

**Caribbean Export Development Agency
Counterpart Public & Private Sector**

Financial Statements
December 31, 2020
(expressed in Barbados dollars)

Caribbean Export Development Agency

Counterpart Public & Private Sector

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For the year ended December 31, 2020

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INDEPENDENT AUDITOR'S REPORT**To the Board of Directors
Caribbean Export Development Agency Counterpart Public & Private Sector*****Opinion***

We have audited the financial statements of **Caribbean Export Development Agency Counterpart Public & Private Sector** (the "Agency"), which comprise the statement of financial position as at December 31, 2020, and the statement of comprehensive income, statement of changes in general fund and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board (IASB).

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 ethical requirements that are relevant to our audit of the financial statements in Barbados, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs Accounting Standard as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of 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.

Those charged with governance are responsible for overseeing the Agency's financial reporting process.

Chartered Accountants**Audit | Tax | Advisory**

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Auditor's 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 judgment 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 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.

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 Board of Directors in accordance with the Agreement establishing the Caribbean Export Development Agency Counterpart Public & Private Sector. 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's Board of Directors for our audit work, for this report, or for the opinion we have formed.



Chartered Accountants
Barbados
April 24, 2026

Caribbean Export Development Agency Counterpart Public & Private Sector

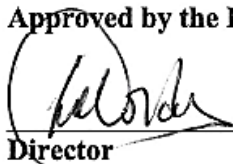
Statement of Financial Position
As at December 31, 2020

(expressed in Barbados dollars)

	Notes	2020 \$	2019 \$
Assets			
Cash	4	1,370,840	1,263,416
Accounts receivable	5	6,161,708	4,819,259
Amounts due from related funds	6	658,645	666,382
Total assets		8,191,193	6,749,057
Liabilities			
Accounts payable and accrued liabilities	7	303,038	401,861
Amounts due to related funds	6	5,766,362	2,734,541
Total liabilities		6,069,400	3,136,402
General fund		2,121,793	3,612,655
Total liabilities and general fund		8,191,193	6,749,057

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

Approved by the Board of Directors on 24th April, 2026.



Director

Caribbean Export Development Agency

Counterpart Public & Private Sector

Statement of Comprehensive Income
For the year ended December 31, 2020

(expressed in Barbados dollars)

	Notes	2020 \$	2019 \$
Revenue			
Member state contributions	8	2,135,736	2,171,260
Other revenue	9	96,824	137,244
Total revenue		<u>2,232,560</u>	<u>2,308,504</u>
Expenses			
Operating expenses	10	<u>(3,629,953)</u>	<u>(2,320,905)</u>
Net operating loss		(1,397,393)	(12,401)
Finance costs, net			
Interest income		1,011	1,768
Finance costs	12	<u>(94,480)</u>	<u>(123,901)</u>
		<u>(93,469)</u>	<u>(122,133)</u>
Net loss for the year		<u>(1,490,862)</u>	<u>(134,534)</u>

The accompanying notes are 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 December 31, 2020

(expressed in Barbados dollars)

	Total \$
Balance as at December 31, 2018	3,747,189
Net loss for the year	<u>(134,534)</u>
Balance as at December 31, 2019	3,612,655
Net loss for the year	<u>(1,490,862)</u>
Balance as at December 31, 2020	<u>2,121,793</u>

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

Caribbean Export Development Agency

Counterpart Public & Private Sector

Statement of Cash Flows

For the year ended December 31, 2020

(expressed in Barbados dollars)

	Notes	2020 \$	2019 \$
Cash flows from operating activities			
Net loss for the year		(1,490,862)	(134,534)
Adjustments for non-cash income and expenses:			
Bad debt expense/(recoveries), net	10	68,692	5,958
Finance costs	12	94,480	123,901
Interest income		(1,011)	(1,768)
Operating loss before working capital changes		(1,328,701)	(6,443)
<i>(Increase)/decrease in operating assets:</i>			
Accounts receivable		(1,411,141)	437,061
Amounts due from related funds		7,737	(83,661)
<i>(Decrease)/increase in operating liabilities:</i>			
Amounts due to related funds		3,031,821	1,251,267
Accounts payable and accrued liabilities		(98,823)	63,702
Cash generated from operations		200,893	1,661,926
Interest received		1,011	1,768
Finance costs paid, net		(94,480)	(123,901)
Net cash generated from operating activities		107,424	1,539,793
Cash at beginning of year		1,263,416	(276,377)
Cash at end of year	4	1,370,840	1,263,416

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

Caribbean Export Development Agency

Counterpart Public & Private Sector

Notes to the Financial Statements

December 31, 2020

(expressed in Barbados dollars)

1 Incorporation and principal activity

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 (“EU”) and CARIFORUM States. It was established on January 1, 1996 by the “Agreement Establishing Caribbean Export Development Agency (Caribbean Export)”, which was signed by the CARIFORUM States, but the Agency 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; and,
 - Coordination/strengthening of regional networks.

