

# Caribbean Export Development Agency

11<sup>th</sup> EDF Regional Private Sector Development Programme– European Union Funds

Financial Statements

For the period ended 31 January 2018

(Expressed in Euros)

**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme – European Union Funds**

Financial Statements  
For the period ended 31 January 2018

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## **INDEPENDENT AUDITORS' REPORT**

### **To the Directors of Caribbean Export Development Agency**

#### **Report on the Audit of the Financial Statements of 11<sup>th</sup> EDF –Regional Private Sector Development Programme**

##### **Opinion**

We have audited the accompanying financial statements of Caribbean Export Development Agency 11<sup>th</sup> EDF –Regional Private Sector Development Programme, which comprise the Statement of Financial Position as at 31 January 2018 and the statements of comprehensive income and cash flows for the period 1 January 2017 to 31 January 2018 and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Caribbean Export Development Agency 11<sup>th</sup> EDF –Regional Private Sector Development Programme as at 31 January 2018 and its financial performance and its cash flows for the period then ended then ended in accordance with the basis of accounting as described in Note 2.

##### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Agency in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (“IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We have fulfilled the responsibilities described in the *Auditor’s Responsibilities for the Audit of the Financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

##### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements, which have been prepared in accordance with the Financial Rules and Regulations of the Agency, as described in Note 2, and for such internal control as the management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Agency’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Agency or to cease operations, or has no realistic alternative but to do so.

## **INDEPENDENT AUDITORS' REPORT (CONT'D)**

### **To the Directors of Caribbean Export Development Agency**

#### **Report on the Audit of the Financial Statements of 11<sup>th</sup> EDF –Regional Private Sector Development Programme**

##### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Agency's internal control.
- Evaluate the appropriateness of management's accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Agency's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Agency to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## **INDEPENDENT AUDITORS' REPORT (CONT'D)**

### **To the Directors of Caribbean Export Development Agency**

#### **Report on the Audit of the Financial Statements of 11<sup>th</sup> EDF –Regional Private Sector Development Programme**

#### **Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Other Legal Matter**

This report is made solely to the Agency's directors, in accordance with Article 16 of the Financial Regulations, Rules and Directives of the Organization. Our audit work has been undertaken so that we might state to the Agency's Directors those matters we are required to state in an auditor's report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the Agency and the Agency's directors as a body, for our audit work, for this report, or for the opinion we have formed.

Barbados  
(Date)




**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme**

Statement of Financial Position  
 As at 31 January 2018  
 (Expressed in Euros)

	Notes	2018 €
<b>Assets</b>		
Cash and cash equivalents	3	1,012,125
Accounts receivable		43,804
Due from related funds	4	50,221
		<u>1,106,150</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities		226,110
Due to related funds	5	275,981
Deferred operating income	6	604,030
		<u>1,106,121</u>
<b>General Fund</b>		<u>29</u>
		<u><b>1,106,150</b></u>

The accompanying notes form an integral part of these financial statements.

Approved by the Board of Directors on August 22, 2022 and signed on its behalf by:

  
 Director





**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme**

Statement of Comprehensive Income  
For the period from 1 January 2017 to 31 January 2018  
(Expressed in Euros)

	Notes	2018 €
<b>Income</b>		
Interest income		29
Funding revenue	6	<u>2,537,547</u>
		<b><u>2,537,576</u></b>
<b>Expenses</b>		
Build Private Sector Capacity Firm Level		894,365
Strengthen BSOs to Support Private Sector		906,155
Strengthen Public Private Dialogue to promote more effective businesses enabling Environment Capacity at the Firm Level		350,780
Programme Administration		<u>386,247</u>
		<b><u>2,537,547</u></b>
<b>Surplus for the year</b>		<b><u>29</u></b>

The accompanying notes form an integral part of these financial statements.

**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme**

Statement of Cash Flows

For the period from 1 January 2017 to 31 January 2018

(Expressed in Euros)

	<b>2018</b>
	<b>€</b>
<b>Cash flows from operating activities</b>	
Surplus for the year	<u>29</u>
<b>Changes in operating assets and liabilities</b>	
Increase in accounts receivable	(43,804)
Increase in due from related funds	(50,221)
Increase in accounts payable and accrued liabilities	226,110
Increase in due to related funds	275,981
Increase in deferred operating income	<u>604,030</u>
Net cash from operating activities	<u><b>1,012,125</b></u>
Net increase in cash for the year	1,012,125
Cash at beginning of year	<u>-</u>
Cash at end of year	<u><b>1,012,125</b></u>

The accompanying notes form part of these financial statements.

