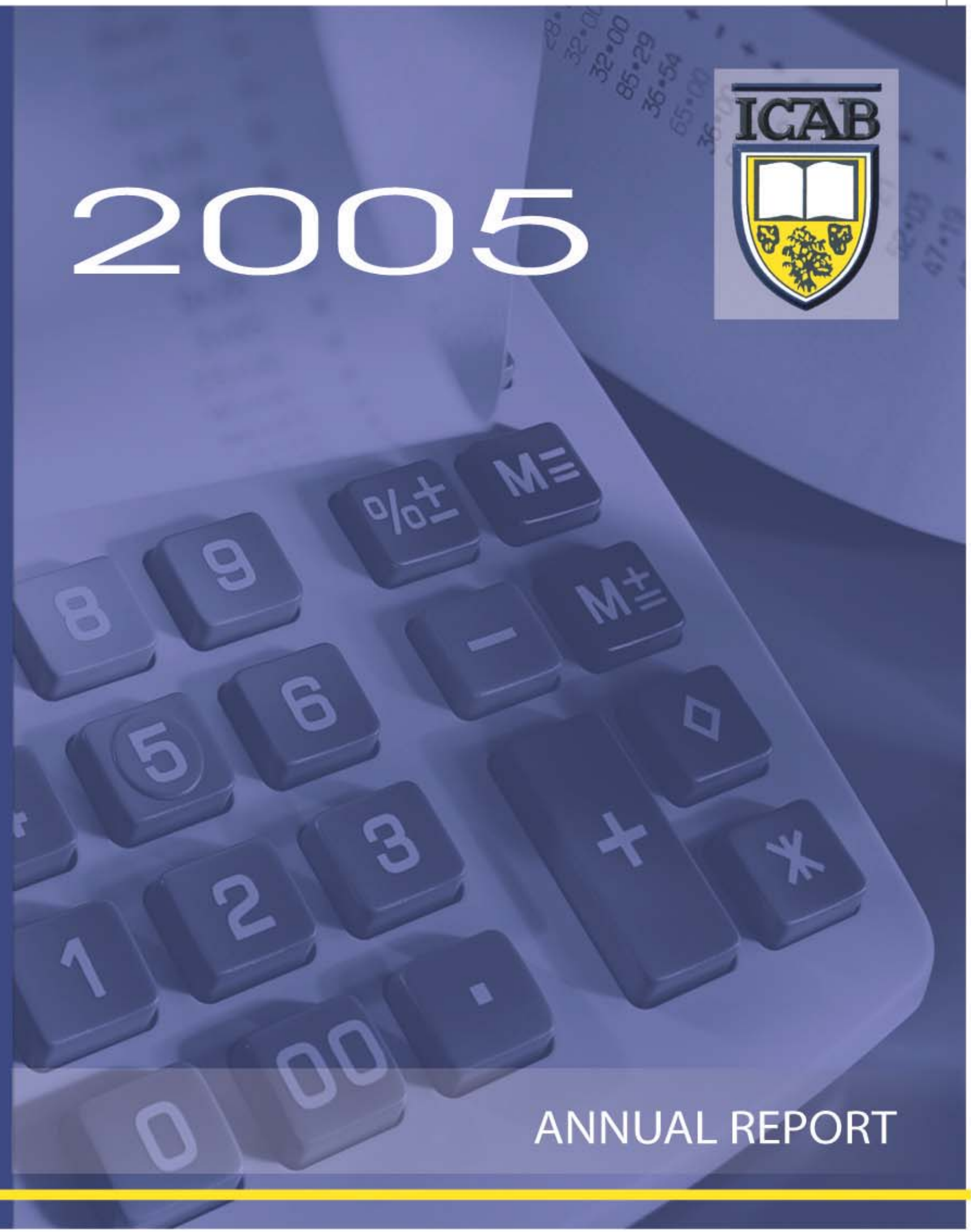
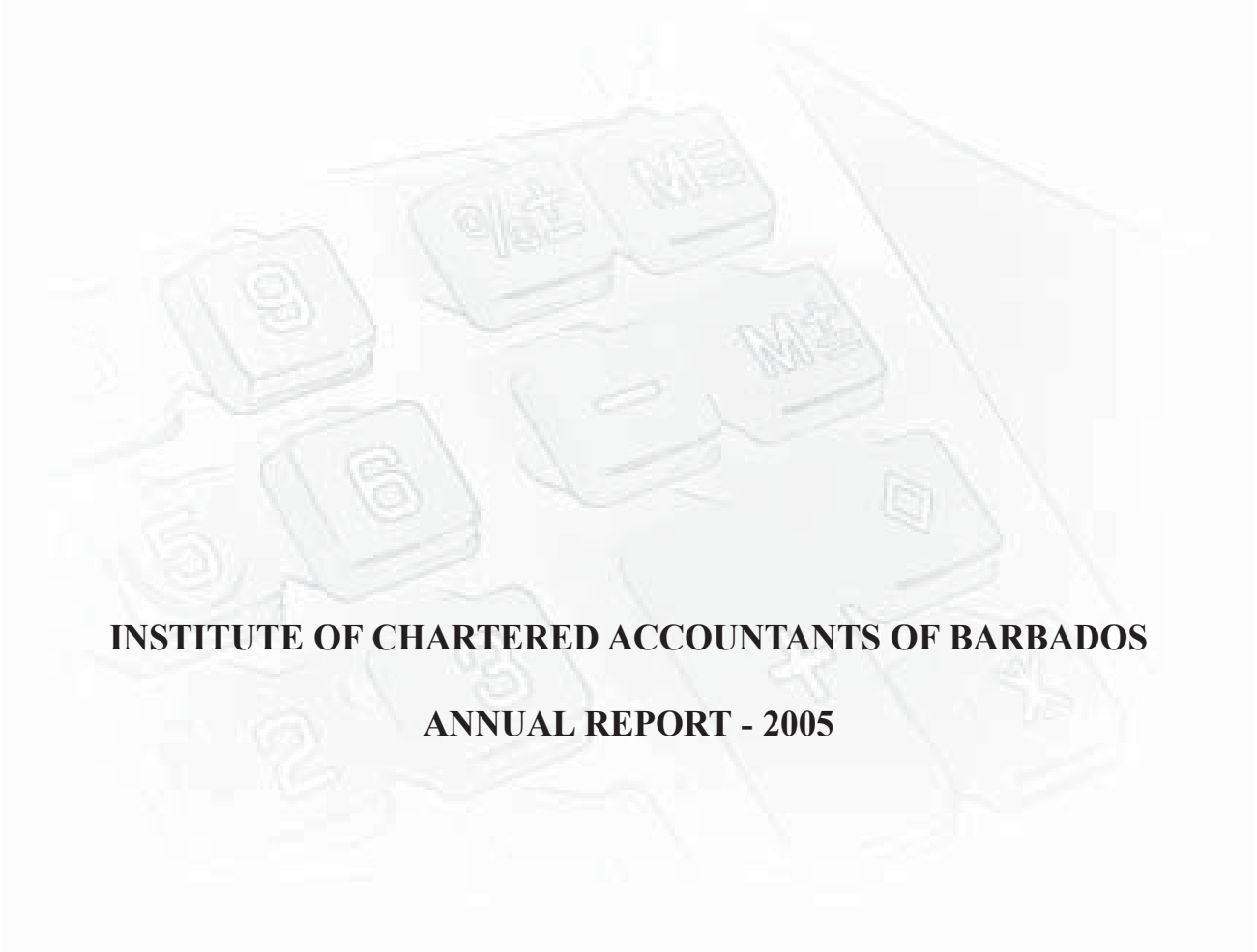
2005



