



PRESIDENT'S MESSAGE



Angela Lee Loy
ICAC President

I welcome you to this our first ICAC Newsletter publication for 2008 and I take this opportunity to extend to you best wishes for the rest of this year.

This year, we anticipate great opportunities for the ICAC, both regionally and internationally; as well as the advancement of ICAC's projects and activities, primarily:

- Finalizing contractual arrangements for the implementation of our regional practice monitoring programme which will commence initially in Trinidad & Tobago, Barbados and Guyana.
- Finalizing institutional arrangements for the ICAC/IADB initiative to improve the implementation of International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISA) within some of our member territories, namely, Bahamas, Guyana, Belize and Barbados.
- Advancing discussions with territorial institutes with a view to resolving the issue of residency/non-residency requirements for membership to facilitate the free movement of accountancy professionals within the region in preparation for the Caribbean Single Market and Economy (CSME).

- Ensuring the success of the ICAC's premier event, the annual Caribbean Conference of Accountants, which will be held this year in Trinidad & Tobago from June 26-28.

- Increasing the membership as well as the regional presence of ICAC.

- Promoting global professional standards among member institutes within the region and ensuring compliance with international accounting and auditing standards.

- Providing additional training opportunities for our members through our e-learning courses which are being offered in collaboration with KESDEE Inc.

- Redeveloping the ICAC's website to provide a state-of-the-art facility which will serve as an information tool for members and other users.

These were the main issues on the agenda at our Fiftieth Board of Directors meeting held on February 9 in Trinidad. At the meeting, we also welcomed on board our new Chief Executive Officer, Ms. Misha Lobban, who will be responsible for assisting with efforts to enhance the profile and influence of the ICAC in the region and to play a cohesive role in establishing effective communication linkages among member institutes. We also said farewell to

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Affiliate Director of the Institute of Chartered Accountants in England and Wales, Mr. Ashley Clarke, who will be relocating to a new region to carry out his professional duties. We wish him success in his new endeavour and thank him for his contribution to the ICAC.

Arrangements for the ICAC/ACCA regional monitoring programme are now being finalised and contracts for the commencement of the programme in the participating territories will be officially signed in June. The ICAC is happy to be working in collaboration with ACCA, which has over 15 years experience in the monitoring of its members worldwide, on this regional initiative. The programme will involve review and assessment of practitioners and firms within member territories to ensure that they are complying with internationally acceptable rules and standards. It is also in keeping with our commitment to fulfil IFAC's requirements for member countries worldwide to maintain an efficient quality assurance review system.

As part of our efforts to increase the regional presence of the ICAC, we have had discussions with the Inter-American Association of Accountants (IAA) with a view to gaining observer membership status in that body, which has an estimated 35 member-associations throughout North and South America.

I am pleased to announce that ICAC was granted observer status in December 2007 and we look forward to building a mutually beneficial partnership with the IAA. Towards this end, an ICAC representative will be participating in the IAA's Executive Committee and President of Member Bodies Meetings in March.

Plans for the ICAC's 26th Annual Caribbean Conference of Accountants being hosted by the Institute of Chartered Accountants of Trinidad & Tobago (ICATT) under the theme, "*Beyond the Wall*", are progressing. This year's conference which takes place from from June 26-28, promises to be very exciting. In addition, to the stimulating topics to be addressed during the technical sessions, there

is an exciting package of leisure activities that will expose both delegates and spouses to the famous "Trini" hospitality and the breathtaking beauty of our island.

Further details on the conference can be found on page 3 of this issue of our newsletter. We look forward to the usual strong participation of delegates and spouses from our member territories as well as our associates in the USA, UK and Canada.

In closing, I wish to thank the staff of the ICAC Secretariat, Directors and our Affiliates and other stakeholders for their support during 2007 and look forward to your continued contribution towards advancing the goals and activities of the Institute.

Best regards.

Angela Lee Loy
President



ACCA PEOPLE SPEAK 3 LANGUAGES FLUENTLY: AUDIT, CORPORATE + PUBLIC.



