAJ/IDB Technical Project progressed with the signing of contracts with three consultants for the execution of three projects: Members' Needs Assessment & Research; Updating the institute's Website and Strategic Planning for Sustainability.

Other activities included a train-the-trainer workshop held in June 2007. The train-the-trainer component requires the preparation of a cadre of trainers/presenters to sustain the institute's training and outreach programmes, particularly in the application and compliance of IFRS and ISA.

A discussion session with ICAJ Council Members and committee chairmen as well as PAB members was held in September 2007 to consider the nature and type of regulatory framework suitable for the accountancy profession in Jamaica.

Other activities included 3 two-day seminars, which explored the topics, International Standards on Auditing; Comprehensive Auditing and IFRS: Assessment & Application and an Industry Outreach held in collaboration with the Montego Bay of Commerce in February 2007. Two-day workshops on International Standards on Auditing in August were also hosted under the project.

Membership

During the year, the ICAJ focused on increasing membership and the participation and representation of members in decision-making processes. Through its ongoing membership drive, there was an increase in membership from 903 as at December 2006 to 968 as at December 2007.

The ICAJ has initiated dialogue with the Solicitor General's Office for representation to be made to the Government of Jamaica for Chartered Accountants to be made standard certifiers of passport forms and other such documents.

Consistent with the ICAJ's commitment to contribute and participate in debates on issues of national importance, the ICAJ hosted an Accountants' Forum was held on the thought-provoking topic, *Is Our National Airline a Benefit or a Burden?* This forum, which was held on February 28, 2007, was rated as one of the most successful events organised by the ICAJ's Current Affairs Committee, attracting a record 230 persons. The event stimulated lively and controversial discussions on the cost/benefits associated with having a national airline including its impact on the economy, national budget and the local tourism industry.

In order to meet the reporting needs of small and medium-sized entities (SMEs), the ICAJ hosted a consultation forum with stakeholders of SMEs in July. The objective of the forum was to solicit comments and suggestions from stakeholders, including investors, preparers and users of financial statements, on the exposure draft for the proposed International Financial Reporting Standard for Small and Medium sized Entities (SMEs) issued by the IASB.

The ICAJ, in keeping with its continued involvement with its adopted charity, the Elsie Bemand Girls' Home, hosted a treat for the 22 girls at the Home in February 2007. The ICAJ also exposed some of the girls from the Home to a wide range of career opportunities by sponsoring their participation in the annual Choices Career and Education Expo held in June 2007 at the Hilton Kingston Hotel.

Continuing Professional Education

The ICAJ hosted a number of training seminars during the year. Some of the issues addressed were, *Interpretation and Analysis of Financial Statements; Revisions to the IFRS; Taxation: Taxpayers Rights and Obligations; Conflicts of Interest: What is your Responsibility?* and *Alternative Investment ... Is it Worth the Risk?*

In January 2007, the ICAJ Council amended the CPE requirements to be referred to as Continuing Professional Development (CPD). This is in accordance with IFAC's standards on CPD-IES 7 and to ensure that professional accountants acquire and maintain the specific capabilities required to work as competent professionals. Additionally, membership requirements were increased from 35 hours of CPE to 40 hours of CPE annually.



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Student Members

The number of students on the ICAJ/ACCA Joint Scheme Register decreased from 4,902 as at December 2006 to 4,266 as at December 2007. The ICAJ continues to provide administrative support for AAT students.

The graduation ceremony for 109 students who successfully completed the June and December 2006 sittings of the CAT Examination was held on August 29, 2007 at the Knutsford Court Hotel.

The ceremony for 37 students who were successful in the December 2006 sitting of the ICAJ/ACCA Joint Scheme Examinations was held on October 20, 2007 at the Jamaica Pegasus Hotel. Keynote speaker was Professor Errol Morrison, OJ, Principal, University of Technology, Jamaica.

Regional and International Focus

As the ICAJ continued its drive to strengthen international partnerships, ten members of the ICAJ led by President Leighton McKnight, attended the National Association of Black Accountants (NABA) annual conference, which was held at the Marriott, Philadelphia from June 19-23.

Miss Prunella Vassell was re-appointed as Jamaica's representative to the ACCA's International Assembly for the two-year period, 2007/2009.

Former ICAJ President, Leighton McKnight was elected Director and Secretary of the ICAC at its 19th Annual General Meeting held on June 28, 2007 in St. Kitts.

Conclusion

The ICAJ re-commits itself to forging partnerships that will advance the development of the accountancy profession locally, regionally and internationally.



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Trinidad & Tobago

INSTITUTE OF CHARTERED ACCOUNTANTS OF TRINIDAD AND TOBAGO

The major highlights during 2007 included the Annual General Meeting of the Institute of Chartered Accountants of Trinidad & Tobago (ICATT) in March, meetings of Council which were held every two months and Accountants' Week in December, which culminated with a Wine and Cheese function. The 2007 ACCA/ICATT Fun Day, which was held at the Otto Boldon Stadium on August 12, was a success.

