

Caribbean Export Development Agency  
Counterpart Public & Private Sector

Financial Statements

For the Year ended 31 December 2014  
(Expressed in Barbados Dollars)

**CARIBBEAN EXPORT DEVELOPMENT AGENCY  
COUNTERPART PUBLIC & PRIVATE SECTOR**

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For the Year ended 31 December 2014

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## INDEPENDENT AUDITOR'S REPORT

### To the Directors of Caribbean Export Development Agency – Counterpart Public & Private Sector

We have audited the accompanying financial statements of the Caribbean Export Development Agency – Counterpart Public & Private Sector, which comprise the statement of financial position as at 31 December 2014, and the statement of comprehensive income, statement of changes in general fund and statement of cash flows and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit 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 whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 controls 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 present fairly, in all material respects, the financial position of the Caribbean Export Development Agency – Counterpart Public & Private Sector as at 31 December 2014 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

*Ernst & Young Ltd*

Barbados  
7 July 2021


**CARIBBEAN EXPORT DEVELOPMENT AGENCY  
COUNTERPART PUBLIC & PRIVATE SECTOR**

Statement of Financial Position  
As at 31 December 2014

	Notes	2014	2013
		\$	\$
<b>Assets</b>			
Cash		481,747	390,082
Accounts receivable	4	1,185,966	1,172,173
Due from related funds	3	74,960	64,132
		<u>1,742,673</u>	<u>1,626,387</u>
<b>Liabilities</b>			
Bank overdraft	5	242,545	-
Accounts payable and accrued liabilities		177,618	178,828
Due to related funds	3	1,081,085	881,369
		<u>1,501,248</u>	<u>1,060,197</u>
<b>General fund</b>		<u>241,425</u>	<u>566,190</u>
		<u>1,742,673</u>	<u>1,626,387</u>

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

Approved by the Board of Directors on 7<sup>th</sup> July 2021 and signed on its behalf by:

  
.....Director

**CARIBBEAN EXPORT DEVELOPMENT AGENCY  
COUNTERPART PUBLIC & PRIVATE SECTOR**

Statement of Comprehensive Income  
For the Year ended 31 December 2014

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	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Revenue</b>		
Antigua and Barbuda	33,974	35,575
Bahamas	169,839	169,839
Barbados	186,132	186,132
Belize	50,757	51,760
Dominica	34,421	37,256
Dominican Republic	309,594	312,692
Grenada	33,981	35,601
Guyana	121,314	121,314
Jamaica	434,992	448,409
Haiti	146,931	148,175
St. Kitts and Nevis	33,338	34,343
St. Lucia	33,492	33,763
Suriname	121,314	121,314
St. Vincent and the Grenadines	33,569	34,053
Trinidad and Tobago	467,925	467,925
	<hr/> 2,211,573	2,238,151
Other	104,452	147,749
	<hr/> 2,316,025	<hr/> 2,385,900

**CARIBBEAN EXPORT DEVELOPMENT AGENCY  
COUNTERPART PUBLIC & PRIVATE SECTOR**

Statement of Comprehensive Income (cont'd)  
For the Year ended 31 December 2014

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Expenses</b>		
Accommodation and travel	495	5,936
Administration	63,474	63,354
Advertising	5,698	1,238
Business seminar	38,036	70,554
Consulting fees	625	10,803
Grant assistance	98	97,026
Insurance	22,990	24,098
Interest and bank charges	47,071	32,363
Rent	58,393	71,633
Repairs and maintenance	44,078	9,644
Staff costs	1,726,875	1,677,050
Bad debt expense	611,333	120,595
Utilities	10,910	13,288
Unrealized foreign exchange losses	10,714	19,337
	<u>2,640,790</u>	<u>2,216,919</u>
<b>(Deficit) surplus for the year</b>	<u>(324,765)</u>	<u>168,981</u>

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

**CARIBBEAN EXPORT DEVELOPMENT AGENCY  
COUNTERPART PUBLIC & PRIVATE SECTOR**

Statement of Changes in General Fund  
For the Year ended 31 December 2014

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	\$
<b>Balance - 31 December 2012</b>	397,209
Surplus for the year	<u>168,981</u>
<b>Balance - 31 December 2013</b>	566,190
Deficit for the year	<u>(324,765)</u>
<b>Balance – 31 December 2014</b>	<u>241,425</u>

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

**CARIBBEAN EXPORT DEVELOPMENT AGENCY  
COUNTERPART PUBLIC & PRIVATE SECTOR**

Statement of Cash Flows  
For the Year ended 31 December 2014

	<b>2014</b>	<b>2013</b>
	\$	\$
<b>Cash flows from operating activities</b>		
(Deficit) surplus for the year	(324,765)	168,981
<b>Changes in operating assets and liabilities</b>		
Increase in accounts receivable	(13,793)	(406,568)
(Increase) decrease in due from related funds	(10,828)	47,464
Decrease in accounts payable and accrued liabilities	(1,210)	(130,067)
Increase in due to related funds	199,716	243,557
Net cash used in operating activities	(150,880)	(76,633)
Cash at beginning of year	390,082	466,715
<b>Cash at end of year</b>	<b>239,202</b>	<b>390,082</b>
Cash at year end is made up as follows:		
Cash	481,747	390,082
Bank overdraft	(242,545)	-
	<b>239,202</b>	<b>390,082</b>