Caribbean Export Development Agency

Counterpart Public & Private Sector

Notes to the Financial Statements

December 31, 2020

(expressed in Barbados dollars)

2 Summary of significant accounting policies

The financial statements have been prepared in accordance with the IFRS for SMEs Accounting Standard as issued by the International Accounting Standards Board (IASB). The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all of the years presented, unless otherwise stated.

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 Accounts from the Headquarters and Sub-Regional Office, as well as Design Caribbean (formerly Caribbean Gift and Craft Show) were amalgamated.

The preparation of financial statements in conformity with the IFRS for SMEs Accounting Standard as issued by the IASB requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Agency's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in note 3.

b) Foreign currency translation

Functional and presentation currency

The financial statements are expressed in Barbados dollars, the primary currency in which the Agency operates. Monetary assets and liabilities denominated in foreign currencies 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 resulting from the settlement of such transactions and from the translation at year end rates of monetary assets and liabilities are recognized in profit or loss.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the Agency, using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

Caribbean Export Development Agency

Counterpart Public & Private Sector

Notes to the Financial Statements

December 31, 2020

(expressed in Barbados dollars)

2 Summary of significant accounting policies ...continued

c) Going concern

In accordance with the requirements of the Accounting Standard, the Agency has performed a going concern assessment as of the reporting date. The Agency has concluded that there are no material uncertainties that may cast significant doubt on its ability to continue to operate as a going concern. The financial statements have therefore been prepared on the going concern basis.

d) Cash

Cash represents cash at bank and petty cash in hand. Bank overdrafts are shown within current liabilities on the statement of financial position. For the purposes of the statement of cash flows, cash is shown net of the bank overdraft.

e) Financial instruments

i. Financial assets

The Agency's financial assets comprise of cash, accounts receivable and amounts due from related funds. Financial assets are recognized initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for doubtful debts or impairment. A provision for impairment of receivable balances is established when there is objective evidence that the Agency will not be able to collect all amounts due according to the original terms of the receivable.

ii. Impairment of financial assets

A provision for impairment of financial assets is established when there is objective evidence that the Agency will not be able to collect or realize all amounts due according to the original terms of the financial asset. The impairment loss is recognised in the statement of comprehensive income within operating expenses.

iii. Financial liabilities

The Agency's financial liabilities comprise of accounts payable and accrued liabilities and amounts due to related funds. Financial liabilities are recognized initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

The Agency derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

iv. Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Agency has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Caribbean Export Development Agency

Counterpart Public & Private Sector

Notes to the Financial Statements

December 31, 2020

(expressed in Barbados dollars)

2 Summary of significant accounting policies ...continued

f) General fund

General fund is comprised of cumulative net income or losses as reported in the statement of comprehensive income.

g) Revenue recognition

Revenue is recognized on the accrual basis.

Revenue includes annual membership contributions from the CARIFORUM member countries. Other income primarily represents administrative fees for management of donor projects, which is recognized over the period in which the contract/service is rendered. Sponsorship fee for business forums and subscriptions for reports generated by the Agency is also recognized as revenue.

The Agency recognizes revenue when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the Agency.

h) Expenses

Expenses are recognized in the statement of comprehensive income upon utilization of the service or as incurred.

i) Taxation

The Agency is not subject to income tax in accordance with Article 9 “Status, Exemptions, Privileges and Immunities” of the Agreement establishing the Caribbean Export Development Agency.

j) Provisions

Provisions are recognised when the Agency has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligation may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Caribbean Export Development Agency

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Notes to the Financial Statements

December 31, 2020

(expressed in Barbados dollars)

2 Summary of significant accounting policies ...continued

k) Events after the reporting period

Post year-end events that provide additional information about the Agency's financial position at the reporting date (adjusting events) are reflected in the financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

3 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.

Impairment of financial assets

The Agency assesses at each reporting date whether there is an indication that an asset may be 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.