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The Institute of Chartered Accountants of the Caribbean 26th Annual Caribbean Conference

June 26-28, 2008

ICAC's 26th Annual Caribbean Conference of Accountants will be held in Trinidad and Tobago over the period June 26 – 28, 2008 under the theme, "Beyond the Wall". The conference is being hosted by the Institute of Chartered Accountants of Trinidad and Tobago (ICATT) and will be held at the new Hyatt Regency Hotel, Trinidad.

Welcome Remarks during the official opening ceremony will be delivered by Angela Lee Loy, President ICAC, and Sean Ramirez, President ICATT. Other speakers include Fermin del Valle, President of IFAC, Richard Aitken-Davies, President of ACCA, Ron Colucci, Chair of CGA, Canada. The Keynote Address entitled, *Beyond the Wall* will be delivered by the Hon. Patrick Manning Prime Minister of the Republic of Trinidad and Tobago.

Conference rates are as follows:

Early bird registration deadline: April 11, 2008
Early bird rates: Delegates – US\$450
Spouses – US\$250

Regular registration deadline: May 15, 2008
Registration Fee: Delegates – US\$500
Spouses – US\$300

Hotel Accommodation – US\$156 per person (single and double occupancy) plus taxes and service charges of 21%

The conference's technical sessions will focus on regional and international issues affecting the accountancy profession. Topics include:

- On The Wall: Is The Global Accounting Profession Really Making Strides?
- International Financial Reporting – What Does It Mean to Caribbean Businesses?
- Power Panel Discussion: CSME – Benefits and Challenges for Caribbean Economies.
- Quality Assurance Management – Impact on Stakeholders.
- Power Panel Discussion: Financial Services in the Caribbean – Consolidation and Foreign Ownership.
- Power Panel Discussion: Improving Performance and Operational Efficiency in the Regional Energy Sector.
- Power Panel Discussion: Caribbean Perspectives on Business.

The Conference Planning Committee is arranging an exciting package of leisure activities to expose delegates and spouses to the famous 'Trini' hospitality and the breathtaking beauty of the island.

Board of Directors Meeting Brief



The Secretariat's 50th Board of Directors meeting was held at the Hyatt Regency Hotel, Trinidad - the venue of the 26th Annual Caribbean Conference of Accountants to be held from June 26 to June 28. Discussions at the meeting related to:

- Updates from territorial institutes initially slated to participate in the ICAC/ACCA Practice Monitoring programme, namely, the Institutes of Chartered Accountants of Trinidad & Tobago, Barbados and Guyana. The programme will be implemented, thereafter, in other ICAC member territories, such as Jamaica, Bahamas, Belize and the Eastern Caribbean. Contracts for the commencement of the programme in the participating territories are expected to be signed in June.

- Updates on the proposed ICAC/IADB regional initiative to improve the implementation of International Financial Reporting Standards (IFRS) and International Standards on Auditing (ISA). The ICAC will act as the executing agency for the regional component of the project. The participating institutes, Bahamas, Barbados, Belize, and Guyana, will have responsibility for implementing the relevant components of the

project.

- The issue of residency/non-residency requirements for membership within some ICAC member territories. As stated in the bye-laws of some ICAC member institutes, an accounting professional has to be resident in a particular territory to be granted membership in the respective accounting institute. It is being recommended that, where necessary, bye-laws be amended to reflect a reciprocal arrangement, whereby once a professional is in good standing with his/her home institute, a reference letter is dispatched to the host institute advising the individual's status to facilitate membership.

- The redesign of the ICAC website by ACCA which commenced in 2007 and is expected to be completed by mid-2008. The redeveloped website will be used as an informational tool and as a vehicle to promote the activities of the ICAC. It will also be used to facilitate e-learning courses being offered by ICAC in collaboration with KESDEE Inc., a US -based e-learning solutions company.

