



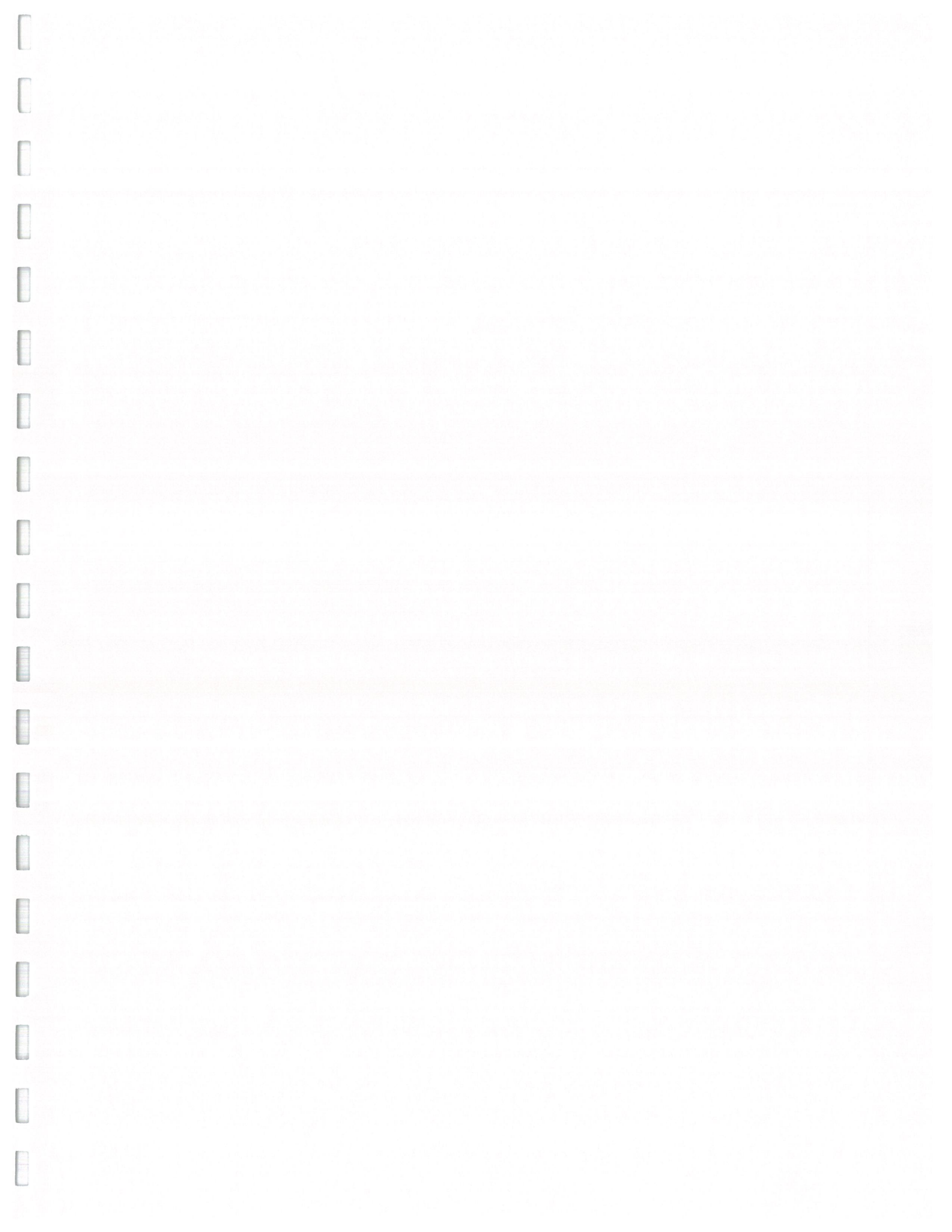
BAKER TILLY
REPÚBLICA DOMINICANA

Caribbean Export Development Agency
(Haiti - Dominican Republic Bi-national Cooperation Programme,
Trade Component, under the 10th EDF, implemented by
Caribbean Export under the contribution Agreement FED 2012/295-834.)
December 31, 2015
(With the independent auditors' report)
Financial Statements



an independent member of
BAKER TILLY
INTERNATIONAL

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(Haiti - Dominican Republic Bi-national Cooperation Programme,
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REPORT OF THE INDEPENDENT AUDITORS