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



## **CARIBBEAN EXPORT DEVELOPMENT AGENCY COUNTERPART PUBLIC & PRIVATE SECTOR**

Notes to Financial Statements  
For the Year ended 31 December 2014

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### **1. Establishment, Principal Activity and Registered Office**

Caribbean Export Development Agency (Caribbean Export) 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, but has been operating as a regional trade promotion entity since 1989. The CARIFORUM 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, 7<sup>th</sup> Floor, La Esperilla, Santo Domingo, Dominican Republic.

- a) The Agency’s mission is to increase the competitiveness of Caribbean countries by providing quality trade and investment development and promotion services through effective programme execution and strategic partnerships.
- b) The agency’s goals are listed below: -
- Greater integration of CARIFORUM countries into the multilateral, regional and bilateral trade and investment arrangements
  - Enhanced competitiveness of firms
  - Strengthened institutional capacities
  - Coordination/Strengthening of regional networks

**CARIBBEAN EXPORT DEVELOPMENT AGENCY  
COUNTERPART PUBLIC & PRIVATE SECTOR**

Notes to Financial Statements  
For the Year ended 31 December 2014

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**2. Summary of significant accounting policies**

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

**a) Basis of preparation**

These financial statements are prepared under the historical cost convention. Under the direction of the Board of Directors, Caribbean Export Development Agency - Counterpart Governments, Revenue Account and Design Caribbean (formerly Caribbean Gift and Craft Show) were amalgamated.

**b) Currency**

The financial statements are expressed in Barbados dollars, the primary currency in which the Agency operates. Monetary assets and liabilities and transactions in currencies other than Barbados dollars are translated at the rates of exchange prevailing at the statement of financial position date. Non-monetary assets and liabilities and transactions in currencies other than Barbados dollars are translated at the exchange rate prevailing at the time of the transaction. Gains and losses on foreign exchange are included in the operating results for the year.

**c) Cash**

Cash represents cash at bank and is interest bearing.

**d) Revenue recognition**

Revenue is recognized on the accrual basis.

**e) Taxation**

The Agency is not subject to income tax.

**f) Significant accounting judgments estimates and assumptions**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and disclosures of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future.

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**CARIBBEAN EXPORT DEVELOPMENT AGENCY  
COUNTERPART PUBLIC & PRIVATE SECTOR**

Notes to Financial Statements  
For the Year ended 31 December 2014

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

**f) Significant accounting judgments estimates and assumptions (cont'd)**

Impairment of financial assets

The Agency assesses at each reporting date whether there is an indication that an asset maybe impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Agency estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

**3. Due from and to related funds**

Due from related funds:

	<b>2014</b>	<b>2013</b>
	\$	\$
CARTFUND Specialty Food	74,960	60,530
GIZ	-	3,602
	<u>74,960</u>	<u>64,132</u>

Due to related funds:

	<b>2014</b>	<b>2013</b>
	\$	\$
European Union Funds – 9 <sup>th</sup> EDF (Contribution Agreement)	17,778	17,778
CARTFUND Health & Wellness	763	618
European Union Funds – 10 <sup>th</sup> EDF (Contribution Agreement)	1,061,865	862,973
European Union Funds – 10 <sup>th</sup> EDF (Bi-National Program)	629	-
Other (IADB)	20	-
Other (Services Component)	30	-
	<u>1,081,085</u>	<u>881,369</u>

**CARIBBEAN EXPORT DEVELOPMENT AGENCY  
COUNTERPART PUBLIC & PRIVATE SECTOR**

Notes to Financial Statements  
For the Year ended 31 December 2014

**3. Due from and to related funds (cont'd)**

The amounts due from and to related funds are unsecured, interest free and are repayable on demand.

**4. Accounts receivable**

	<b>2014</b>	<b>2013</b>
	\$	\$
Counterpart contributions, gross	3,887,445	3,295,248
Provision for contributions outstanding	<u>(2,808,734)</u>	<u>(2,222,920)</u>
Counterpart contributions, net	1,078,711	1,072,328
Other receivable	<u>107,255</u>	<u>99,845</u>
	<u><u>1,185,966</u></u>	<u><u>1,172,173</u></u>

Movements in the provision for impairment of receivables are as follows:

	<b>2014</b>	<b>2013</b>
	\$	\$
At beginning of year	2,222,920	2,135,756
Charge for the year	611,333	87,164
Foreign exchange adjustments	<u>(25,519)</u>	<u>-</u>
At end of year	<u><u>2,808,734</u></u>	<u><u>2,222,920</u></u>

**5. Bank overdraft**

The Bank holds a guarantee of \$800,000 from the Board of Directors acting on behalf of the CARIFORUM States, as security for the bank overdraft facility of \$800,000. At the statement of financial position date, the rate of interest being charged on the bank overdraft was 8.00% per annum.