Benefits of ICAC Membership

ICAC membership affords the following benefits:

- The opportunity to serve on various Regional Committees of the ICAC, thereby, making an input in the growth and development of the regional accountancy profession.
 - Professional growth and development through the regional practice monitoring programme being implemented by the ICAC to enhance the regulatory capacity of the profession in the region.
 - Advantage of mobility within CARICOM under the protocol II arrangement, which provides for the free movement of persons throughout the Caribbean community.
 - The opportunity to provide leadership on emerging issues as they affect the accountancy profession in the region.
- Preferential rates for the ICAC's Annual Caribbean Conference of Accountants as well as seminars held jointly with territorial institutes or affiliates (Association of Chartered Certified Accountants; Certified General Accountants Association of Canada; Institute of Chartered Accountants in England and Wales).



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



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HISTORICAL



Tidbit

The Institute of Chartered Accountants of the Caribbean was formally established under the Laws of Jamaica and incorporated as a Company in October 1988, bringing together Accountants of the English-speaking Caribbean.

Articles of Association on Friday, October 28, 1988 was held at King's House in the presence of Jamaica's Governor General, Sir Florizel Glasspole and was attended by the Presidents of the seven founding Institutes - Bahamas, Barbados, Belize, Guyana, Jamaica, St. Lucia and Trinidad & Tobago - among other persons.

The historic ceremony for the signing of the Memorandum and

The Need for Auditor Independence for Effective Corporate Governance

Originally contributed by Leighton McKnight

for the ICAJ Current Affairs Feature, "Everybody's Business: ICAJ's Perspective"



Leighton McKnight

Internal auditing is defined by the Institute of Internal Auditors as an **independent**, objective assurance and consulting activity, designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance

processes.

External auditing involves the **independent** examination of financial statements prepared based on generally accepted accounting frameworks and the expression of audit opinions thereon, in accordance with generally accepted auditing standards. The external audit process is an independent check with the aim of adding credibility to financial reporting for the benefit of stakeholders

Independence is, therefore, a fundamental ingredient for the effectiveness of both the internal and external audit processes, thus, facilitating good corporate governance. Having auditors that are not independent is inherently contradictory, as the audit process is firmly predicated on independence.

An effective corporate governance system **must, therefore, have safeguards to protect the independence of auditors.** At a minimum, the auditors should issue reports within a framework that safeguards independence. Audit activity should be free from interference in determining the scope of auditing, performing work and communicating results. Auditors (both internal and external) should report to a level of authority within the organization that allows the audit activity to fulfill its responsibilities by having an impartial, unbiased attitude, void of conflicts of interests

To facilitate independence, auditors should be required to report to an Audit Committee, constituted in accordance with international best practice. This Committee:

- must be a sub-committee of the Board of Directors and be responsible for the oversight of financial reporting and internal control matters
- must be comprised of independent directors who are not a part of management
- must have the requisite expertise, especially, financial
- must have a proper charter (terms of reference)
- must approve plans, fees and services provided by the auditors and otherwise closely monitor relationships with them

• must meet regularly, act on recommendations and meet with auditors in sessions excluding management

Whilst the corporate reporting framework ought to promote audit independence, it is also incumbent on auditors to ensure that their duties are performed independently and free from conflicts of interests. To attain audit independence, the auditor must "be independent of any self-interest which might warp his/her judgment even subconsciously in reporting on financial positions, performance, internal control systems or financial management practices." Independence in this context means objectivity, or lack of bias, in forming delicate judgments.

Audit professionals are bound by codes of ethics, requiring them to be independent in carrying out their duties. The codes of ethics for the members of the Institute of Internal Auditors, the International Federation of Accountants and the

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ICAC Partners with KESDEE to Offer CPE E-Learning Courses

Today, professionals are faced with a need for current updates, knowledge, skills and accreditations/certifications to progress in the accounting and financial services industry. The ICAC, in recognition of its role to educate and provide training opportunities for its members, has entered into a partnership agreement with KESDEE Inc., a US-based e-learning solutions company, to provide online Continuing Professional Education (CPE) courses to its members.

