

Caribbean Export Development Agency
11th EDF Regional Private Sector Development Programme – European Union
Funds

Financial Statements
For the 11 month period ended 31 December 2018
(with comparatives for the 13 month period ended 31 January 2018)

(Expressed in Euros)



CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme – European Union Funds

Financial Statements

For the 11 month period ended 31 December 2018

(With comparatives for the 13 month period ended 31 January 2018)

(Expressed in Euros)

	Page
Independent Auditor's Report	1 - 3
Statement of Financial Position	4
Statement of Comprehensive Income	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 – 10
Management Information	11 - 14

INDEPENDENT AUDITOR'S REPORT

To the Directors of Caribbean Export Development Agency 11th EDF Regional Private Sector Development Programme – European Union Funds

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Caribbean Export Development Agency (“The Agency”) 11th EDF Regional Private Sector Development Programme - European Union Funds (“The Programme”), which comprise the Statement of Financial Position as at 31 December 2018 and the statements of comprehensive income and cash flows for the 11 month period then ended 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 11th EDF – European Union Funds Programme as at 31 December 2018 and its financial performance and its cash flows for the 11 month period 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 Company 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.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 2 to the financial statements, which describe the basis of accounting. The financial statements are prepared 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 10 February 2015 by the European Union appointed Evaluator and are not intended for any other purpose. Our opinion is not modified in respect of this matter.

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 Programme’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 Fund or to cease operations, or has no realistic alternative but to do so.

Management of the Agency are responsible for overseeing the Programme’s financial reporting process.

INDEPENDENT AUDITOR'S REPORT (CONT'D)

To the Directors of Caribbean Export Development Agency 11th EDF Regional Private Sector Development Programme – European Union Funds

Report on the Audit of the Financial Statements

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 AUDITOR'S REPORT (CONT'D)

To the Directors of Caribbean Export Development Agency 11th EDF Regional Private Sector Development Programme – European Union Funds

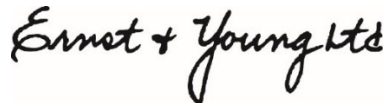
Report on the Audit of the Financial Statements

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 Matter

This report is made solely to the Agency's Directors, in accordance with the European Union Delegation Agreement 2016/383-163 – Annex II, General Conditions for PA Grant or Delegation Agreement Article 16.1- Accounting. 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
26 October 2023

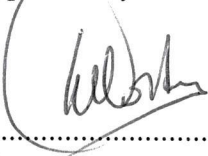
CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme

Statement of Financial Position
 As at 31 December 2018
 (With comparatives as at 31 January 2018)
 (Expressed in Euros)

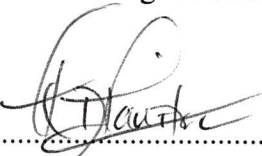
	Notes	December 2018 €	January 2018 €
Assets			
Cash and cash equivalents	3	3,214,242	1,012,125
Other receivables		88,407	43,804
Advances on projects and amounts due from related funds	4	527,224	50,221
		3,829,873	1,106,150
Liabilities			
Accounts payable and accrued liabilities		299,148	226,110
Advances on projects and amounts due to related funds	4	69,317	275,981
Grant commitments		1,222,781	-
Deferred operating income	5	2,238,549	604,030
		3,829,795	1,106,121
General Fund		78	29
		3,829,873	1,106,150

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

Approved by the Board of Directors on 26th October 2023 and signed on its behalf by:



 Director



 Director

CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme

Statement of Comprehensive Income
 For the 11 month period ended 31 December 2018
 (With comparatives for the 13 month period ended 31 January 2018)
 (Expressed in Euros)

	Note	December 2018 €	January 2018 €
Income			
Interest income		50	29
Funding revenue	5	4,353,680	2,537,547
		4,353,730	2,537,576
Expenses			
Build Private Sector Capacity Firm Level		2,395,693	894,365
Strengthen BSOs to Support Private Sector		1,221,650	906,155
Strengthen Public Private Dialogue to promote more effective businesses enabling Environment Capacity at the Firm Level		378,078	350,780
Programme Administration		358,259	386,247
		4,353,680	2,537,547
Surplus for the period		50	29

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

CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme

Statement of Cash Flows

For the 11 month period ended 31 December 2018

(With comparatives for the 13 month period ended 31 January 2018)