Regulatory/Monitoring Activities

Over the past year, the Accounting and Auditing Standards Committee focused its time and effort on the practice monitoring programme to be introduced in Trinidad and Tobago. To this end, ICATT embarked on several initiatives to ensure that the necessary steps were taken to fulfill requirements for the implementation of the programme.

An extraordinary general meeting of the institute was held in December 2007 to propose a special resolution on the implementation of the practice monitoring programme in accordance with the rules to be formulated by Council.

Compliance with International Accounting and Auditing Standards

In October 2007, 4 members of Council chaired a workshop at an ACCA seminar entitled, *Business Essential for SMEs*. Topics covered during the workshop included Succession Planning, Raising Finance and International Financial Reporting Standards (IFRS) for SMEs.

A joint ACCA/ICATT seminar on IFRS, with main speaker, Mr. Charles Gubbins from the United Kingdom, was held on December 13th and 14th at the Trinidad Hilton.

Special Projects

The IDB project to improve the application of and compliance with International Financial Reporting Standards (IFRS) and International Standards of Auditing (ISA) in Trinidad and Tobago continued during the period under review. To date, the project has been able to complete the following consultancies:

1. A Training Needs Assessment
2. The Development of Technical Information
3. A Members' Needs Assessment
4. A Strategic Plan together with a Business Plan
5. Sustainability Workshop
6. Mid-term Evaluation (the final report from this consultancy is due in early April 2008)

The commissioning of the mid-term evaluation consultancy was delayed as the IDB sought to identify an independent consultant to execute this component. As a result, the consultancy, which was scheduled to take place in June 2007, was not carried out until December. Another obstacle which impacted the project during the period under review was the inability to identify a suitable candidate for the position of Chief Executive Officer of the ICATT Secretariat.

Notwithstanding the challenges, 5 training sessions were carried out under the project in 2007. The project also covered the cost of all technical training programmes delivered during Accountants' Week in December 2007.

In light of the proposed ICAC/ACCA Practice Monitoring programme for all members in practice in Trinidad and Tobago and the outcome of the sustainability workshop under the IDB project, Council took the decision to seek approval from the IDB to use part of the funding for the enforcement component of the project to assist with the sustainability of the programme. It is felt that the implementation of the practice monitoring programme will go a long way in enforcing compliance with IFRS and ISA among practicing members and in building ICATT's institutional capacity.

Council, in moving forward, proposes to utilise the balance of funding available under the project as follows:

- Training and preparing members through seminars and workshops for the implementation of the practice monitoring programme.



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- Commissioning a consultant for the comprehensive review of ICATT's rules and regulations to bring them in line with IFAC guidelines and codes.
- Subsidising the costs of hiring a CEO, a Technical Officer and a Marketing/Public Relations Officer, for the first three (3) years.
- Project administration including the final audit of the project.

Continuing Professional Education

In addition to IFRS seminars held during Accountants' Week in December, there was a seminar on *Building with the Future in Mind* and a taxation workshop dealing with the impact of changes in the Income and Corporation and Tax Act. The week ended with a Wine & Cheese function.

During 2007, ICATT hosted and facilitated several seminars and workshops in North, South, and East Trinidad. The following IAS, IFRS, and ISA were covered in detail:

- IAS 1 - Presentation of Financial Statements
- IAS 12 - Income Taxes
- IAS 17 - Leases
- IAS 37 - Provisions and Contingencies
- IFRS 5 - Non-Current Assets Held for Sale and Discontinued Operations
- IFRS 7 - Financial Instruments – Disclosures
- ISA 230 - Documentation
- ISA 240 - Fraud
- ISA 300 - Planning
- ISA 315 - Assessment of Business Risk/ Internal Controls
- ISA 320 - Materiality
- ISA 330 - Auditor's Procedures in Response to Assessed Risks
- ISA 520 - Analytical Procedures
- ISA 530 - Sampling
- ISA 540 - Audit of Accounting Estimates
- ISA 570 - Going Concern

ICATT intends to continue to focus on organising smaller workshops that are tailored to meet the specific needs of organisations in the areas of IFRS, Tax, Auditing, Corporate Governance and a combination of selected IAS training.

Student Members

Graduations were held during the year for students completing both the ACCA Certified Accounting Technician (CAT) and Professional programmes.

The ACCA/ICATT Professional Graduation ceremony was held on Saturday, September 29, 2007, at the Trinidad Hilton for 146 affiliates who qualified in December 2006 and June 2007.

An estimated 295 CAT graduates and 160 affiliates of the ACCA Professional programme qualified in 2007. Graduation ceremonies for these respective graduates will be held in 2008.

Impact of the Profession on National Development

Providing commentary and input on issues of national importance is a critical part of ICATT's function. During 2007, ICATT's input included representation on various Government working groups and committees as well as providing comments on draft national legislations on insurance companies, pension plans, bankruptcy, securities, financial services, CSME, professional associations, health care, among other issues.