The ICAC/KESDEE's e-learning solutions serve to broaden the scope of CPE activities available to members in the region. The programme offers CPE credits to accounting/finance professionals by enabling them to enhance their knowledge and skills in various topics. The programmes cover an extensive range of subjects at various levels to accommodate members' needs. Interactive simulations represent a major part of the material. These

simulations incorporate specific "Learn-By-Doing" interactions that prepare the learner for real-life situations. The courses are also interspersed with practice exercises and quizzes to enhance learning and retention and to help apply the knowledge of theoretical concepts. To further enhance your learning experience, the programme has incorporated several engaging graphics and useful calculators that provide an opportunity to explore calculations for several key concepts in particular courses.

Links are created to additional web-based resources relevant to course topics. Additionally there is comprehensive 24/7 Technical Support to facilitate the use of the e-learning program.

For more information on ICAC-KESDEE CPE package e-Learning courses please go to www.icac.org.jm or www.kesdee.com.

The Need for Auditor IndependenceCont'd.



Institute of Chartered Accountants of Jamaica (ICAJ) all require this.

Audit independence, in this context, does not denote an absolute standard that professionals must attain. It does not necessarily mean that an auditor exercising professional judgment ought to be free from all economic, financial, and other relationships that appear to entail dependence of any kind. This is manifestly impossible, as every member of society has some degree of dependency and relationship with each other. The significance of the relationship, which may be of concern, should be evaluated on the basis of what would be deemed unacceptable by an objective third party.

Independence, in accordance with the codes of ethics of internationally acclaimed professional associations, including ICAJ, requires the qualities of objectivity and integrity by auditors in the performance of their duties to be truly effective. Objectivity is the intellectual quality of freedom from bias; integrity is the moral quality of honesty. Both qualities relate to independence of mind.

- **Integrity** - The integrity of auditors establishes trust and, thus, provides the basis for reliance on their judgment.
- **Objectivity** - Auditors must exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Auditors must make a balanced assessment of all the relevant circumstances and should not be unduly influenced by their own interests or by others in forming judgments.

Auditors should not participate in any activity or relationship that may impair, or be presumed to impair, their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organization. Auditors should not accept favors or anything that may impair, or be presumed to impair, their professional judgment. Independence can be undermined, if auditors have personal or other business relationships with management/personnel of the audited entity who:

- decide on the auditors' employment, including promotion, hiring or appointment and dismissal
- decide on the auditors' remuneration, inclusive of salary and

- bonus, or fees
- decide on the scope and detailed nature of audit work, including reporting
- Personal or business relationships of auditors which may undermine independence in auditing an entity includes where:
 - a spouse, co-habitant, children or dependent relatives of the auditor is part of management of the entity being audited
 - a business partner or other close business relationship is part of management
 - the auditor has shares or other financial interest in the audited entity (directly or indirectly), including loans or guarantees (ironically, the present Jamaican Companies Act does not prohibit this)
 - the auditor becomes too familiar with management, due to an inordinately long time on audit assignment
 - the auditor is a current or former director of the audited entity
 - the auditor is a former employee of the audited entity


Provision of other services by the auditors such as valuation, actuarial, legal, IT, accounting and book keeping services can also at times undermine auditor independence. In good corporate governance systems, such services must be approved by the Audit Committee, after careful consideration to ensure audit independence is not threatened. Such governance systems are also geared to satisfactorily address other threats to auditor independence such as where:

- auditors are given gifts and/or discounts by auditees
- audit fees are paid on a contingent basis or are overdue
- auditors are not professionally competent to do their jobs
- auditors feel threatened or is threatened by any situation, including non- reappointment or dismissal
- there is undue dependence on fees from auditee
- auditors are pressured to reduce audit work and fees by various mechanisms

Corporate failures in the USA such as Enron and WorldCom have made stakeholders demand much more rigid corporate governance



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Quote


Good character is more to be praised than outstanding talent. Most talents are, to some extent, a gift. Good character, by contrast, is not given to us. We have to build it, piece by piece -- by thought, choice, courage, and determination.