**The board of Directors of
Caribbean Export Development Agency**
Haiti - Dominican Republic Bi-national Cooperation Programme, Trade Component, under the 10th EDF, implemented
by Caribbean Export under the contribution Agreement FED 2012/295-834.)

We have audited the financial statements of Caribbean Export Development Agency Haiti - Dominican Republic Bi-national Cooperation Programme, Trade Component, under the 10th EDF, implemented by Caribbean Export under the contribution Agreement FED 2012/295-834 and reviewed the operations for the year ended in December 2015.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 auditor's 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, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 referred above present fairly, in all material respects, the financial position of Caribbean Export Development Agency, (Haiti - Dominican Republic Bi-national Cooperation Programme, Trade Component, under the 10th EDF, implemented by Caribbean Export under the contribution Agreement FED 2012/295-834.) as of December 31, 2015, in accordance with the International Financial Reporting Standards (IFRS).

Baker Tilly R.D.

Baker Tilly República Dominicana
September 24, 2016



CARIBBEAN EXPORT DEVELOPMENT AGENCY
(Haiti - Dominican Republic Bi-national Cooperation Programme, Trade
Component, under the 10th EDF, implemented by Caribbean Export under the
contribution Agreement FED 2012/295-834.)

STATEMENTS OF FINANCIAL POSITION

As of December 31, 2015 and 2014

(Values expressed in €)

| | Notes | 2015 | 2014 |
|-----------------------------------|-------|------------------|----------------|
| ASSETS | | | |
| Cash | 3 | 2,815,563 | 792,527 |
| Amounts due from related funds | 4 | 2,015 | 1,721 |
| Prepaid expenses | | 1,694 | 1,526 |
| Total assets | | 2,819,272 | 795,774 |
| LIABILITIES AND NET ASSETS | | | |
| <i>Liabilities</i> | | | |
| Accounts payable | 5 | 35,219 | 42,837 |
| Grant commitments | | 180,868 | - |
| Other accounts payable | | - | 7,800 |
| Deferred income | 6 | 2,601,146 | 743,669 |
| Amounts due to related funds | | 1,762 | 1,468 |
| Total liabilities | | 2,818,995 | 795,774 |
| <i>Net assets</i> | | | |
| General fund | | 277 | - |
| Total liabilities and net assets | | 2,819,272 | 795,774 |

Approved by the Board of Directors on:

July 16th 2018

Signed on its behalf by:

Kayfealy

Notes are an integral part of the accompanying financial statements.

CARIBBEAN EXPORT DEVELOPMENT AGENCY

(Haiti - Dominican Republic Bi-national Cooperation Programme, Trade Component, under the 10th EDF,
implemented by Caribbean Export under the contribution Agreement FED 2012/295-834.)

STATEMENTS OF COMPREHENSIVE INCOME

As of December 31, 2015 and 2014

(Values expressed in €)

| | Notes | 2015 | 2014 |
|---|-------|------------|-----------|
| REVENUE | | | |
| Funding revenue | 6 | 1,304,727 | 1,190,184 |
| Interest income on short term deposits | | 277 | - |
| EXPENSES PER COMPONENT | 7 | | |
| Trade and Investment | | (488,497) | (623,965) |
| Customs | | (34,139) | (212,092) |
| Private Sector | | (639,043) | (223,048) |
| Administration/Programme Implementation | | (143,048) | (131,079) |
| Administrative Fee | | | |
| Surplus for the year | | <u>277</u> | <u>-</u> |

Notes are an integral part of the accompanying financial statements.