A Legislation and National Policy Input (including Taxation) Committee was created in 2007 and several recommendations made by ICATT in previous years were included in the Government's fiscal policy. ICATT also provided the Ministry of Finance with suggestions for the improvement of operations and practices.



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During Accountants' Week in the first week of December a breakfast meeting was held on Accountability by Public Interest Entities. Panelists included the Inspector of Financial Institutions and the Chairman, Securities & Exchange Commission. Some of the issues raised were the regulators' responsibilities in ensuring good governance, amending legislation to achieve this goal, the additional financial reporting and transparency that said legislation would require, and building the public's confidence.

Membership

The membership of ICATT has been growing slowly. Membership Drives were hosted every two months by the Membership Committee in an effort to attract qualified accountants who meet the requirements for ICATT's membership.

The Membership Committee continued its active consideration of applications for prospective membership and Practicing Certificates during the past year. A total of 35 applications for membership were considered. Of these, 31 were approved by the Committee and submitted to Council for approval. Additionally, 11 applications for Practicing Certificates were considered, of which 6 were approved by the Committee and submitted to Council for final approval.

The Committee has also considered applications from persons who have had considerable years of experience in accounting and taxation but are not certificated. The applications also included applicants for practicing certificates who do not have the relevant audit experience or the appropriate supervising principal relationship as required by the existing rules of ICATT. These areas are being researched with a view to determining how these applicants can be accommodated.

Special efforts are also being made to target organizations where there is a relatively large body of qualified accountants who are not members of ICATT.

The growth of new members between 2006 and 2007 is as follows:





Membership of Regional Institutes' Councils

<i>Position Held</i>	<i>Bahamas</i>	<i>Barbados</i>	<i>Belize</i>	<i>ICAEC</i>	<i>Guyana</i>	<i>Jamaica</i>	<i>Trinidad & Tobago</i>
President	Daniel Ferguson	Patrick Hinkson	Brett Feinstein	Frank V. Myers	Rameshwar Lal	Prunella Vassell	Sean Ramirez
Vice-President	Lawrence Lewis	Rueben Blenman	Claude Burrell	Erwin Southwell	Khalil Alli	Archibald Campbell	Anthony Pierre
Secretary	Roslyn Minnis	Michael Carrington	Reynaldo Magana	Brian Glasgow	Colin Thompson	Ethlyn Norton-Coke	Cynthia Lyons
Treasurer	Dominic Gomez	Andrew Brathwaite	Maria Stuart	Donald Thompson	Troy Beharry	Patrick Chin	Richard Roach
Director	Kendrick Christie	Joan Brathwaite	Ernest Castro	Anthony Atkinson	Ronald Alli	Vintoria Bernard	Dexter Daniel
Director	Theofanis Cochinamogolus	P. Ann Forde Blanchard	Michael Coye	Neil Coates	Paul Chan-A Sue	Dennis Brown	Ramganie Bob Gopee
Director	Philip Galanis	Felton Burton		Yvonne Gellineau-Simon	Harryram Parmesar	Dennis Chung	Richard Jones
Director	Basil Ingraham	Rendra Gopee			Christopher Ram	Martin Gooden	Nicole Lalsingh
Director	Ronald Knowles	Winsmore Humphrey			Goberdhan Resaul	Garth Kiddoe	Garvin Francis-Lau
Director	Lambert Longley	Carol Nicholls				Linroy Marshall	Nicole Richards-Lawrence
Director	Peter Turnquest	Dennis Shemeluck				Leighton McKnight	Angela Lee Loy
Director		David Simpson				Carey Metz	Kyle Rudden
Director		Michelle White-Ying				Ann Marie Rhoden	Andrew Tom
Director							Marcia King-Urquhart



Treasurer's Overview



Brian Robinson
Treasurer

The year 2007 ended on a positive note for the ICAC with the realisation of a marginal accumulated surplus of US\$2,705 which, however, represents a reversal of previous years of accumulated deficits and should be seen as the start of a surplus building era.

The profit for the year 2007 is mainly due to an overall decline in expenses due to a reduction in payroll costs and seminars. The marginal increase in revenues is also due to an increase in subscriptions resulting from the addition of the American Institute of Certified Accountants as an affiliate member. There was also a significant reduction in printing and stationery expense due to fact that the ICAC newsletter and annual report publications are being distributed electronically to ICAC member institutes and other stakeholders. The reduction in salaries and wages cost resulted from the resignation of the Chief Executive Officer during the last quarter of 2007. Additionally, no expenses were incurred during the year for seminars as no joint CPD events were held during the year.

Part of the outlook for 2008 includes greater emphasis on increasing revenue by broadening the membership through continued efforts to encourage member territories to increase their membership base. The ICAC will also seek to organise seminars with smaller member institutes in an effort to help meet their existing need for continuing professional education and development.

It is anticipated that the ACCA/ICAC Regional Monitoring Programme which was previously scheduled to commence in 2007 in Trinidad, Barbados, Guyana and Jamaica which be implemented in 2008. It is projected that this will have minimal financial impact on ICAC as the member institutes, will bear any cost relating to the monitoring process.

