

Caribbean Export Development Agency
Counterpart Public & Private Sector

Financial Statements

For the Year ended 31 December 2015
(Expressed in Barbados Dollars)

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

Index to the Financial Statements
For the Year ended 31 December 2015

	Page
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Comprehensive Income	3 – 4
Statement of Changes in General Fund	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 – 10



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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 2015, 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 Standards 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 2015 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 2015

	Notes	2015 \$	2014 \$
Assets			
Cash		266,311	481,747
Accounts receivable	4	2,708,680	1,185,966
Due from related funds	3	81,453	74,960
		<u>3,056,444</u>	<u>1,742,673</u>
Liabilities			
Bank overdraft	5	251,326	242,545
Accounts payable and accrued liabilities		221,905	177,618
Due to related funds	3	1,042,927	1,081,085
		<u>1,516,158</u>	<u>1,501,248</u>
General fund		<u>1,540,286</u>	<u>241,425</u>
		<u>3,056,444</u>	<u>1,742,673</u>

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

Approved by the Board of Directors on 7th 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 2015

	2015	2014
	\$	\$
Revenue		
Antigua and Barbuda	34,431	33,974
Bahamas	169,839	169,839
Barbados	187,463	186,132
Belize	50,412	50,757
Dominica	35,379	34,421
Dominican Republic	299,295	309,594
Grenada	34,681	33,981
Guyana	121,314	121,314
Jamaica	440,760	434,992
Haiti	148,761	146,931
St. Kitts and Nevis	33,188	33,338
St. Lucia	33,213	33,492
Suriname	122,178	121,314
St. Vincent and the Grenadines	33,602	33,569
Trinidad and Tobago	467,925	467,925
	<hr/>	<hr/>
	2,212,441	2,211,573
Other	207,966	104,452
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	2,420,407	2,316,025

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

Statement of Comprehensive Income (cont'd)
For the Year ended 31 December 2015

	2015	2014
	\$	\$
Expenses		
Accommodation and travel	562	495
Administration	28,366	63,474
Advertising	1,302	5,698
Business seminar	36,207	38,036
Consulting fees	2,920	625
Grant assistance	-	98
Insurance	28,586	22,990
Interest and bank charges	23,986	47,071
Rent	60,742	58,393
Repairs and maintenance	61,328	44,078
Staff costs	1,824,857	1,725,875
Bad debt (recoveries) expense	(954,319)	611,333
Utilities	10,761	10,910
Unrealized foreign exchange (gains) losses	(3,752)	10,714
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	1,121,546	2,640,790
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Surplus/(deficit) for the year	1,298,861	(324,765)
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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 2015

	\$
Balance - 31 December 2013	566,190
Deficit for the year	<u>(324,765)</u>
Balance - 31 December 2014	241,425
Surplus for the year	<u>1,298,861</u>
Balance – 31 December 2015	<u>1,540,286</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 2015

	2015	2014
	\$	\$
Cash flows from operating activities		
Surplus/(deficit) for the year	1,298,861	(324,765)
Changes in operating assets and liabilities		
Increase in accounts receivable	(1,522,714)	(13,793)
Decrease in due from related funds	(6,493)	(10,828)
Increase (decrease) in accounts payable and accrued liabilities	44,287	(1,210)
(Decrease)increase in due to related funds	(38,158)	199,716
Net cash used in operating activities	(224,217)	(150,880)
Cash at beginning of year	239,202	390,082
Cash at end of year	14,985	239,202
Cash at year end is made up as follows:		
Cash	266,311	481,747
Bank overdraft	(251,326)	(242,545)
	14,985	239,202

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 2015

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, 7th 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 2015

2. Summary of significant accounting policies

The financial statements are prepared in accordance with the International Financial Reporting Standards 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 2015

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:

	2015	2014
	\$	\$
European Union Funds – 10 th EDF (Contribution Agreement)	3,772	-
CARTFUND Specialty Food	74,959	74,960
Other (Services Component)	2,722	-
	<u>81,453</u>	<u>74,960</u>

Due to related funds:

	2015	2014
	\$	\$
European Union Funds – 9 th EDF (Contribution Agreement)	24,628	17,778
CARTFUND Health & Wellness	1,690	763
European Union Funds – 10 th EDF (Contribution Agreement)	1,014,268	1,061,865
European Union Funds – 10 th EDF (Bi-National Program)	614	629
Other (IADB)	1,727	20
Other (Services Component)	-	30
	<u>1,042,927</u>	<u>1,081,085</u>

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

Notes to Financial Statements
For the Year ended 31 December 2015

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

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

4. Accounts receivable

	2015	2014
	\$	\$
Counterpart contributions, gross	4,415,008	3,887,445
Provision for contributions outstanding	<u>(1,839,145)</u>	<u>(2,808,734)</u>
Counterpart contributions, net	2,575,863	1,078,711
Other receivable	<u>132,817</u>	<u>107,255</u>
	<u><u>2,708,680</u></u>	<u><u>1,185,966</u></u>

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

	2015	2014
	\$	\$
At beginning of year	2,808,734	2,222,920
(Recoveries) charge for year	(954,319)	611,333
Foreign exchange adjustments	<u>(15,270)</u>	<u>(25,519)</u>
At end of year	<u><u>1,839,145</u></u>	<u><u>2,808,734</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.