H. Jackson Brown, New York Times bestselling author

Congratulations to:


 Miss Misha Lobban on her appointment as Chief Executive Officer of the Institute of Chartered Accountants of the Caribbean. The appointment took effect February 1, 2008.

Miss Lobban is a qualified public relations practitioner with over 14 years experience in PR management, marketing, media relations and promotions. Prior to joining the ICAC she worked with the Institute of Chartered Accountants of Jamaica (a member body of the ICAC) for the past six years in the capacity of Public Relations Officer. In this role, she was responsible for the management and promotion of the ICAJ with a membership of over 800. She also acted as Executive Director for that body annually.

 Bahamian Chartered Accountant, John S. Bain, who was named by the Association of Chartered Certified Accountants (ACCA) as winner of the 2007 ACCA Achievement Award for the Americas. The ACCA Achievement Awards recognize individuals who have made an outstanding contribution to developing the accounting and finance profession. The awards are based on merit and are given to individuals whose contribution deserves global recognition and whose efforts reflect ACCA's core values of accountability, diversity, innovation, integrity and opportunity.

Achievement Award winners are selected annually (since 2006) from each of the following regions: Africa and the Middle East, Asia, Europe and the Americas. The Americas include North and South America, Central America, Latin America and the Caribbean. John Bain was named the winner for the Americas for 2007. The award was presented at the International Federation of Accountants (IFAC) 30th Anniversary Celebrations held at the Foundling Museum in London on Thursday, November 22,

2007. The award celebrations and names of the other winners are posted on the ACCA's website, www.acca.co.uk.

 The Certified General Accountants Association of Canada (CGA-Canada) and its provincial and territorial affiliates on the celebration of its 100th Anniversary this year. The association's 100th anniversary celebration will be launched with a search for 100 CGA members who have made a difference. According to CGA-Canada's President and CEO, Anthony Ariganello, "We could think of no better way to celebrate our first 100 years than to honour 100 of our members who are exemplary citizens, who have given greatly of themselves to their communities and others."

Best Wishes



The Board and staff of ICAC wish to express sincere gratitude to Mr. Ashley Clarke, former Affiliate Director of the Institute of Chartered Accountants in England and Wales for his contribution to the development of the institute during his tenure over the period 2006-2008.

ICAC extends best wishes to you in your future endeavors

The Need for Auditor IndependenceCont'd.



systems, including tighter independence rules for auditors. This created the very demanding Sarbanes Oxley requirements and has increased the scope of audits (both internal and external) significantly in recent times.

To attain world-class standards in corporate governance, Jamaican entities must, therefore, implement and maintain governance systems that focus heavily on safeguarding auditor independence - both internal and external, for effectiveness.

Both private and public sectors should embrace these systems. They are currently being promoted by the Private Sector Organization of Jamaica (PSOJ) through its corporate governance framework, circulated to members, and they are required for Government of Jamaica-owned entities through the Financial Administration and Audit Act and the Public Bodies Management Accountability Act.

Mr. Leighton McKnight is the immediate Past President of the Institute of Chartered Accountants of Jamaica (ICAJ) and an Audit Partner in the firm of PricewaterhouseCoopers (Jamaica). He also serves as Chairman of the Government of Jamaica Audit Commission. Mr. McKnight is currently the Secretary of the Institute of Chartered Accountants of the Caribbean (ICAC).



The Institute of Chartered Accountants of Belize

- The annual general meeting of the institute is scheduled for March 28, 2008
- ICAB has implemented a new fee structure to make provi-

sion for the cost of participation by the institute's representatives in meetings averseas.

The Institute of Chartered Accountants of Guyana

- The institute will host its Annual General Meeting on March 31, 2008, where current officers will be eligible for re-election.



The Institute of Chartered Accountants of Jamaica

Annual Awards Dinner

The ICAJ's Annual Awards Dinner was held on Thursday, December 6, 2007 at the Jamaica Pegasus Hotel. The major highlight of the event was the presentation of the 2007 ICAJ Distinguished Member Award.