ANNUAL REPORT

INSTITUTE OF CHARTERED ACCOUNTANTS OF BARBADOS
P.O. Box 43B, St. Michael, Barbados, W.I. BB 14000
Room 29, Hastings Plaza, Hastings, Christ Church, Barbados, W.I. BB 15150
Tel: (246) 429-5678 Fax: (246) 426- 0970
Email: icab@sunbeach.net Website: www.icab.bb



INSTITUTE OF CHARTERED ACCOUNTANTS OF BARBADOS

ANNUAL REPORT - 2005

TABLE OF CONTENTS **Page**

Notice of Annual General Meeting

Members of Council and Committees

Report of Council

Financial Statements

Current List of Members

Past Presidents

Notes

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the thirty second Annual General Meeting of the Institute of Chartered Accountants of Barbados will be held at the Accra Beach Hotel, Rockley, Christ Church on Thursday, May 18, 2006 at 5:30 p.m. for the following purposes –

1. To confirm the Minutes of the thirty first Annual General Meeting held on Thursday, May 26, 2005.
2. To receive and consider the Annual Report of Council for the year ended December 31, 2005.
3. To receive and consider the audited Financial Statements for the year ended December 31, 2005.
4. To elect members of Council.
5. To appoint an auditor for the year ending December 31, 2006.
6. To transact any other business which may reasonably come before the meeting.

BY ORDER OF COUNCIL

Rueben Blenman
Secretary

March 22, 2006

MEMBERS OF COUNCIL – 2005/2006

Brian Robinson
President
1998*

Patrick Hinkson
Vice-President
2001*

Rueben Blenman
Secretary
2003*

Andrew Brathwaite
Treasurer
2002*

Betty Brathwaite
Immediate
Past-President
1995*

Winsmore
Humphrey1989*

Roger Arthur
2001*

Jefferson Hunte
2003

Carol Nichols
Past-President
1994*

Elson Jordan
Past-President
1995*

Michael Edghill
1998*

Oliver Jordan
2003*

David Simpson
2005*

Michael Carrington
2005*

Marlon Yarde
2005*

* denotes date first elected to Council

COMMITTEES FOR THE TERM 2005 - 2006

ADMINISTRATION

Brian Robinson – Chairman
Betty Brathwaite
Patrick Hinkson
Rueben Blenman
Andrew Brathwaite

TECHNICAL COMMITTEES

Accounting & Auditing Standards
Andrew Brathwaite – Chairman
Ron Bancroft
Michael Bynoe
Michael Edghill
Michael Carrington
Alastair Dent
Marcel Murrell, Jr
Hanif Patel

Legislation
Marlon Yarde – Chairman
Michael Edghill
Cameron Haynes
Winsmore Humphrey
Mohan Nandwani

Taxation
Maria Evelyn-Robinson – Chairman
Winsmore Humphrey - Liaison to council
Gloria Eduardo
Winston Gibbs
Ayub Kola
Tyson Thompson
Joseph Ward

SERVICES COMMITTEES

Continuing Professional Education
Reuben Blenman – Chairman
Roger Arthur
David Estwick
Paula Louis

Communications
Michael Carrington – Chairman
Debbie Briggs
David Simpson
Gregory Smith

Membership
Jefferson Hunte – Chairman
Reuben Blenman
Gary Skeete
Alison Frost
Terri-Ann Massiah

Student & Member Services
David Simpson – Chairman
Maxime Bannister
Michael Carrington
CGA Student Body - represented by Vondene Taitt
ACCA Student Society - represented by David Simpson