The ICAC has complied with all its statutory contributions and annual returns are current.



2007 Financial Statements



THE INSTITUTE OF CHARTERED ACCOUNTANTS
OF THE CARIBBEAN
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2007



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
THE CARIBBEAN
FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2007

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STATEMENT I

Mair Russell Grant Thornton 

Chartered Accountants

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 balance sheet as at December 31, 2007, and the income statement, statement of changes in reserves and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the Jamaican Companies Act. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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.

.../cont'd

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Member of Grant Thornton International

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



Independent auditors' report (cont'd)

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

Report on the Financial Statements (cont'd)

Auditors' Responsibility (cont'd)

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

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Institute as at December 31, 2007, and of the Institute's financial performance, changes in reserves and cash flows for the year then ended in accordance with International Financial Reporting Standards.


Report on Additional Requirements of the Companies Act

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

Kingston, Jamaica

June 6, 2008

Member of Grant Thornton International


Chartered Accountants



STATEMENT II

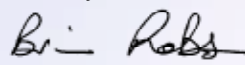
THE INSTITUTE OF CHARTERED ACCOUNTANTS OF THE CARIBBEAN**BALANCE SHEET****DECEMBER 31, 2007**

	Note	2007 US\$	2006 US\$
Assets			
Non-current assets			
Equipment	(5)	5,021	4,986
Deferred tax asset	(6)	-	215
		5,021	5,201
Current assets			
Taxation recoverable		4,910	4,474
Membership dues and other receivables	(7)	10,462	13,652
Cash and cash equivalents	(8)	54,033	44,047
		69,405	62,173
Total assets		74,426	67,374
Reserves and liabilities			
Reserves			
Development fund	(9)	45,579	45,579
Administrative assistance development fund	(10)	14,837	14,837
Accumulated surplus/(deficit)		2,705	(12,362)
Total reserves		63,121	48,054
Liabilities			
Non-current liability			
Deferred tax liability	(6)	195	-
		195	-
Current liabilities			
Payables and accruals	(11)	10,018	12,093
Owing to members	(12)	998	7,227
Taxation payable	(16)	94	-
		11,110	19,320
Total liabilities		11,305	19,320
Total reserves and liabilities		74,426	67,374

The attached notes on Statement VI form an integral part of these financial statements.

Approved for issue by the Board of Directors on June 6, 2008 and signed on its behalf by:


 _____) President
Ms. Angela Lee Loy


 _____) Treasurer
Mr. Brian Robinson

STATEMENT III

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
THE CARIBBEAN
INCOME STATEMENT
YEAR ENDED DECEMBER 31, 2007

	<u>Note</u>	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Revenue	(3)		
Subscriptions		58,218	54,833
Annual conference and seminars		19,241	20,611
Interest on short-term deposits		1,765	1,788
Other income	(13)	2,330	400
		81,554	77,632
Administrative and other expenses	(14)	(65,983)	(82,060)
Surplus/(deficit) for the year before tax	(15)	15,571	(4,428)
Income taxes	(16b)	(504)	(449)
Surplus/(deficit) after tax		15,067	(4,877)

The attached notes on Statement VI form an integral part of these financial statements.



STATEMENT IV

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF**THE CARIBBEAN****STATEMENT OF CHANGES IN RESERVES****YEAR ENDED DECEMBER 31, 2007**

	Development fund	Administrative assistance development fund	Accumulated (deficit)/surplus	Total
	US\$	US\$	US\$	US\$
Balance at December 31, 2005	45,579	14,837	(7,485)	52,931
Changes in reserves for 2006				
Deficit for year 2006 being total recognised income and expenses	-	-	(4,877)	(4,877)
Balance at December 31, 2006	45,579	14,837	(12,362)	48,054
Changes in reserves for 2007				
Surplus for year 2007 being total recognised income and expenses	-	-	15,067	15,067
Balance at December 31, 2007	45,579	14,837	2,705	63,121

The attached notes on Statement VI form an integral part of these financial statements.



STATEMENT V

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
THE CARIBBEAN
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2007

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Cash flows from operating activities:		
Surplus/(deficit) for the year before tax	15,571	(4,428)
Adjustments for:		
Interest income	(1,765)	(1,788)
Depreciation (Note 5)	654	486
	14,460	(5,730)
Decrease/(increase) in membership dues and other receivables	3,209	(8,204)
Decrease in payables and accruals	(2,075)	(2,046)
(Decrease)/increase in owing to members	(6,229)	6,387
Net cash provided by/(used in) operating activities	9,365	(9,593)
Cash flows from investing activities:		
Purchase of equipment (Note 5)	(689)	(3,611)
Interest received (net of withholding tax) (Note 16c)	1,310	1,303
Net cash provided by/(used in) investing activities	621	(2,308)
Net increase/(decrease) in cash and cash equivalents	9,986	(11,901)
Cash and cash equivalents at beginning of year	44,047	55,948
Cash and cash equivalents at end of year (Note 8)	54,033	44,047

The attached notes on Statement VI form an integral part of these financial statements.