The 2007 Award was presented to Past President and Chairman of the Investigations Committee, Kenneth Lewis, CD, FCA, FCCA. Mr. Lewis along with two other Past Presidents, Eric Crawford and Raphael Gordon, were the nominees for this year's award.

The longest serving Chairman of the Investigations Committee, Mr. Lewis was awarded the National Honour – the Order of Distinction, in the rank of Commander, for his outstanding contribution to the field of Accountancy in 2006.

Currently, the Senior Partner of Mair Russell Grant Thornton, he served as President of the ICAJ during the period 1983-1985 and has served the Institute in a number of capacities including, Chairman of the ICAJ's Accounting Standards, Audit Practice and Taxation Committees. He is also a member of the Public Accountancy Board. He was appointed Chairman of the Parliament Integrity of Members Commission in April 2004 and continues to serve in this capacity.

Other highlights of the dinner included the presentation of membership pins and certificates to new members admitted to ICAJ between December 2006 and November 2007, and the presentation of plaques to retired ICAJ members in recognition of their long and invaluable service to the Institute.

ICAJ/IDB Project Update

In September and October 2007, a team of ACCA consultants, Sha Ali Khan, Bruce Eastman, Prajesh Damani, Rob Mukherjee and Brenda Lee Tang, conducted reviews; held meetings and interviews with ICAJ Council and practising members, financial sector regulators and other stakeholders; and carried out an International Standard on Quality Control No. 1 (ISQC 1) review

at a small audit firm.

Among other things, the consultants were required to:

- evaluate the capacity of the regulatory framework for the Accountancy profession;
- compare and evaluate the investigations and disciplinary processes with IFAC's Statements of Membership Obligations, and design and implement a scheme for the Institute to meet the stated requirements;
- assess the compliance review system and develop policies and procedures to enhance the conduct of reviews;

Based on their activities with respect to the items (i) and (ii), the consultants have formulated recommendations that are being evaluated by ICAJ's Council and the Public Accountancy Board.

43rd Anniversary Church Services

ICAJ commemorated its 43rd anniversary with two church services; one was held in Kingston on January 13, 2008 at Grace Missionary Church and the other was held in Montego Bay on January 20, 2008 at the St. John's Methodist Church. Monetary contributions were presented to each church to assist with their outreach projects.

Continuing Professional Education Seminars

A two-day workshop on International Financial Reporting Standards was held on January 18 & 19, 2008. The workshop focused on major aspects and issues of IFRS 7: Financial Instruments - Disclosures and other selected standards.

The main presenter was Patricia Doran Walters, Ph.D., CFA, Visiting Associate Professor of Accounting at Fordham University and Member of IASB and the Canadian Accounting Standards Board, who was assisted by a team of local IFRS experts.

Upcoming Events:

- March 19, 2008 - Accountants' Forum

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ICAJ Update Cont'd.....

- July 30, 2008 - 43rd Annual General Meeting
- August 27, 2008 - ICAJ/ACCA Joint CAT Gradua-

tion Ceremony

- October 25, 2008 -ICAJ/ACCA Joint Graduation Ceremony for ACCA Professional students

The Institute of Chartered Accountants of Trinidad and Tobago

The institute will be hosting ICAC's 26th Annual Conference of Accountants at the Hyatt Regency Hotel from June 26-28, 2008. Additional information is available in this issue of the Newsletter

on page 3 under "Conference 2008 Update" or visit www.icatt.org.

The Art of Good Negotiation



For too many business people the idea of negotiating or haggling for a better deal is at best a waste of time and at worst as pleasant as root canal surgery.

Yet, the art of good negotiation can earn companies thousands of dollars extra through savings in goods or services, which are being bought, and can lead to increased sales and to a better price for seller.

As with everything, the key to good negotiation is down to three things; preparation, preparation and preparation. This counts not just in buying and selling situations, but in negotiations over pay increases, or bids for increased budget for your section or department.