AD-HOC COMMITTEES

Advisory
Betty Brathwaite – Chairman
Mariano Browne
Elson Jordan
Patrick Toppin

Task Force on Limited Liability
Brian Robinson – Chairman
Betty Brathwaite
Marcus Hatch
Elson Jordan
Carol Nicholls

STANDING COMMITTEES

Appeals
Carol Nicholls – Chairman
Carlyle Forde
Brian Griffith
Hartley Richards
Representative of the Barbados Bar Association (by request)

Disciplinary
Oliver Jordan – Chairman
Felton Burton
Kenneth Hewitt
Tyson Thompson
Harold Tryhane

Ethics
Winsmore Humphrey – Chairman
Kenneth Hewitt
William Hutchinson
Harold Tryhane

Investigation
Winsmore Humphrey – Chairman
Hutson Best
Ayub Kola
Lindell Nurse
Andrew Rollins
Peter Symmonds

REPORT OF COUNCIL

President's report

The year 2005 can be seen as a year of relative calm for the profession. ICAB has supported the International Accounting and Auditing Standards Board ("IAASB") in their efforts to develop a parallel set of accounting standards for small and medium- sized enterprises ("SMEs") as we see this as having a significant impact on companies in the Caribbean. By definition an SME is a small enterprise which has no public interest. Within the Caribbean there exists an overwhelming majority of such entities that are not listed on stock exchanges nor are of any predominant public interest. Other than size, therefore, most of Caribbean business can be defined as SMEs and should welcome changes that simplify their financial reporting.

Our members in public practice have continuous challenges keeping up to date and ensuring that the financial statements they audit are presented in accordance with an increasingly complicated set of International Financial Reporting Standards ("IFRS") and members in industry constantly push back on the need for full adoption of IFRS by ICAB as the local standard. I believe that as a profession we should maintain the highest standards at all times and therefore have always supported the full adoption of IFRS as is the case for all members of the International Federation of Accountants ("IFAC"). Once IFRS for SMEs becomes a reality we will also support it as Barbados needs to be leaders in everything we do if this country is to maintain its place at the world's economic table.

In June 2006 we mark our twenty-fifth anniversary of IFAC membership and we shall be hosting the ICAC annual conference at the Hilton from the 8th to 10th. We are also fortunate to have the current president speaking at the conference and sharing in the anniversary. In addition, we have secured the presence of the vice chairman of the International Accounting Standards Board who is an active member of the emerging issues Task Force who will be here in the Caribbean to speak on the status of the SME project.

The ongoing issue of limited liability for public practitioners and our inability to discipline members remains unresolved but changes to the legislation have been drafted and your council has provided Government with our comments. We remain hopeful that resolution of these matters will be forth-coming.

We remain committed to strengthening our profession and to that end we continue to support the negotiations with the Inter-American Development Bank ("IADB"), through the Institute of Chartered Accountants of the Caribbean, to secure donor funding.

Administration and Financial Overview
At the first meeting of Council, following the Annual General Meeting, on June 16, 2005, the following officers were elected for the year 2005 -2006: -

President	Brian Robinson
Vice-President	Patrick Hinkson
Secretary	Rueben Blenman
Treasurer	Andrew Brathwaite

Administration Committee
In accordance with the By-Laws, the four officers named above, together with the Immediate Past President, Ms. Betty Brathwaite, constitute the Administration Committee, under the chairmanship of the President.

Council also chose the following persons to chair its committees: -

Standing Committees

Investigations	Winsmore Humphrey
Disciplinary	Oliver Jordan
Appeals	Carol Nicholls
Ethics	Winsmore Humphrey

Technical Committees

Accounting and Auditing Standards	Andrew Brathwaite
Legislation	Marlon Yarde
Taxation	Winsmore Humphrey

Services Committees

Communications	Michael Carrington
Continuing Professional Education	Rueben Blenman
Membership	Jefferson Hunte
Student & Member Services	David Simpson

Ad-Hoc Committees

Advisory	Betty Brathwaite
Task Force on Limited Liability	Brian Robinson

ICAC Board of Directors

Director	Elson Jordan
Alternate Director	Betty Brathwaite

FINANCES

This year, the Institute recorded a surplus of $43,523 (2004 – $88,848). The highlights for the year were: -

- General Fund increased by 14% to $354,734 (2004 – increase by 40%) due to surplus generated during the year.
- Cash, term deposits and investments increased to $329,607 (2004 - $319,048) as profits were realised in cash for the most part.
- Accounts payable and accruals decreased by $20,002 (2004 – increase of $22,408) as a result of some costs of CPE activities which were accrued in the prior year being settled during this year.
- Total revenue was $283,959 (2004 – $345,365), a decline due primarily to a fall back in CPE profits.
- Cost of operations totalled $240,436 (2004 – $256,517) a decline resulting from not having any bad debts for this year nor the dinner for the 30th anniversary as was the case in 2004.

Budget and plans for 2006

Council has approved a Budget for 2006, which projects total revenue of $295,000 (2005 actual – $278,201) and operating expenses of $246,400 (2005 actual – $240,436) leaving a net surplus of $48,600 (2005 actual – $37,765). We continue to plan for increased CPE activity as our main profit line and the strategy of sharing seminars with ACCA & BIBA will continue as these alliances proved themselves financially during 2005.

Council is pleased to report that the costs of operation for the year were maintained within budget, however, the expected revenue from CPE activity did not materialise and the resulting surplus was less than anticipated. Again this year it is expected that Institute activities can be maintained without any rate increases in subscriptions.