(Expressed in Euros)

	December 2018	January 2018
	€	€
Cash flows from operating activities		
Surplus for the period	50	29
Changes in operating assets and liabilities		
Increase in other receivables	(44,603)	(43,804)
Increase in advances on projects and amounts due from related funds	(477,003)	(50,221)
Increase in accounts payable and accrued liabilities	73,038	275,981
(Decrease) increase in advances on projects and amounts due to related funds	(206,664)	226,110
Increase in grant commitments	1,222,780	-
Increase in deferred operating income	1,634,519	604,030
Net cash generated from operating activities	2,202,067	1,012,125
Net increase in cash for the period	2,202,117	1,012,125
Cash at beginning of period	1,012,125	-
Cash at end of period	3,214,242	1,012,125

The accompanying notes form part of these financial statements.

CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme

Notes to the Financial Statements

For the 11 month period ended 31 December 2018

(With comparatives for the 13 months period ended 31 January 2018)

(Expressed in Euros)

1. Establishment, principal activity and registered office

Caribbean Export Development Agency (“Caribbean Export’ or “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 1st Floor, Baobab Tower, Warrens, St. Michael, Barbados, with a sub-regional office located at C/ Pedro Henriquez Ureña #150, Torre Diandy XIX, 7th Floor, La Esperilla, Santo Domingo, Dominican Republic.

The financial statements for the 11th EDF – Regional Private Sector Development Programme (the “Programme”) have been prepared for the period ended 31 December 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
11th EDF Regional Private Sector Development Programme

Notes to the Financial Statements

For the 11 month period ended 31 December 2018

(With comparatives for the 13 months period ended 31 January 2018)

(Expressed in Euros)

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 10 February 2015 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. No account is taken of the effect of inflation.

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 cash basis.

e) Taxation

The Programme is not subject to income tax

CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme

Notes to the Financial Statements

For the 11 month period ended 31 December 2018

(With comparatives for the 13 months period ended 31 January 2018)

(Expressed in Euros)

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

	December 2018 €	January 2018 €
Cash	3,214,242	1,012,125

Cash and equivalents are non-interest bearing.

4. Advances to and amounts due from related funds and projects

	December 2018 €	January 2018 €
Advances to and amounts due from related funds and projects	527,224	50,221
	December 2018 €	January 2018 €
Advances from and amounts due to related funds and projects	69,317	275,981

The amounts due from and to related funds are unsecured, interest free and have no fixed terms of repayment.

These advances include transactions relating to the cost of funding project activities prior to donor disbursements being paid out and contributions received.

CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme

Notes to the Financial Statements

For the 11 month period ended 31 December 2018

(With comparatives for the 13 months period ended 31 January 2018)

(Expressed in Euros)

5. Deferred operating income

The Programme was funded by the European Community, where the first pre-financing EUR €3,141,577 and second pre-financing EUR €5,988,192, were received. During the year, EUR €4,353,680 (January 2018 – EUR €2,537,547) was recognized in income to match expenses incurred. The balance of EUR €2,238,549 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
11th EDF Regional Private Sector Development Programme
(For Management Purposes Only)

Detailed Statement of Expenses
For the 11 month period ended 31 December 2018
(With comparatives for the 13 months period ended 31 January 2018)
(Expressed in Euros)

	December 2018	January 2018
	€	€
<u>Build Private Sector Capacity Firm Level</u>		
<i>Increased innovation and use of green energy alternatives</i>	29,951	86,863
Diagnostics	22,025	23,009
Development of industry-specific case studies	7,097	272
Technical Support and Training	-	26,195
Training and Capacity building (Energy efficiency, IPR, etc.)	829	37,387
<i>Increased access to sustainable financing mechanisms and financial inclusion</i>	1,381,206	46,388
Delivery of Assistance	1,225,043	-
Operationalization of the Regional Angel Investor Network (RAIN)	36,152	5,638
Promotion of sustainable alternative financial mechanisms	60,038	40,750
Training	59,973	-
<i>Capacity Building at firm level strengthened</i>	242,057	17,489
Training programme materials	49,659	5,169
Technical Support and Training	168,978	12,320
Promotion	23,420	-
<i>Increased use of ICT to foster productivity</i>	107,581	45,040
Studies on the use of ICT in value chains and supply chains	35,169	-
Develop E-Commerce platform	72,215	-
Technical Support and Training	197	45,040
<i>Increased in-market presence by leveraging Brand Caribbean in Export Promotion</i>	206,668	172,726
Trade Missions and Fairs	148,842	126,917
Promotional and other collateral materials	11,470	723
New distribution channels in targeted markets	32,277	40,086
Training	14,079	5,000
<i>Communication and Visibility</i>	55,233	65,765
<i>On-going Impact Assessment</i>	-	-
<i>Technical Assistance</i>	372,997	460,094
Total – Build Private Sector Capacity Firm Level	2,395,693	894,365

CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme
(For Management Purposes Only)

Detailed Statement of Expenses (Cont'd)
For the 11 month period ended 31 December 2018
(With comparatives for the 13 months period ended 31 January 2018)
(Expressed in Euros)

	December 2018 €	January 2018 €
<u>Strengthen BSOs to support Private Sector</u>		
<i>Trade and Business Intelligence (TBI) and research capacity strengthened</i>	170,509	35,190
CE Intelligence Portal maintenance	60,715	13,493
Data/Information sources	60,733	5,046
Capacity building and Training	39,962	13,074
Studies and Surveys	9,099	3,577
<i>Strengthened IPAs' capacity to increase FDI</i>	245,923	178,948
Institutional support to CAIPA	56,146	57,419
Training and Technical Assistance (Short Term)	64,736	31,667
Inward and Outward Missions	50,314	27,181
Regional Promotion and Branding (RIPS)	74,727	62,681
<i>Strengthen regional and international networks</i>	241,117	139,565
CARICOM/DR engagements	85,736	41,128
CARICOM/FCOR/OCT engagements	7,531	3,088
Networking with EU, LAC and other strategic partners	147,850	95,349
<i>Increased understanding and utilization of the EPA and other market opening Agreements</i>	46,060	46,756
Collection and dissemination of strategic information	77	40,108
Promotion and communication	20,356	6,648
Meetings and workshops	25,627	-
<i>Communication & Visibility</i>	9,788	13,991
<i>On-going Impact Assessment</i>	32,857	-
<i>Technical Assistance</i>	475,396	491,705
Total – Strengthen BSOs to support Private Sector	1,221,650	906,155

CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme
(For Management Purposes Only)

Detailed Statement of Expenses (Cont'd)
For the 11 month period ended 31 December 2018
(With comparatives for the 13 months period ended 31 January 2018)
(Expressed in Euros)

	December 2018 €	January 2018 €
<u>Strengthen Public Private Dialogue to promote more effective business enabling environment Capacity at the Firm level</u>		
<i>Increased Strengthen and support action-oriented Public-Private Dialogue mechanisms</i>	20,331	64,323
Colloquium	-	-
Intellectual Property Rights	20,331	35,494
Meetings and Workshops	-	28,829
<i>Operationalization of the CARIFORUM-EU Business Forum</i>	34,929	24,042
Market Opportunity Analysis	-	-
Logistics and Organisation	34,929	-
Meetings and Workshops	-	17,144
Public Relations and Communications	-	6,898
<i>Increased focus on key sectors, clusters and value chains</i>	122,013	2,986
Operationalization of CCIMU	2,260	-
Value chain analysis for key sectors	-	-
Financial Services Technical Working Group	-	-
Meetings and Workshops	119,753	2,986
<i>Operationalization of the Caribbean Business Council (CBC)</i>	3,634	16,859
Institutional support for the CBC	3,634	16,020
Meetings	-	839
<i>Communication and Visibility</i>	-	8,065
<i>On-going Impact Assessment</i>	-	1,367
<i>Technical Assistance</i>	197,171	233,138
Total - Strengthen Public Private Dialogue to promote more effective business enabling environment Capacity at the Firm level	378,078	350,780

CARIBBEAN EXPORT DEVELOPMENT AGENCY
11th EDF Regional Private Sector Development Programme
(For Management Purposes Only)

Detailed Statement of Expenses (Cont'd)
For the 11 month period ended 31 December 2018
(With comparatives for the 13 months period ended 31 January 2018)
(Expressed in Euros)

	Dec 2018 €	Jan 2018 €
Programme Administration	358,259	386,247
Audit and Evaluation	-	-
Total Programme Costs	4,353,680	2,537,547