STATEMENT VI

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
THE CARIBBEAN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2007

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 institutes from Non-Caribbean territories:

Members

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

Affiliates

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

The 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.

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

- (i) Amendments to published standards and interpretations effective 1 January 2007 that are relevant to the Institute's operations.

IFRS 7 Financial Instruments: Disclosures. This is mandatory for reporting periods beginning on 1 January 2007 or later. The new Standard replaces and amends disclosure requirements previously set out in *IAS 32 Financial Instruments: Presentation and Disclosures.*

Amendment to IAS 1, Presentation of Financial Statements: Capital Disclosures. The amendment requires an entity to disclose its capital management objectives, policies and procedures.



STATEMENT VI

-Continued-

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF**THE CARIBBEAN****NOTES TO FINANCIAL STATEMENTS****YEAR ENDED DECEMBER 31, 2007****2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS (CONT'D)**

- (i) Amendments to published standards and interpretations effective 1 January 2007 that are relevant to the Institute's operations. (cont'd)

All disclosures relating to financial instruments and capital disclosures, including all comparative information, have been updated to reflect the new requirements.

The first-time application of IFRS 7 and the Amendment to IAS 1 has not resulted in any prior-period adjustments of cash flows, net income or balance sheet line items.

The Institute has assessed the relevance of the other new standards, amendments and interpretations to existing standards which became effective for periods beginning January 1, 2007. Based on the Institute's operations, management has determined that these standards, amendments and interpretations do not impact its financial statements.

- (ii) Standards and Interpretations issued but not yet effective.

At the date of authorisation of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective:

<u>Title</u>	<u>Full title of Standard or Interpretation</u>	<u>Effective for accounting periods beginning on or after</u>
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements And their Interaction	1 January 2008
IFRIC 12	Service Concession Arrangements	1 January 2008
IFRIC 13	Customer Loyalty Programmes	1 July 2008
IFRS 8	Operating Segments	1 January 2009
IAS 1	Presentation of Financial Statements: Disclosures about an enterprise's capital	1 January 2009
IFRS 2	Amendment to IFRS 2 Share-based Payment: Vesting Conditions and Cancellations	1 January 2009
IAS 23	Borrowing costs (Revised)	1 January 2009
IAS 32 and IAS 1	Amendments to Financial Statements: Presentation and IAS 1 Presentation of Financial Statements: Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009
IFRS 3	Business Combinations (Revised 2008)	1 July 2009
IAS 27	Consolidated and Separate Financial Statements	1 July 2009



STATEMENT VI
-Continued-

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF

THE CARIBBEAN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2007

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS (CONT'D)

- (ii) Standards and Interpretations issued but not yet effective.

Based on the Institute's current operations, the directors and management do not expect any material impact on the Institute's financial statements when these Amendments and Interpretations become effective.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

- (a) Basis of preparation

These financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and have been prepared under the historical cost convention. The measurement bases are more fully described in the accounting policies below.

- (b) Critical judgements and sources of estimation uncertainty

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. These estimates and assumptions are continually evaluated and are based on historical experience and management's best knowledge of current events and actions and expectations of future events that are believed to be reasonable at the time such estimates and judgements are made. Actual results may differ from these estimates and assumptions.

There were no critical judgements, apart from those involving estimation, that management has 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 below in policy in Note 3 (c).



STATEMENT VI
-Continued-

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
THE CARIBBEAN
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2007

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Critical judgements and sources of estimation uncertainty (cont'd)

(ii) Taxation

The Institute is required to estimate income tax payable to the Commissioner of Taxpayer Audit and Assessment 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 balance sheet. Deferred tax assets and liabilities are measured using the enacted tax rate at balance sheet date.

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.

(c) Equipment

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

(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 equipment.

(d) 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. The Institute has obtained permission from the Minister of Finance and Planning to prepare and present its financial statements in United States Dollars.

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

(ii) Transactions and balances

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

Equipment	-	Exchange rate ruling at date of transaction.
Current assets and liabilities	-	Exchange rate ruling at balance sheet date.
Income and expenses	-	Exchange rate ruling at transaction date.

Gains or losses due to fluctuations in exchange rates are included in the Income Statement.



STATEMENT VI
-Continued-

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF

THE CARIBBEAN

NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2007

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

(e) 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 balance sheet when it becomes a party to the contractual provisions of the instruments.

The financial instruments carried in the balance sheet are:

Financial assets:

Membership dues and other receivables and cash and cash equivalents;

Financial liabilities:

Payables and accruals and owing to members.

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

(f) Membership dues and other receivables

Membership dues and other receivables are classified as loans and receivables. These are initially recognised at original invoice amount (which represents fair value) and subsequently measured at amortised cost using the effective interest rate less provision for doubtful debts. A provision for doubtful debt is recognised when there is an indication that the debt is impaired.