The demand for time and effort being placed on council members who have volunteered their services is becoming significant and we anticipate a need to hire a senior executive resource in order to strengthen the secretariat. Once IADB funding becomes available we expect to reconsider the employment of a chief operating officer.

The level of capital expenditure being budgeted for 2006 is consistent with the amount spent in prior years.

COUNCIL MATTERS

Council attendance

The table below shows attendance by members of Council at Council meetings held during the year 2005.

Roger Arthur	8/10	**Michael Edghill**	6/10	**Oliver Jordan**	2/8
Reuben Blenman	9/10	**Patrick Hinkson**	8/10	**Carol Nicholls**	3/10
Andrew Brathwaite	10/10	**Winsmore Humphrey**	5/10	**Brian Robinson**	10/10
Betty Brathwaite	9/10	**Jefferson Hunte**	7/10	**David Simpson**	5/6
Michael Carrington	5/6	**Elson Jordan**	3/10	**Marlon Yarde**	3/6

Elections to Council

At this meeting, there are five vacancies. The three vacancies arising from rotation of Carol Nicholls, Jefferson Hunte and Rueben Blenman and two vacancies from the resignation of Oliver Jordan and Elson Jordan due to work commitments.

Rueben Blenman and Carol Nicholls have indicated their willingness to seek re-election and on behalf of Council and the members of the Institute we extend our thanks and appreciation for the efforts put in by all members who have been able to serve on council.

Special mention needs to be made of Elson Jordan's contribution, however, as he retires having served as president and completed in excess of ten years service to council. Elson's term also included two years as the ICAC president and we wish him all the best in his future challenges.

ICAB ANNUAL SCHOLARSHIP

The Institute continues with its commitment to the furtherance of the relationship between the UWI and the profession in general, and for the seventh consecutive year, has awarded a scholarship, valued at $2,500, to a student pursuing a first degree in accounting, based on performance in the academic year commencing in 2005.

The recipient of this award is Ms. Astrid Arthur and the award was presented by vice president Patrick Hinkson at a Cave Hill Campus ceremony on April 4, 2006.

PICTURE TO COME

COMMITTEES REPORTS

STANDING COMMITTEES

Investigations, Disciplinary, Appeals and Ethics Committees

No matters were referred to these Committees during the year.

ACCOUNTING & AUDITING STANDARDS

Chairman – Andrew Brathwaite

International Financial Reporting Standards (IFRS)

Changes under the IASB's Improvements Project, including revisions to 13 International Accounting Standards, took effect for December 31, 2005 year ends. These revisions were covered in a joint ICAB/ ACCA seminar held in September 2005, and the published text of each revised standard now includes an introduction which summarizes the changes and any new requirements. A number of other new standards (IFRS 1, 4 and 5) also came into effect for December 31, 2005 year ends. At least 2 other new IFRS's have already been issued and come into effect after 2005, and we are expecting a number of new standards and exposure drafts to be published during 2006. These publications reflect the IASB's continuing efforts towards convergence with other major standard setting bodies and global acceptance of IFRS.

Further details may be obtained from the IASB's website at www.iasb.org.

Financial Reporting by Small and Medium-Sized Entities

During the year we continued to monitor the IASB's "Financial Reporting by Small and Medium-Sized Entities (SMEs)" project. A presentation was made at the 2005 Annual Conference outlining various IASB proposals, following which comments were solicited from members. These comments were collated and feedback provided to the IASB.

An exposure draft with the proposed new standards is already under review by the IASB, and should be published sometime in 2006. Final standards are expected to be published in 2007. As has been noted in prior years, Council views these SME standards as an important development, and will continue to participate in their formulation wherever possible.

ACCOUNTING & AUDITING STANDARDS (continued)

Online access to International Financial Reporting Standards

Since the publication of the 2004 International Financial Reporting Standards volume, Council has been encouraging members to subscribe for online access to the standards (eIFRSs) rather than purchasing the traditional bound volumes. It was felt that eIFRSs are the preferred option given, among other things, the rapid publication of new standards and interpretations, and the availability of various online research aids and tools.

After an initially favourable response from members, interest in the online subscription has declined substantially. This has no doubt been compounded by a number of technical problems experienced by the IASB in providing the service and providing the necessary support.

Based on these factors, we have decided to temporarily discontinue provision of the online subscription and will be taking orders for the bound volume of the 2006 International Financial Reporting Standards which became available in March this year. Members may of course contact the IASB directly to subscribe to eIFRS or purchase other IASB products.

Other activities

The Committee considered a proposal for a Caribbean scheme to monitor practising accountants, and comments and a request for further information and clarification has been submitted to ICAC. During 2005 the Committee alerted practising members to new requirements included in IFAC's 2005 Handbook of International Auditing, Assurance and Ethics Pronouncements.

LEGISLATION

Chairman – Marlon Yarde

During the year the legislation committee did not meet and there is no report.

ADVISORY

Chairman – Betty Brathwaite

The committee, through its chairman, has continued with its work with the Barbados Coalition of Service Industries Inc ("BCSI") as the BCSI continues on its mandate to promote the further development and competitiveness of the Barbados services' sector. ICAB supports the view expressed by the Government of Barbados that the development of the services sector is crucial to the future development of the economy of Barbados and encourages all members to support the work of the BCSI. The committee is currently engaged in the review of a draft CARICOM Financial Services Agreement which seeks to promote the enactment of harmonised provisions in the law to govern the financial services sectors in CARICOM.