**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme**

Notes to the Financial Statements

For the period from 1 January 2017 to 31 January 2018

(Expressed in Euros)

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**1. Establishment, principal activity and registered office**

Caribbean Export Development Agency (the Agency) is a regional export development and trade and investment promotion organization of the forum of Caribbean States (CARIFORUM) and funded by the European Union and CARIFORUM States. It was established on 1 January 1996, by the “Agreement Establishing Caribbean Export Development Agency (Caribbean Export)”, signed by the CARIFORUM States. The predecessor organization to Caribbean Export was the Caricom Export Development Project (CEDP). The CARIFORUM Member States that are members of Caribbean Export are noted below: -

- Antigua and Barbuda
- Bahamas
- Barbados
- Belize
- Dominica
- Dominican Republic
- Haiti
- Grenada
- Guyana
- Jamaica
- St. Lucia
- St. Kitts & Nevis
- St. Vincent & the Grenadines
- Suriname
- Trinidad & Tobago

Counterpart Governments contribute funds to cover the operational costs of the Agency.

The principal place of business of the Agency is located at 1<sup>st</sup> Floor, Baobab Tower, Warrens, St. Michael, Barbados, with a sub-regional office located at C/ Pedro Henriquez Ureña #150, Torre Diandy XIX, 7<sup>th</sup> Floor, La Esperilla, Santo Domingo, Dominican Republic.

The financial statements for the 11<sup>th</sup> EDF – Regional Private Sector Development Programme (the “Programme”) have been prepared for the period from 1 January 2017 to 31 January 2018. The Programme seeks to increase the international competitiveness of the private sector in CARIFORUM States and to help the potentially competitive sectors, and has an overall goal of poverty alleviation. It supports improvement of the trade environment as well as the institutional strengthening of Business Service Organisations (BSOs) to enhance the range and quality of services delivered to their members and clients.

**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme**

Notes to the Financial Statements  
For the period from 1 January 2017 to 31 January 2018  
(Expressed in Euros)

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**2. Summary of significant accounting policies**

The financial statements have been prepared in accordance with accounting policies described below. They are not intended to present the financial condition or results of the Programme in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities but have been presented in accordance with the Financial Rules and Regulations of the Agency, which have been approved by the European Union Delegation in accordance with the recommendation of the MOORE STEPHENS L.L.P. report which was issued on 12 January 2011 by the European Union appointed Evaluator and are not intended for any other purpose. The presentation differs from the International Financial Reporting Standard for Small and Medium-sized Entities as it relates to the accounting treatment for capital items which are expensed and not capitalized as well as accounting for realized and unrealized foreign exchange losses which are not recognized.

**a) Basis of preparation**

These financial statements are prepared under the historical cost convention.

**b) Currency**

The financial statements are expressed in Euros. Monetary assets and liabilities and transactions in currencies other than Euros are translated at the exchange rate prevailing at the time of the transaction. Gains and losses on foreign exchange are not included in the operating results for the year.

**c) Use of estimates**

The preparation of financial statements in conformity with policies described above requires management to make estimates and assumptions that affect amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

**d) Revenue recognition**

Revenue is recognized on the accrual basis.

**e) Taxation**

The Programme is not subject to income tax.

**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme**

Notes to the Financial Statements

For the period from 1 January 2017 to 31 January 2018

(Expressed in Euros)

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**2. Summary of significant accounting policies (cont'd)**

**f) Deferred operating income**

Deferred operating income is recognized at the date of the statement of financial position. Funds relating to program implementation are included as deferred income and are credited to the statement of comprehensive income in the same year as the relevant expenses are incurred.

**g) European Development Fund (EDF) Funding**

Funds from the EDF are recognized at their fair value where there is a reasonable assurance that the funding will be received.

**3. Cash and cash equivalents**

	<b>2018</b>
	<b>€</b>
Cash	1,012,125
	<u>1,012,125</u>

**4. Due from related funds**

	<b>2018</b>
	<b>€</b>
Counterpart Governments	26,525
GIZ	7,155
The World Bank	265
CAIPA	16,276
	<u>50,221</u>

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme**

Notes to the Financial Statements  
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(Expressed in Euros)

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**5. Due to related funds**

	<b>2018</b>
	<b>€</b>
Counterpart Governments	263,279
Services Component	5,739
10 <sup>th</sup> EDF	498
IADB	<u>6,465</u>
	<b><u>275,981</u></b>

These amounts are unsecured, non-interest bearing and have no fixed terms of repayment.

**6. Deferred operating income**

The Programme was funded by the European Community, where the first pre-financing EUR €3,141,577 was received. During the period, EURO €2,537,547 was recognized in income to match expenses incurred. The balance of EURO €604,030 was recorded in deferred operating income on the statement of financial position. There are no unfulfilled conditions or contingencies attached to this amount.