(g) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, current and savings account balances and highly liquid, short-term deposits with maturity dates of one (1) month, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(h) Payables and accruals

Payables and accruals are classified as financial liabilities. These are initially recognised at original invoice amount (which represents fair value) and subsequently measured at amortised cost.

(i) Owing to members

Owing to members is classified as financial liabilities. These are initially recognised at original invoice amount (which represents fair value) and subsequently measured at amortised cost.



STATEMENT VI

-Continued-

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF**THE CARIBBEAN****NOTES TO FINANCIAL STATEMENTS****YEAR ENDED DECEMBER 31, 2007****3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****(j) Development fund**

Effective 2003, the Institute decided to transfer an amount representing twenty-five percent (25%) of its current year's surplus up to a maximum of \$10,000 per year to a development fund. (Note 9). However, effective December 31, 2006 the directors decided to cease setting aside this amount.

(k) Administrative assistance development fund

Up to December 31, 2005, the Institute reserved an amount equal to fifty percent (50%) of its share of the surplus in excess of US\$5,000 realised from its annual conference. This was to be used to assist small territorial institutes in the development of the accountancy profession in their territories. (Note 10). However, effective December 31, 2006 the directors decided to cease setting aside this amount.

(l) 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.

(m) Income taxes

Income taxes comprise current tax and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at balance sheet date, and any adjustments to tax payable in respect of previous years.

Taxation is calculated under the mutuality principle in respect of income derived from transactions with members. In consequence, only a portion of its income is taxed and also only a portion of its expenses including capital allowances is set off in the income tax computation.

Deferred tax is accounted for using the balance sheet liability method in respect of 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 profit. In principle, deferred tax liabilities are recognised for all taxable differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.



STATEMENT VI
-Continued-

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
THE CARIBBEAN
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2007

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

(n) Impairment of equipment

At balance sheet date, the Institute reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of each asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Institute estimates the recoverable amount of the group of assets to which the asset belongs. The impairment loss is measured as the difference between the recoverable amount of the asset and its carrying amount. Any impairment loss is charged to the Income Statement immediately it arises.

4. **FINANCIAL ASSETS AND LIABILITIES BY CATEGORIES**

(i) Financial assets by categories

The categories of financial assets included in the balance sheet are as follows:

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Loans and receivables (including cash and cash equivalents) (Notes 7 & 8)	64,376	57,620
Total	64,376	57,620

(ii) Financial liabilities by categories

The categories of financial liabilities included in the balance sheet are as follows:

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Financial liabilities measured at amortised cost		
Payables and accruals	10,018	12,093
Owing to members	998	7,227
Total	11,016	19,320



STATEMENT VI
-Continued-

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
THE CARIBBEAN
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2007

5. **EQUIPMENT COMPRISE:**

	<u>Equipment</u> <u>US\$</u>
Gross carrying amount	14,462
Accumulated depreciation	(12,601)
<hr/>	
Carrying amount at December 31, 2005	1,861
<hr/>	
Gross carrying amount	18,074
Accumulated depreciation	(13,088)
<hr/>	
Carrying amount at December 31, 2006	4,986
<hr/>	
Gross carrying amount	18,763
Accumulated depreciation	(13,742)
<hr/>	
Carrying amount at December 31, 2007	5,021

The carrying amounts for equipment for the years included in these financial statements as at December 31, 2007 are reconciled as follows:

	<u>Equipment</u> <u>US\$</u>
Carrying amount at December 31, 2005	1,861
Addition	3,611
Depreciation	(486)
<hr/>	
Carrying amount at December 31, 2006	4,986
Addition	689
Depreciation	(654)
<hr/>	
Carrying amount at December 31, 2007	5,021



STATEMENT VI
-Continued-

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
THE CARIBBEAN**
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2007

6. **DEFERRED TAX (LIABILITY)/ASSET**

Deferred taxes are calculated on all temporary differences under the liability method using a tax rate of 33 $\frac{1}{3}$ %. The movement on the deferred tax account is as follows:

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Balance at beginning of year	215	664
Less: Charge for the year (Note 16b (i))	(410)	(449)
Balance at end of year	(195)	215

Deferred tax balance arose on temporary differences in respect of:

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Deferred tax asset on:		
Unused tax losses	-	147
Equipment	-	90
	-	237
Deferred tax liability on:		
Equipment	(167)	-
Interest receivable	(28)	(22)
	(195)	(22)
Net deferred tax (liability)/asset	(195)	215

7. **MEMBERSHIP DUES AND OTHER RECEIVABLES**

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Due from members:		
Membership dues	6,005	11,771
Seminar and other receivables	167	-
Interest	85	66
Staff loan	-	1,736
Other	4,086	-
Total membership dues and other receivables	10,343	13,573
Prepayment	119	79
Total	10,462	13,652



STATEMENT VI
-Continued-

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
THE CARIBBEAN
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2007**

7. MEMBERSHIP DUES AND OTHER RECEIVABLES (CONT'D)

The amount of US\$NIL (2006 – US\$1,736) reflected as staff loan above, represents amount due from key management personnel. Included in other is an amount of US\$2,756 due from the previous Chief Executive Officer.