Caribbean Export Development Agency

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Notes to the Financial Statements

December 31, 2020

(expressed in Barbados dollars)

4 Cash

	2020	2019
	\$	\$
Cash in hand	500	500
Cash at bank	1,370,340	1,262,916
	<u>1,370,840</u>	<u>1,263,416</u>

Cash is held with regional banks and earns interest at rates ranging from 0% – 0.25% (2019: 0% – 0.25%). The Bank holds a guarantee of \$800,000 (2019: \$800,000) from the Board of Directors acting on behalf of the CARIFORUM States, as security for the bank overdraft facility which has a limit of \$800,000 (2019: \$800,000). At the financial reporting date, the rate of interest being charged on the bank overdraft was 8.5% (2019: 8%) per annum. At the close of the financial year, the bank overdraft had a nil balance (2019: nil).

5 Accounts receivable

	2020	2019
	\$	\$
Counterpart contributions, gross	6,562,847	5,184,378
Provision for doubtful accounts	(560,667)	(491,975)
Counterpart contributions, net	6,002,180	4,692,403
Other receivables	159,528	126,856
Total accounts receivable at the end of the year	<u>6,161,708</u>	<u>4,819,259</u>

The movement in the provision for doubtful accounts is as follows:

	2020	2019
	\$	\$
Balance at the beginning of the year	491,975	500,000
Bad debt expense/(recoveries) for the year	68,692	(8,025)
Balance at the end of the year	<u>560,667</u>	<u>491,975</u>

Caribbean Export Development Agency

Counterpart Public & Private Sector

Notes to the Financial Statements

December 31, 2020

(expressed in Barbados dollars)

6 Amounts due to and from related funds

Amounts due from related funds are as follows:

	2020	2019
	\$	\$
Amounts due from related funds and projects, gross	672,628	680,365
Provision for doubtful accounts	(13,983)	(13,983)
Amounts due from related funds and projects, net	<u>658,645</u>	<u>666,382</u>

The movement in the provision for doubtful accounts is as follows:

	2020	2019
	\$	\$
Balance at the beginning of the year	13,983	–
Bad debt expense	–	13,983
Balance at the end of the year	<u>13,983</u>	<u>13,983</u>

Amounts due to related funds are as follows:

	2020	2019
	\$	\$
Amounts due to related funds and projects	<u>5,766,362</u>	<u>2,734,541</u>

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 costs of funding project activities prior to donor disbursements being paid out or contributions received.

7 Accounts payable and accrued liabilities

	2020	2019
	\$	\$
Advance contributions	194,739	316,053
Other payables and accrued liabilities	108,299	85,808
	<u>303,038</u>	<u>401,861</u>

Caribbean Export Development Agency

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Notes to the Financial Statements

December 31, 2020

(expressed in Barbados dollars)

8 Member state contributions

	2020	2019
	\$	\$
Antigua & Barbuda	34,661	35,530
Bahamas	170,631	169,839
Barbados	186,132	187,697
Belize	50,570	51,365
Dominica	34,673	35,970
Dominican Republic	224,485	241,206
Grenada	33,833	35,552
Guyana	121,314	121,314
Haiti	145,069	146,802
Jamaica	439,529	443,795
St. Kitts & Nevis	33,188	33,188
St. Lucia	33,188	33,188
St. Vincent & the Grenadines	33,529	33,519
Suriname	124,787	126,480
Trinidad & Tobago	470,147	475,815
	<u>2,135,736</u>	<u>2,171,260</u>

9 Other revenue

	2020	2019
	\$	\$
Contributions – rent	57,024	59,804
Event sponsorship and advertising	39,800	77,140
Other	–	300
	<u>96,824</u>	<u>137,244</u>

Caribbean Export Development Agency

Counterpart Public & Private Sector

Notes to the Financial Statements

December 31, 2020

(expressed in Barbados dollars)

10 Operating expenses

	Notes	2020 \$	2019 \$
Projects closure costs		2,303,311	106,467
Staff costs	11	1,364,965	1,733,758
Bad debt expense/(recoveries), net	5, 6	68,692	5,958
Rent		64,183	66,709
Professional and consulting fees		48,706	142,285
Repairs and maintenance		45,263	57,418
Insurance		19,986	31,226
Utilities		17,080	20,356
Miscellaneous		14,955	(33,351)
Administration		13,196	32,947
Business seminar		7,534	31,887
Accommodation and travel		3,704	7,819
Advertising		–	892
(Recoveries)/write offs on related fund balances		(341,622)	116,534
		3,629,953	2,320,905

11 Staff costs

	2020 \$	2019 \$
Salaries and emoluments	1,304,484	1,652,542
National insurance	32,942	32,652
Medical insurance	15,603	30,846
Other	11,936	17,718
	1,364,965	1,733,758

12 Finance costs

	2020 \$	2019 \$
Foreign exchange losses, net of gains	62,879	25,519
Bank charges	31,601	74,234
Interest expense	–	24,148
	94,480	123,901