**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme**  
**(For Management Purposes Only)**

Detailed Statement of Expenses  
For the period from 1 January 2017 to 31 January 2018  
(expressed in Euros)

	<b>2018</b>
	<b>€</b>
<b><u>Build Private Sector Capacity Firm Level</u></b>	
<i>Increased innovation and use of green energy alternatives</i>	<b>86,862</b>
Diagnostics	23,009
Development of industry-specific case studies	272
Technical Support and Training	26,195
Training and Capacity building (Energy efficiency, IPR, etc.)	37,386
 <i>Increased access to sustainable financing mechanisms and financial inclusion</i>	 <b>46,388</b>
Delivery of Assistance	-
Operationalization of the Regional Angel Investor Network (RAIN)	5,638
Promotion of sustainable alternative financial mechanisms	40,750
Training	-
 <i>Capacity Building at firm level strengthened</i>	 <b>17,490</b>
Training programme materials	5,169
Technical Support and Training	12,321
 <i>Increased use of ICT to foster productivity</i>	 <b>45,040</b>
Studies on the use of ICT in value chains and supply chains	-
Develop E-Commerce platform	-
Technical Support and Training	45,040
 <i>Increased in-market presence by leveraging Brand Caribbean in Export Promotion</i>	 <b>172,726</b>
Trade Missions and Fairs	126,917
Promotional and other collateral materials	723
New distribution channels in targeted markets	40,086
Training	5,000
 <i>Communication &amp; Visibility</i>	
<i>On-going Impact Assessment</i>	<b>65,765</b>
<i>Technical Assistance</i>	-
	<b>460,094</b>
 <b>Total – Build Private Sector Capacity Firm Level</b>	 <b>894,365</b>

**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
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**(For Management Purposes Only)**

Detailed Statement of Expenses  
For the period from 1 January 2017 to 31 January 2018  
(expressed in Euros)

	<b>2018</b>
	<b>€</b>
<b><u>Strengthen BSOs to support Private Sector</u></b>	
<i>Trade and Business Intelligence (TBI) and research capacity strengthened</i>	<b>35,190</b>
CE Intelligence Portal maintenance	13,493
Data/Information sources	5,046
Capacity building and Training	13,074
Studies and Surveys	3,577
<i>Strengthened IPAs ' capacity to increase FDI</i>	<b>178,948</b>
Institutional support to CAIPA	57,419
Training and Technical Assistance (Short Term)	31,667
Inward and Outward Missions	27,180
Regional Promotion and Branding (RIPS)	62,682
<i>Strengthen regional and international networks</i>	<b>139,564</b>
CARICOM/DR engagements	41,128
CARICOM/FCOR/OCT engagements	3,088
Networking with EU, LAC and other strategic partners	95,348
<i>Increased understanding and utilization of the EPA and other market opening Agreements</i>	<b>46,756</b>
Collection and dissemination of strategic information	40,108
Promotion and communication	6,648
Meetings and workshops	-
<i>Communication &amp; Visibility</i>	<b>13,992</b>
<i>On-going Impact Assessment</i>	-
<i>Technical Assistance</i>	<b>491,705</b>
<b>Total – Strengthen BSOs to support Private Sector</b>	<b><u>906,155</u></b>



**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
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Detailed Statement of Expenses  
For the period from 1 January 2017 to 31 January 2018  
(expressed in Euros)

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	2018 €
<b><u>Strengthen Public Private Dialogue to promote more effective business enabling environment Capacity at the Firm level</u></b>	
<i>Increased Strengthen and support action-oriented Public-Private Dialogue mechanisms</i>	<b>64,323</b>
Colloquium	-
Intellectual Property Rights	35,494
Meetings and Workshops	28,829
<i>Operationalization of the CARIFORUM-EU Business Forum</i>	<b>24,042</b>
Market Opportunity Analysis	-
Logistics and Organisation	-
Meetings and Workshops	17,144
Public Relations and Communications	6,898
<i>Increased focus on key sectors, clusters and value chains</i>	<b>2,986</b>
Operationalization of CCIMU	-
Value chain analysis for key sectors	-
Financial Services Technical Working Group	-
Meetings and Workshops	2,986
<i>Operationalization of the Caribbean Business Council (CBC)</i>	<b>16,859</b>
Institutional support for the CBC	16,020
Meetings	839
<i>Communication &amp; Visibility</i>	8,065
<i>On-going Impact Assessment</i>	1,367
<i>Technical Assistance</i>	233,138
<b><u>Total - Strengthen Public Private Dialogue to promote more effective business enabling environment Capacity at the Firm level</u></b>	<b>350,780</b>

**CARIBBEAN EXPORT DEVELOPMENT AGENCY**  
**11<sup>th</sup> EDF Regional Private Sector Development Programme**  
**(For Management Purposes Only)**

Detailed Statement of Expenses  
For the period from 1 January 2017 to 31 January 2018  
(expressed in Euros)

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	<b>2018</b>
	<b>€</b>
<b>Programme Administration</b>	<b>386,247</b>
<b>Audit and Evaluation</b>	<b>-</b>
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<b>Total Programme Cost</b>	<b><u>2,537,547</u></b>