COMMUNICATIONS

Chairman – Michael Carrington

The members of the communications committee were solicited late in the year and held informal discussions on their mandate and improving the image of ICAB. With Council's approval, the committee retained a professional firm to redevelop and enhance the web site to service members and students and provide a wealth of information to prospective students and interested parties.

Future plans for the website includes indexing to the database of member's information, secured transactions and links to several regional and international institutions and local legislation.

CONTINUING PROFESSIONAL EDUCATION

Chairman – Rueben Blenman

Given the need to continue our compliance with the International Federation of Accountants (IFAC) requirements for continuing professional education (CPE) the committee has offered members seminars during the year that are designed to provide a wide range of professional development opportunity. CPE activity for the year provided members with the opportunity to earn 42 hours (2004 – 49 hours) of structured CPE activities.

The following topics were covered at the seminars:

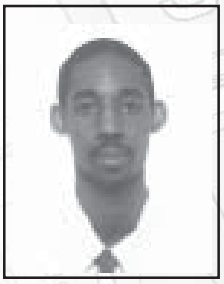
- Forensic Auditing – 6hrs
- International Financial Services – 6hrs
- SME Challenges – 6hrs
- Investment Decision making methods – 6hrs
- Update on International Financial Reporting Standards – 6hrs
- 3rd Annual Captive Insurance Workshop – 6hrs

In addition, this year's Annual Conference had as its theme this year **"Changing Roles in a Global Economy**". The guest speaker was a past president, Chris deCaires, and there was something for everyone as the program covered topics ranging from the National Initiative for Service Excellence, an update on the occupational Health and Safety legislation, effective communication and the changing role of accountants from the books to the boardroom.

The increased number of seminars during the year, coupled with quite favourable attendance, resulted in a net contribution, including the annual conference, of $30,359 (2004 - $87,027) to the surplus of the Institute. This represents 80.4% (2004 – 98.0%) of the surplus for the year.

We wish to thank all our partners and sponsors, who continue to make our CPE program the success that it is.

STUDENT & MEMBER SERVICES



Chairman–David Simpson

The Committee for the current year commenced its duties in June 2005 and immediately set about the task of clarifying its terms of reference and role and functions expected of it. One of key functions of continuously creating added value to students and members alike is without doubt not a simple task and for the first six months the Committee focused its attention on assessing and creating areas or benefits that would be useful to each student and member. To this end, the results of a survey conducted a few years ago are currently being reviewed and considered.

One of the major decisions taken so far has been to strive to ensure that cooperation exists between this Committee and the Communications Committee in delivering information, feedback and support to students and members. The provision of support, guidance and information on an ongoing and timely basis has been identified as one the primary methods by which the Institute can add value to its membership.

There still remains significant work to be carried out in all student and member related matters, however for there to be success, we require your thoughts and feedback as students and members as you determine where the Committee could assist the Institute in meeting your professional needs. In an effort to reach out to new students the Institute participated in the professional careers workshop for high school students held at the Dove Convention centre.

Over the next few months the Committee has been charged with development of a series of activities, especially of a social nature to encourage a greater interaction among members and awareness of ICAB and its role. This effort should continue from where the Cocktail Reception and Presentation commenced in December 2005. Additionally, many of our initiatives for adding value will be communicated via our website.

MEMBERSHIP

Chairman –Jefferson Hunte

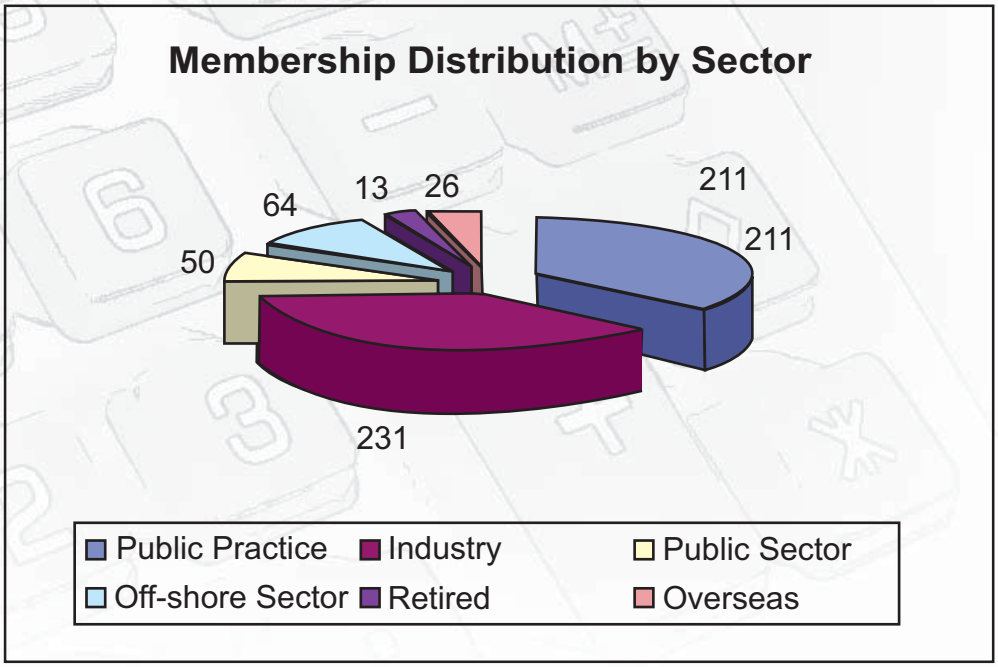
During 2005 the institute's overall membership remained relatively consistent, increasing by a net amount of 3 members (2004 - 20). The two main traditional sectors of employment, public practice and industry, continue to account for a combined 74% (2004 – 74%) of total membership. The marginal net increase in membership was a direct result of the delisting of 20 members during the year for non-payment of the annual subscriptions, despite the persistent and time consuming efforts by the Secretariat to encourage members to finalize payment by the due date.