CARIBBEAN EXPORT DEVELOPMENT AGENCY
 (Haiti - Dominican Republic Bi-national Cooperation Programme, Trade Component, under the 10th EDF,
 implemented by Caribbean Export under the contribution Agreement FED 2012/295-834.)

STATEMENTS OF CASH FLOWS

As of December 31, 2015 and 2014

(Values expressed in €)

| | 2015 | 2014 |
|---|-------------------------|-----------------------|
| Cash provided from operating activities | | |
| Surplus for the year | 277 | - |
| Changes in operating assets and liabilities | | |
| Decrease in accounts receivable | - | 487 |
| Increase in prepaid expenses | (168) | (1,526) |
| Decrease (increase) in due from related funds | (294) | 1,278 |
| Increase (decrease) in accounts payable | (15,418) | 45,107 |
| Increase (decrease) in due to related funds | 294 | (1,315) |
| Increase (decrease) in Deferred Operating Income | 2,038,345 | (1,190,184) |
| Net cash provided by (used in) operating activities | <u>2,023,036</u> | <u>(1,146,153)</u> |
| Cash at the beginning of the year | <u>792,527</u> | <u>1,938,680</u> |
| Cash at the end of the year | <u><u>2,815,563</u></u> | <u><u>792,527</u></u> |

Notes are an integral part of the accompanying financial statements.

Caribbean Export Development Agency
(Haiti - Dominican Republic Bi-national Cooperation Programme, Trade Component, under the 10th EDF, implemented by
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended in December 31, 2015 and 2014
(Values expressed in €)

1. Project overview

Caribbean Export is the only regional trade and investment promotion agency in the African, Caribbean and Pacific (ACP) group. Established in 1996 by an Inter-Governmental Agreement as the trade promotion Agency of the 15 Member States of CARIFORUM.

In July 2005, they assumed an investment promotion mandate after the 14th CARIFORUM Council of Ministers meeting and established collaborative links with the French Caribbean Outermost Regions (FCORs), with the English and Dutch Overseas Countries and Territories (OCTs) and with Cuba.

Caribbean Export has evolved over the past 20 years from an Implementing Management Unit of the CARICOM Regional Trade Development Programme (CRTDP) as established in 1988, to the CARICOM Export Development Project (CEDP), which in 1996 became the Caribbean Export Development Agency.

The 10th EDF Haiti-Dominican Republic Programme of Bilateral Economic and Trade Cooperation in the Context of the CARIFORUM-EC Economic Partnership Agreement (EPA) was launched in Port-au-Prince, Haiti on September 18, 2012.

The EUR 7,200,000 programme is managed by Caribbean Export and financed under the 10th EDF Caribbean Regional Indicative Programme (RIP) as well as from the 10th EDF National Indicative Programme (NIP) of Haiti and the Dominican Republic. The Programme seeks to promote the development of Haiti and the Dominican Republic by supporting the regional integration process that takes into consideration the demands of sustainable development and the needs of poverty reduction strategies.

The component which is executed by the Agency through its Sub-Regional Office in the Dominican Republic and a Programme Office in Haiti aims to:

- Strengthening the capacity to develop, enforce and implement trade policies and regulations and supporting investment promotion;
- Facilitating trade flows and strengthening the customs administrations;
- Directly assisting business support organization and small and medium sized enterprises.

The Agency carries numerous work programme activities within the context of Bi-National programmes such as study tours, export promotion activities.

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended in December 31, 2015 and 2014
(Values expressed in €)

2. Basis of presentation and principles of accounting policies

Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS's). Accounting policies have been consistently applied in the financial statements of Caribbean Export Development Agency.

The financial statements are presented to reasonable values from their historic cost, except by certain assets and liabilities that are presented to their reasonable value with other method.

Functional currency and presentation

The financial statements are presented in euro, currency used by the Organization for the presentation of their financial statements, as established in the contribution agreement signed with the European Union.

Transactions in foreign currencies

Transactions in currencies different to the functional currency, are converted to the exchange rate in which the Organization recorded the contribution received for the development of the program. According to the agreement with the European Union in the year 2012, the Organization will not recognize gains or losses from exchange, resulting from conversion.