All membership dues and other receivables are short-term and the carrying value is considered a reasonable approximation of fair value.

Unimpaired membership dues are past due at reporting date. The age of membership dues past due but not impaired is as follows:

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
More than six (6) months but not more than one (1) year	2,328	8,453
More than one (1) year	3,677	3,300
Total	6,005	11,753

8. CASH AND CASH EQUIVALENTS

	<u>Interest rate</u> <u>% p. a.</u>	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Short-term deposit:			
Pan Caribbean Merchant Bank Limited US\$ Certificate of Deposit	5.0	45,941	42,014
		45,941	42,014
Bank and cash:			
J\$ Current account balance with RBTT Bank Jamaica Limited (J\$73,890 (2006 – J\$69,261))	1 – 2.5	1,038	1,034
US\$ Savings account balance with RBTT Bank Jamaica Limited	2.5	6,959	972
Cash in hand		95	27
		8,092	2,033
Total		54,033	44,047



STATEMENT VI
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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
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YEAR ENDED DECEMBER 31, 2007

9. **DEVELOPMENT FUND**

The above represents net amounts reserved by the Institute to meet costs associated with the development of the accounting profession in the Caribbean. (Note 3(j)).

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Balance at beginning of year	45,579	45,579
Balance at end of year	45,579	45,579

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. (Note 3(k)).

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Balance at beginning of year	14,837	14,837
Balance at end of year	14,837	14,837

11. **PAYABLES AND ACCRUALS**

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Professional fees	5,000	5,000
Statutory payroll liabilities	1,667	3,807
Auditors' honorarium	3,000	3,000
Utilities	322	251
Other	29	35
Total	10,018	12,093

All amounts are short-term and the carrying value is considered a reasonable approximation of fair value.



STATEMENT VI

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF**THE CARIBBEAN****NOTES TO FINANCIAL STATEMENTS****YEAR ENDED DECEMBER 31, 2007**12. **OWING TO MEMBERS**

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Institute of Chartered Accountants of Trinidad and Tobago	-	549
Institute of Chartered Accountants of the Eastern Caribbean	212	1,282
Institute of Chartered Accountants of Barbados	-	4,610
Institute of Chartered Accountants of Belize	786	786
Total	998	7,227

All amounts are short-term and the carrying value is considered a reasonable approximation of fair value.

13. **OTHER INCOME**

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Advertising - newsletter and website	2,330	400
Total	2,330	400

14. **EXPENSES BY NATURE**

Total administrative and other operating expenses:

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Depreciation	654	486
Insurance	207	151
Postage and delivery	665	986
Loss on foreign exchange	682	261
Rent and maintenance	4,369	4,388
Printing and stationery	1,546	3,958
Annual conference and seminars	3,604	16,862
Board meetings and retreats	6,373	1,687
Utilities	3,505	4,256
Travelling and entertainment	3,427	114
Honorarium to auditors	1,000	1,000
Employee benefits (Note 17)	37,235	45,634
Other expenses	2,716	2,277
Total	65,983	82,060



STATEMENT VI
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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
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YEAR ENDED DECEMBER 31, 2007

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

Surplus/(deficit) for the year before tax is stated after charging/(crediting):

	<u>2007</u>	<u>2006</u>
	<u>US\$</u>	<u>US\$</u>
Key management compensation (Note 17)	30,514	35,649
Depreciation	654	486
Honorarium to auditors	1,000	1,000
Loss on foreign exchange	682	261
Interest income	(1,765)	(1,788)
	(1,765)	(1,788)

16. **INCOME TAXES**

- (a) The Institute is limited by guarantee and it is usual for such Institutes to be exempt from income tax under the mutuality principle in respect of income derived from transactions with members. (Note 3(m)). The Institute had applied to the Commissioner of Taxpayer Audit and Assessment to obtain the exempt status. The application was denied on the basis that documents submitted did not clearly specify objects that would satisfy the relevant section of the Income Tax Act.

The Institute is in the process of securing appropriate documentation to submit to the Commissioner of Taxpayer Audit and Assessment to obtain the exempt status. Provision has been made in these financial statements for tax liability under the mutuality principle.

- (b) (i) Income taxes based on non-exempt income adjusted for tax purposes and computed at the tax rate of 33% comprise (Note 16a):

	<u>2007</u>	<u>2006</u>
	<u>US\$</u>	<u>US\$</u>
Current charge	94	-
Deferred tax charge:		
Unused tax losses	-	(35)
Origination and reversal of temporary differences	410	484
	504	449
Income taxes for year (Note 16b (ii))	504	449



STATEMENT VI
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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF
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YEAR ENDED DECEMBER 31, 2007

16. **INCOME TAXES (CONT'D)**

- (b) (ii) Reconciliation of theoretical tax charge to effective tax charge using the tax rate applicable in Jamaica. (Note 3m).