The following table analyses the spread of members among the main sectors

Membership Distribution by Sector 2005

Movement during the year	Public Practice	Industry	Public Sector	Shore Sector	Retired	Overseas	Total
Balance - 1 January	202	235	49	64	13	29	592
Admissions	10	11	1	3	0	1	26
Resignations	-1	0	0	-1	0	0	-2
Delisted	0	-13	0	-2	0	-5	-20
Deceased	0	-1	0	0	0	0	-1
Transfers	0	-1	0	0	0	1	0
Net increase/decrease	**9**	**-4**	**1**	**0**	**0**	**-3**	**3**
Balance - 31 December	**211**	**231**	**50**	**64**	**13**	**26**	**595**
% of Total	**35%**	**40%**	**8%**	**11%**	**2%**	**5%**	**100%**

MEMBERSHIP (continued



Fellowship certificates

Council approved and issued the following fellowship certificates in accordance with the Institute's By-laws to the following members at the annual cocktail party held at the Savannah hotel on December 2, 2005.

Donneisha A Alleyne
Junior A N Brewster
Diana C Brooks
Felton A Burton
Sherry E Diaz
Lindell O'Neal Earle
Roslyn M Edghill
Heinrich N Funk
Carlton R Jordan
Shelley A Saul
Marie-Jeanne Symmonds

TASK FORCE ON LIMITED LIABILITY

Chairman – Brian Robinson

During the year the draft legislative changes were reviewed and commented on by council as we continue to work with the Ministry of International Business. The first step is the change to the companies act to allow the use of structures for the limitation of liability. Once completed the legislation allowing use of limited liability partnerships ("LLP") will be drafted. The issue of ICAB's ability to discipline members remains outstanding and seems a casualty of Government's scarce drafting resources.

ICAC MATTERS

Alternate Director – Betty Brathwaite

ICAC changed its president by rotation at its directors meeting in Belize in June and incoming president from Jamaica, Mr. Garth Kiddeo, immediately set plans in motion for a strategic planning session which was held in Barbados on October 1, 2005.

ICAB's responsibility lies in the Chair of the Membership Committee and in that capacity your directors have been relentless in the efforts to encourage Jamaica to recognise CGA as an acceptable approved accrediting body with ICAJ. This was achieved by the verbal representative of Jamaica at the Board meeting held in Barbados on January 28, 2006.

In addition Barbados has been driving the ICAC negotiations with regards to the Multilateral Investment Fund ("MIF"), Inter-American Development Bank ("IADB") funding for strengthening the Institutes in the Caribbean. The full Barbados position is disclosed in the ICAB 2004 annual report. The update for 2005 is that the IDB has agreed to group Barbados, Guyana, Belize and the Bahamas into one fund with Barbados as the lead. The delay in implementation has been Guyanas inability to source the counterpart funding component which is required in cash. The Institutes have stuck together and indicated that Guyana must be a part of the fund and within the IDB funding is being sought for that component for Guyana. This is great news and as a result it is expected that within a short period of time the necessary funding will be made available.

TAXATION

Chairman – Maria Evelyn-Robinson

During the year the tax committee did not meet and there is no report.

ACKNOWLEDGMENTS

I wish to extend my gratitude to all members who have volunteered on standing committees as well as to fellow members of council for all their efforts. Our secretariat staff cannot be forgotten as our Executive Secretary, Pauline Richards, and our Administrative Assistant, Althea Springer, have proven time and again their worth and support over the past year. They continue to provide a vital role by being the link between Council and membership as well as provide administrative support to the various committees of Council, and organising the various seminars and conferences held every year.

On behalf of Council

Brian Robinson
President

March 21, 2006

Institute of Chartered Accountants of Barbados

Financial Statements
December 31, 2005
As of December 31, 2005

Auditor's Report

To the Members of
Institute of Chartered Accountants of Barbados

I have audited the accompanying balance sheet of **Institute of Chartered Accountants of Barbados** as of December 31, 2005 and the related statements of income and expenditure, changes in general fund and cash flows for the year then ended. These financial statements are the responsibility of the Institute's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Institute as of December 31, 2005 and the results of its operations, changes in general fund and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Chartered Accountant

Barbados

BALANCE SHEET
As of December 31, 2005
(expressed in Barbados dollars)

	2005 $	2004 $
Assets		
Current assets		
Cash	**100,019**	129,498
Term deposits (note 3)	**137,935**	106,618
Accounts receivable	**26,413**	22,613
Mutual fund investments (note 4)	**91,653**	82,932
Prepaid expenses	**2,880**	-
	358,900	341,661
Plant and equipment (note 5)	**18,099**	11,817
Total assets	**376,999**	353,478
Liabilities and general fund		
Current liabilities		
Accounts payable and accruals	**22,265**	42,267
General fund		
Balance	**354,734**	311,211
Total liabilities and general fund	**376,999**	353,478

Approved on March 21, 2006 on behalf of Council by:

Andrew F. Brathwaite - Treasurer

Brian D. Robinson - President

STATEMENT OF CHANGES IN GENERAL FUND

For the year ended December 31, 2005
(expressed in Barbados dollars)

	General Fund $
Balance – December 31, 2003	**222,363**
Surplus for the year	**88,848**
Balance – December 31, 2004	**311,211**
Surplus for the year	**43,523**
Balance – December 31, 2005	**354,734**