Cash and cash equivalents

The Organization considers as cash all the funds deposited in cashier and the banks, as well as small investments in securities with an expiration of less or equal to three months, counted from the acquisition date.

Accounts payable

It is a present obligation of legal character or implied to the date of the financial statements of the Organization, which can be determined reliably and as a result of past events, to its expiration and to cancel it, the Organization expects to rid themselves of resources that include or have included benefits.

Revenue recognition

Revenues are recognized at the time of the transaction. These revenues are generated by cash transfers. The income is recognized as the projects advance, they are not recognized as income until used for the purposes defined, in this case, the contribution will remain in a passive account toward the donor.

Advances from European Union

European Union transfers cash to executing agencies, the transfer is recorded as an advance and the programme expenses are recorded when incurred.

Deferred income

The Agency recognizes deferred revenues when the advances are received from the European Union and recognizes revenue when the expenses related to the program are recorded. Unspent amounts are classified in the deferred revenue liabilities section of the statement of financial position.

Caribbean Export Development Agency
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NOTES TO THE FINANCIAL STATEMENTS
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Advances for travel expenses

The advances for travel expenses consist in pay out to staff or contractors for travel related activities.

Expenses and components

The Agency classify their expenses in four components. The classification allows the Agency to have a better segregation of their expenditures. The components also subdivide in subcomponents and they proceed to elaborate the budget based on the subcomponents.

The four components are the following:

1. Trade and Investment (TI)
2. Customs (CT)
3. Private Sector Development (PS)
4. Administration (AD)

3. Cash

As of December 31, 2015 and 2014, a detail of cash is as follows:

| | 2015 | 2014 |
|---------------|-----------|---------|
| Petty cash | 355 | 355 |
| Cash in banks | 2,815,208 | 792,172 |
| | 2,815,563 | 792,527 |

4. Amounts Due from Related Funds

As of December 31, 2015 and 2014, the amounts due from related funds

| | 2015 | 2014 |
|-------------------------|-------|-------|
| Haiti office due to SRO | 1,762 | 1,468 |
| SRO CPART | 253 | 253 |
| | 2,015 | 1,721 |

Caribbean Export Development Agency
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NOTES TO THE FINANCIAL STATEMENTS
For the year ended in December 31, 2015 and 2014
(Values expressed in €)

5. Accounts payable

As of December 31, 2015 and 2014, the accounts payable are of €35,219 and €42,837, respectively, corresponding to suppliers and contracted services.

6. 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.

The Programme is funded by the European Union, where the first pre-financing was EUR €2,455,109 in 2012 and a 2nd pre-financing was received in July 2015 for the amount of €3,162,204. During the year 2015 and 2014, €1,304,727 and €1,190,184 were recognized in income to match expenses incurred. The balance of €2,601,146 and €743,669 were recorded in deferred operating income on the statement of financial position at December 2015 and 2014, respectively. There are no unfulfilled conditions or contingencies attached to this amount.

7. Expenses per component

A detail of the expenses per component as of December 31, 2015 and 2014, is as follows:

| Trade and Investment (TI) | 2015 (€) | 2014 (€) |
|---|-------------|-------------|
| <i>Trade Policies and Regulations</i> | | |
| Technical assistance-short term | 102,681 | 32,383 |
| Trade missions | 56,174 | 33,300 |
| Trade Development Expert (Technical assistance long term) | 46,940 | 30,437 |
| Financial Assistant (long term support) | 37,431 | 32,314 |
| Project Assistant (long term support-HT) | 22,913 | - |
| Training | 17,227 | 38,785 |
| Thematic joint working groups | 11,673 | 7,914 |
| Survey and needs analysis of participating institutions | 9,359 | - |
| Public/Private Sector Dialogue | 2,725 | 15,909 |
| Purchase of equipment for beneficiaries | 66 | 59,618 |
| Total sub component | 307,190 | 250,659 |