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Surplus/(deficit) for the year before tax	15,571	(4,428)
Tax at 33½%	5,190	-
Tax effect of expenses not deductible for tax purposes	20,901	28,607
Tax effect of exempt income	(25,826)	(26,288)
Tax effect of tax losses utilised	(147)	-
Tax effect of other allowances	386	(1,870)
Income taxes for the year (Note 16b (i))	504	449

- (c) During the year the Institute suffered withholding tax at source of US\$436 (2006 – US\$435) on interest income earned on its short-term fixed deposit.

17. **EMPLOYEE BENEFITS**

Employee benefits comprise:

	<u>2007</u> <u>US\$</u>	<u>2006</u> <u>US\$</u>
Salaries - current year	36,152	41,117
- prior years	(3,123)	-
Medical and other benefits	4,206	4,462
Training and development	-	55
Total	37,235	45,634

Included in staff costs is key management compensation amounting to US\$30,514 (2006 – US\$35,649). (Note 15). During the year the Chief Executive Officer resigned effective October 31, 2007. The amount of US\$3,123 represents statutory payroll liabilities over accrued in prior years.

18. **RELATED PARTY TRANSACTIONS**

An amount of US\$2,756 was due from a key management personnel at the end of the year. (Note 7).

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 in providing such services.



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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF**THE CARIBBEAN****NOTES TO FINANCIAL STATEMENTS****YEAR ENDED DECEMBER 31, 2007****19. RISK MANAGEMENT POLICIES**

The Institute's activities expose it to a variety of financial risks in respect of its financial instruments: market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Institute seeks to manage these risks by close monitoring of each class of its financial instruments as follows:

(a) Market risk**(i) Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Institute is exposed to currency risk due to fluctuations in exchange rates on balances that are denominated in currencies other than the United States Dollar. For transactions denominated in Jamaican dollars (J\$) the Institute however, maintains a J\$ bank account in an attempt to minimise this risk.

At balance sheet date there were net liabilities of approximately J\$64,895 (2006 - J\$206,884) which were subject to foreign exchange rate changes as follows:

Concentrations of currency risk

	<u>2007</u> J\$	<u>2006</u> J\$
Financial assets		
- Cash and cash equivalents	73,890	69,261
Financial liabilities		
- Payables and accruals	(138,785)	(276,145)
Total	(64,895)	(206,884)

The above assets/liabilities are receivable/payable in Jamaican dollars (J\$). The exchange rate applicable at balance sheet date is J\$71.19 to US\$1 (2006 - J\$67.01 to US\$1).

Foreign currency sensitivity

Due to the nature and size of the Institute's operations and the very short-term nature of balances denominated in Jamaican Dollars there is no material impact on the results of the Institute's operations as a result of changes in foreign currency rates.



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19. **RISK MANAGEMENT POLICIES (CONT'D)**

(b) Market risk (cont'd)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Institute's cash and cash equivalents are subject to interest rate risk. However, the Institute attempts to manage this risk by monitoring its interest-bearing instruments closely and procuring the most advantageous rates under contracts with interest rates that are fixed for the life of the contract, where possible.

The Institute invests excess cash in short-term deposits and maintains interest-earning bank accounts with licensed financial institutions. Short-term deposits are invested for one-month periods at fixed interest rates and are not affected by fluctuations in market interest rates up to the date of maturity. Interest rates on interest-earning bank accounts are not fixed but are subject to fluctuations based on prevailing market rates. (Note 8).

Interest rate sensitivity

Due to the fact that interest rate on the Institute's fixed deposit is fixed up to maturity and interest earned from the Institute's interest-earning bank accounts is immaterial, there would be no material impact on the results of the Institute's operations as a result of fluctuations in interest rates.

(iii) Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Institute's financial instruments are substantially independent of changes in market prices as they are short-term in nature.

(b) Credit risk

The Institute faces credit risk in respect of its receivables and cash and cash equivalents. However, this risk is controlled by close monitoring of these assets by the Institute. In addition, cash and cash equivalents are maintained with licensed financial institutions considered to be stable. The maximum credit risk faced by the Institute is the total of these balances reflected in the financial statements.

(c) Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in meeting its commitments associated with financial liabilities.

The Institute manages its liquidity risk by carefully monitoring its cash outflow needs for day-to-day business and maintaining an appropriate level of resources in liquid or near liquid form to meet its needs. The Institute maintains cash and short-term deposits for up to 30-day periods to meet its liquidity requirements.

The Institute's financial liabilities comprise payable and accruals and owing to members. These amounts, because of their short-term nature are due within three (3) months after balance sheet date.



STATEMENT VI

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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF

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NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2007

20. **CAPITAL MANAGEMENT**

The Institute considers its capital to be its accumulated surplus and its funds. The Board of Directors' financial objective is to generate a targeted operating surplus, in order to strengthen the balance sheet and provide for the future continuity of the Institute, taking into account the various competitive risks. The Institute's Principal Officers review the financial position of the Institute at regular Principal Officers' meeting held.

The Institute is not subject to externally imposed capital requirements.



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ICAC

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