You may not want to view negotiations as hostile but if you've ever seen the film, 'Wall Street' with 'greed is good' advocate Gordon Gecko, you'll know he regularly quoted from the oldest military treatise in the world, The Art of War, written in the 6th century BC by a Chinese general called Sun Tzu. And there is a useful message in his writings for negotiators.

"If you know the enemy and know yourself, you need not fear the result of a hundred battles. If you know yourself but not the enemy, for every victory gained you will also suffer a defeat. If you know neither the enemy nor yourself, you will succumb in every battle," he wrote.

Before any discussions you need to be clear about your aims and your fall back position. Know what price you want to aim for, and also be clear about your minimum acceptable price, one which allows your business to be sustainable, and for you to pay your bills.

It's advisable to write down your strategy in advance. It is also critical that you establish in advance of any face-to-face talks exactly which points are up for negotiation. This should prevent new issues being introduced by the other side just as you are poised to sign the contract. Even if they do come up with "11th hour" issues as a tactic to wring more concessions from you, deal with them calmly and don't be panicked into giving away more than you intended.

You also need to play 'devil's advocate' in advance of negotiations and ask a number of searching questions, such as:

What will the other side look for: as the seller you might want to think about what price might make it attractive for your potential customers to place more orders? Are you the only supplier of these goods or services or what are the alternatives, and could the competition be cheaper or provide added value? How urgent is their need for your commodity?

As the buyer, make it your business to find out about who is pitching to you. Do you know how full their order book is? How keen are they to have you as customers that they can boast about? What's their reputation among your competitors and do you have any sense of concessions which might have been given elsewhere? (People often can't resist sharing the great deals they have done at business conventions).

It's key that you try, if possible, to build a good relationship with those you are negotiating with in advance. If someone wants to do business with you, achieving a mutually acceptable deal is likely to be more straightforward.

At the very least, from whichever side you approach the negotiation, getting a sense of the other negotiating position and its potential strengths and weaknesses is one of the most powerful weapons you can have in business.

It's said that there's no such thing as a free lunch. Take that view into negotiations. If you make a concession there must be something given in return. You need to try and create a situation where getting to "yes" in talks will mean that both sides feel they have 'won'. Of course, if concessions are freely offered to you, accept them with good grace and make your offers only when necessary.

When it comes to tactics, there are a number of do's and don'ts for both sides....

If you are selling goods or services never make concessions at the outset. Easily won price reductions may suggest that you are charging too much for your products in the first place. You cannot raise prices from a weak position but by starting tough – "this is a good product which deserves to sell for this price" – you can make necessary concessions to keep negotiations moving.

If you have done your homework you'll know how much the product is wanted or needed by potential buyers, which enables you to more easily put a value on it.

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As a buyer you should never accept a first offer. Making a low opening bid in response will lower the seller's estimate of what they can achieve from you. You should ask for discounts for bulk purchases or for guaranteed fast

payment. Cash flow is critical to all businesses, particularly, smaller entities.

On a personal level, and in the midst of the negotiation, there are a number of dos and don'ts to remember.

Don't be afraid of gaps in conversations. If there are silences, let the other side fill them. The chances are they will be made so uncomfortable that they'll make a concessionary offer to get talks moving again.

Do set a timeframe for the talks and stick to it but allow yourself the luxury of additional time to cover any last minute issues.

Do try to ensure that the other side will have invested time and money leading up to your talks.

It will make it that much harder for them to walk away without striking a deal.

Do listen to what is actually being said.

Don't lose your temper, remain calm throughout. Any show of emotion will weaken your position.

When you think you've reached the deal you want, say what you think the key issues are, with both sides agreeing on the outcomes. Shake hands on the deal and then get the agreement in writing – even if it is with a good friend. Then look forward to your new enhanced deal, and to more negotiations.