STATEMENT OF INCOME IN EXPENDITURE

For the year ended December 31, 2005
(expressed in Barbados dollars)

	2005 $	2004 $
Income		
Annual subscriptions (note 6)	**215,455**	204,700
CPE courses (note 7)	**17,652**	77,900
Annual conference (note 8)	**18,465**	9,127
Unrealised gain on investment	**8,721**	15,920
Admission fees	**5,200**	14,350
Investment income	**4,096**	5,386
Sale of handbooks and online subscriptions (note 9)	**2,009**	5,158
Other	**12,361**	12,824
	283,959	345,365
Expenditure		
Salaries and other staff costs	**96,548**	89,019
Occupancy costs	**41,287**	41,332
Office expenses	**19,430**	15,569
Annual general meeting	**15,872**	15,299
Travel and entertainment	**12,281**	7,294
Communications	**10,671**	11,595
Anniversary dinner & cocktail reception	**10,079**	27,376
Depreciation	**8,275**	5,202
UWI Scholarship	**2,500**	2,500
Miscellaneous	**1,052**	146
Bank charges and interest	**244**	206
Bad debts written off	**-**	11,784
New members handbooks	**-**	4,028
	218,239	231,350
ICAC fees	**17,645**	16,983
IFAC fees	**3,280**	7,056
IASC fees	**1,272**	1,128
	240,436	256,517
Surplus for the year	**43,523**	88,848

STATEMENT OF CASH FLOWS
For the year ended December 31, 2005
(expressed in Barbados dollars)

	2005 $	2004 $
Cash flows from operating activities		
Surplus for the year	**43,523**	88,848
Adjustments for:		
Depreciation	**8,275**	5,202
Investment income	**(4,096)**	(5,386)
Unrealised gain on investments	**(8,721)**	(15,920)
Surplus before non-cash working capital changes	**38,981**	72,744
Increase in term deposits	**(31,317)**	(1,755)
Increase in accounts receivable	**(6,022)**	(7,017)
Increase in prepaid expenses	**(2,880)**	-
Increase in accounts payable and accruals	**(20,002)**	22,408
Net cash from (used in) operating activities	**(21,240)**	86,380
Cash flows from investing activities		
Purchase of plant and equipment	**(14,557)**	(574)
Investment income received	**6,318**	2,267
Net cash from (used in) investing activities	**(8,239)**	1,693
Net increase (decrease) in cash for the year	**(29,479)**	88,073
Cash – beginning of year	**129,498**	41,425
Cash – end of year	**100,019**	129,498

NOTES TO FINANCIAL STATEMENTS
December 31, 2005
(expressed in Barbados dollars)

1 Incorporation

The Institute was established under the Institute of Chartered Accountants of Barbados (Incorporation) Act, 1974. Its objects are inter alia to promote, foster and maintain the highest standard of accounting in public practice, the public service and the commercial and industrial spheres.

2 Accounting policies

The financial statements are prepared in accordance with International Financial Reporting Standards, which comprise standards and interpretations approved by the International Accounting Standards Board, and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee that remain in effect. Significant accounting policies are as follows:

a) Basis of accounting

The financial statements are prepared under the historical cost convention except for the measurement at fair value of mutual fund investments.

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported 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 reporting period. Actual results could differ from those estimates.

b) Depreciation and amortisation

Depreciation of furniture and equipment is provided on the straight-line method at rates designed to write off the assets over their estimated useful lives, which range from 3 to 8 years. Leasehold improvements are amortised over their useful lives or the period of the lease if shorter.

c) Accounts receivable

Accounts receivable are carried at original invoice amounts less an estimate made for doubtful receivables based on a review of all outstanding amounts at year end. Bad debts are written off when identified.

d) Revenue recognition

Annual subscriptions and admission fees are recorded when due. Interest is recorded on the accrual basis.

NOTES TO FINANCIAL STATEMENTS
December 31, 2005
(expressed in Barbados dollars)

2 Accounting policies *...continued*

a) Investments

The Institute's Council determines the appropriate classification of its investment at the time of purchase, and evaluates such designations at the balance sheet date. With the exception of term deposits, all of the Institute's investments are in mutual funds and have been designated at fair value through profit and loss. These investments are intended to be held for an indefinite period of time, and may be sold in response to need for liquidity or changes in interest rates, exchange rates or equity prices. In prior years the mutual fund investments were classified as available-for-sale.

All investments are initially recognised at cost. Mutual fund investments are subsequently re-measured at fair value and changes in fair value are recognised in the statement of income. Fair value is determined as the net asset value quoted by the Fund Manager. Investment transactions are recorded on the trade date.

Term deposits are valued at the amount of principal outstanding.

Unrealised changes in market value of investments held at the year end are reflected in the Statement of Income and Expenditure. Interest income is accrued as earned.