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended in December 31, 2015 and 2014
(Values expressed in €)

Investment Promotion

| | | |
|---|-----------------------|-----------------------|
| Investment missions | 70.788 | 58.888 |
| Investment Promotion Expert (technical assistance- long term) | 46.940 | 46.940 |
| Administrative Assistant (long term support) | 24.190 | 24.282 |
| Training | 13.512 | 57.421 |
| Thematic joint working groups | 13.260 | 11.777 |
| Public/Private Sector Dialogue | 12.610 | 26.483 |
| Technical assistance-short term | 8 | 72.164 |
| Purchase of equipment for beneficiaries | - | 75.176 |
| Surveys, needs analysis of participating institutions | - | 175 |
| Total sub component | <u>181.307</u> | <u>373.306</u> |
| Total, Component | <u><u>488.496</u></u> | <u><u>623.966</u></u> |

| | 2015 | 2014 |
|---|----------------------|-----------------------|
| Customs (CT) | <u>(€)</u> | <u>(€)</u> |
| Financial assistant (long term support) | 29.910 | 29.910 |
| Thematic joint working groups | 2.491 | 10.784 |
| Customs Expert (Technical assistance long term) | 1.738 | 55.130 |
| Purchase of equipment for beneficiaries | - | 2.702 |
| Training | - | 113.566 |
| Total Component | <u><u>34.139</u></u> | <u><u>212.092</u></u> |

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| | 2015 (€) | 2014 (€) |
|---|----------------|----------------|
| Private Sector Development (PS) | | |
| <i>Technical support to the Private Sector initiatives</i> | | |
| Commercial Mission | 248.114 | 28.999 |
| Private sector development expert (Technical assistance long term) | 46.940 | 32.468 |
| Deputy Programme Manager (Salary) | 42.631 | 60.092 |
| Specific programmes with development Inst/prog. (EIB, PNUD, CDE...) | 20.727 | 52.103 |
| Training | 17.520 | - |
| Thematic joint working groups | 8.482 | 31.899 |
| Public/private sector dialogues | 7.124 | 912 |
| Surveys, needs analysis, studies | 4.037 | 5.167 |
| Technical assistance- short term | - | 342 |
| Total sub component | 395.575 | 211.982 |
| <i>Direct assistance grants scheme for SMEs and BSOs</i> | | |
| Delivery of Assistance | 190.019 | - |
| Project Assistant (long term support-DR) | 24.190 | - |
| Purchase of equipment for beneficiaries | 16.888 | 1.765 |
| Promotion of Grant Scheme | 12.370 | 9.300 |
| Total sub component | 243.467 | 11.065 |
| Total Component | 639.042 | 223.047 |

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended in December 31, 2015 and 2014
(Values expressed in €)

| | <u>2015</u> | <u>2014</u> |
|--|-----------------------|-----------------------|
| Administration/Programme implementation (AD) | (€) | (€) |
| <i>Organizational Structuring</i> | | |
| Rent and maintenance (2 Offices) | 61.426 | 66.949 |
| Motor Vehicules (purchase and insurance (2)) | 35.555 | 1.060 |
| Utilities/materials/bank charges/insurance | 30.594 | 30.876 |
| Salaries and emmoluments (2 Messengers/chauffeurs) | 6.653 | 7.235 |
| Equipment & materials Purchase and Installation | <u>3.077</u> | <u>6.769</u> |
| Total sub component | <u>137.305</u> | <u>112.889</u> |
| <i>Coordination, evaluation and promotion of the Bi national Programme</i> | | |
| Meetings | 3.910 | 15.228 |
| Promotion, public relations and visibility | 1.642 | 613 |
| Monitoring/Audit/Evaluation | 191 | - |
| Steering Committe Meetings (2 per year) | <u>-</u> | <u>2.349</u> |
| Total sub component | <u>5.743</u> | <u>18.190</u> |
| Total component | <u><u>143.048</u></u> | <u><u>131.080</u></u> |