For more information please contact:

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International Federation of Accountants' Update

• *IFAC Seeks Nominations for Deputy President and 2009 Board and Committee Members*

The International Federation of Accountants (IFAC), the global organization for the accountancy profession, is seeking nominations for the position of IFAC Deputy President and for members of its boards and committees for 2009, including three public member positions. IFAC member bodies, and in some instances members of the Forum of Firms and members of the public, may nominate candidates by April 15, 2008. The IFAC Deputy President and all members of IFAC's boards and committees are expected to act in the public interest and must sign a declaration committing to act with integrity and in the public interest in their role within IFAC.

Member bodies are also invited to nominate qualified candidates for open positions on the following IFAC boards and committees for terms commencing January 1, 2009:

- Φ IFAC Board;
- Φ International Auditing and Assurance Standards Board;
- Φ International Accounting Education Standards Board;
- Φ International Ethics Standards Board for Accountants;
- Φ International Public Sector Accounting Standards Board;
- Φ Compliance Advisory Panel;
- Φ Developing Nations Committee;
- Φ Professional Accountants in Business Committee;
- Φ Small and Medium Practices Committee; and
- Φ Nominating Committee.

• *IAASB Issues New Auditing Standard on Accounting Estimates and Fair Values; Establishes Task Force to Develop Guidance*

New requirements designed to enhance the rigor applied to auditing accounting estimates, including fair value accounting

estimates, were released today by the International Auditing and Assurance Standards Board (IAASB), an independent standard-setting board under the auspices of the International Federation of Accountants (IFAC). International Standard on Auditing (ISA) 540 (Revised and Redrafted), Auditing Accounting Estimates, including Fair Value Accounting Estimates, and Related Disclosures, requires the auditor to focus attention on areas of higher risk, accounting judgment, and possible bias, thereby assisting the auditor to form appropriate conclusions about the reasonableness of estimates in the context of an entity's financial reporting framework.

Further Information

For more information on IFAC and its committees and standard-setting boards, visit its website at <http://www.ifac.org>.

All IFAC standards and guidance can be downloaded free-of-charge from the IFAC online bookstore: <http://www.ifac.org/store>.

• *IFAC'S International Public Sector Accounting Standards Board Advances Convergence Strategy*

The International Public Sector Accounting Standards Board (IPSASB), an independent standard-setting board within the International Federation of Accountants (IFAC), has issued two new standards to further convergence with International Financial Reporting Standards (IFRSs) developed by the International Accounting Standards Board (IASB). The two standards - International Public Sector Accounting Standard (IPSAS) 25, Employee Benefits and IPSAS 26, Impairment of Cash-Generating Assets - will improve the consistency and transparency of financial reporting by public sector entities. They can be downloaded free-of-charge from the IFAC online bookstore (<http://www.ifac.org/store>).

ICAC Regional Calendar of Events

Date	Event
March	
March, 2008	Accountant's Forum
March, 2008	UWI Career Expo 2008
March 22, 2008	CPE Seminar - Information Technology
March 27, 2008	37th Annual General Meeting
April	
April, 2008	Media Appreciation Reception / ACCA / ICATT CAT Graduation
April 19 or 26, 2008	CPE Seminar on Taxation
May	
May, 2008	Tax Workshop / Joint ACCA / ICATT Seminar (TBA)
May 24, 2008	CPE Seminar
June	
June 2-6, 2008	ACCA / ICATT Examinations
June 8-11, 2008	ACCA / ICATT Examinations
June, 2008	Annual Report 2006-2007
June, 2008	CHOICES Career and Education Expo
June 26-28, 2008	26th Caribbean Conference of Accountants
July	
July, 2008	Members' Lyme
July 19, 2008	CPE Seminar - Human Resource Management
July 30, 2008	43rd Annual General Meeting
August	
August 27, 2008	CAT Graduation Ceremony & Cocktail Reception
*August, 2008	CPE Seminar
NOTE:	
* Dates - scheduled for these events are projected & are subject to change	
KEY	
<i>Institute of Chartered Accountants of Jamaica (ICAJ)---Light Blue</i>	
<i>Institute of Chartered Accountants of Trinidad and Tobago (ICATT)---Yellow.</i>	
Additional workshops are being planned for Trinidad	



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