3 Term deposits

	2005	**2004**
	$	**$**
Consolidated Finance Co. Limited – 3.50% maturing April 10, 2006	**51,755**	51,755
Consolidated Finance Co. Limited – 6.00% maturing December 15, 2006	**61,180**	54,863
Globe Finance Inc. – 4.75% maturing August 31, 2006	**25,000**	-
	137,935	106,618

4 Mutual fund investments

	2005	**2004**
	$	**$**
Roybar Investment Corporation	**44,070**	39,367
Mutual Global Balanced Fund	**19,353**	18,137
Fortress Caribbean Growth Fund	**28,230**	25,428
	91,653	82,932

NOTES TO FINANCIAL STATEMENTS
December 31, 2005
(expressed in Barbados dollars)

5 Plant and equipment

	Furniture and equipment	Leasehold improvements	Total
Cost	$	$	$
Balance - beginning of year	107,977	9,993	117,970
Additions	14,557	–	14,557
Balance - end of year	**122,534**	**9,993**	**132,527**
Accumulated depreciation			
Balance - beginning of year	96,160	9,993	106,153
Charge for year	8,275	–	8,275
Balance - end of year	**104,435**	**9,993**	**114,428**
Net book values			
Beginning of year	11,817	–	11,817
End of year	**18,099**	–	**18,099**

6 Annual Subscriptions

	2005 $	2004 $
Members	**202,455**	190,450
Students	**13,000**	14,250
	215,455	204,700

7 CPE Courses

	2005 $	2004 $
Fees	**132,131**	173,288
Direct expenses	**(114,479)**	(95,388)
	17,652	77,900

NOTES TO FINANCIAL STATEMENTS
December 31, 2005
(expressed in Barbados dollars)

8 Annual conference

	2005 $	2004 $
Income		
Conference	**44,609**	29,826
Expenses		
Catering	**7,795**	7,063
Advertising	**4,701**	1,618
Promotional material	**3,134**	3,943
Speakers fees	**5,480**	3,000
Miscellaneous	**1,853**	1,820
Equipment rental	**1,341**	1,523
Rental of premises	**1,600**	1,500
Photographs	**240**	232
	26,144	20,699
Surplus	**18,465**	9,127

9 Sale of handbooks and online subscriptions

	2005 $	2004 $
Income		
Handbooks	**24,722**	9,025
Online subscriptions	**-**	9,000
	24,722	18,025
Cost of hand books and online subscriptions	**(22,713)**	(12,867)
	2,009	5,158

10 Tax status
The Institute was registered as a benevolent organisation on July 1, 1996 and is exempt from tax under section 4(1)(b) of the Income Tax Act, Cap.73.

NOTES TO FINANCIAL STATEMENTS
December 31, 2005
(expressed in Barbados dollars)

11 Pension plan

The Institute operates a defined contribution pension plan which commenced on January 1, 1997. Contributions to the plan are determined by an independent qualified actuary. Members of the plan contribute 2% of their pensionable salary below the NIS maximum plus 5% of any salary in excess of this maximum to the pension plan. The Institute contributes to the plan at the rate of 2.24% per annum of total pensionable salary.

The assets of this plan are held separately from those of the Institute and are invested and managed by its Trustees. Contributions to the plan are charged to income. Contributions for the year amounted to $1,330 (2004 – $1,584) so as to spread the cost of pensions over the service lives of employees.

At year end, the market value of the assets of the plan was $ 19,679 (2004 – $29,205).

12 Financial instruments

Fair value

The fair values of cash, term deposits, accounts receivable, and of accounts payable and accruals are not materially different from their carrying values on the balance sheet.

Mutual fund investments are carried on the balance sheet at fair value.

Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Credit risk

Cash, term deposits and investments are placed with reputable banks and financial institutions.

The Institute provides services and sells products to its members and/or customers primarily in Barbados. The Institute performs ongoing credit reviews of its members and/or customers and generally does not require collateral. A provision for uncollectible amounts is provided if deemed necessary.

Interest rate risk

The Institute dos not have any significant exposure to interest rate risk.

CERRENT LIST OF MEMBERS

Sharon Acland
Sheik Ahmed
Tyrone Alexander
Doneisha Alleyne*+
Ian Alleyne*+
Jefferson Alleyne
Lisa Alleyne+
Paula Alleyne*
Philmore Alleyne*+
Roslyn Alleyne
Charles Armstrong+
Sharon Armstrong-Mullah
Michael Aron
Lindsay Arthur+
Roger Arthur*+
Claudette Arthur-Alleyne
Karol Ashby
Mitchell Ashby
Petula Ashby
Carlyle Assue+
Philip Atkinson*+
Donald Austin
Ron Bancroft*
Lisa Banfield-Smith
Stephanie Barrow
Tamasa Barrow
Ronald Bascombe
Andrew Batson
Laura Beckles-Craigwell
Carlos Belgrave+
Andrea Belle
Glendon Belle+
Antoinette Bennett
Sheldon Berry
Anderson Best+
Cindy Best
Hutson Best*+
Winston Best*+
Sherene Blackett
Kevin Blackman
Margaret Blackman
Walwyn Blackman*+
Rueben Blenman
Terry Bonnett
Peter Boos*+
Armond Bourne*+
Geoffrey Bourne
Nadia BourneRobert Bourque*+
Esther Boxill+
Darcy Boyce+
Tricica Boyce
Kenneth Branker+
Andrew Brathwaite*
Dolores Brathwaite+
Eureka Brathwaite
Herman Brathwaite*+
Janice Brathwaite*+
Joan Brathwaite*+
Lois Brathwaite
Maureen Brathwaite
Nicole Brathwaite
Patricia Brathwaite
Sarah-Jane Brathwaite
P Brathwaite-Marshall*+
Delora Brewster
Junior Brewster+
Ryvan Brewster*
Debbie Briggs
Nicole Brome
Diana Brooks+
Alison Broome
Denise Brown
Clayton Browne
Jacqueline Browne
Mariano Browne
Sylvia Browne-Niles*
Randall Bryant*
Timothy Bryant*
Marlyne Burgess
Betty Burke
Ciarán Burke
Lynette Burke
Andrew Burnett
Irving Burrowes*
Felton Burton+
Michael Bynoe*+
James Campbell+
Ian Carrington
Michael Carrington*+
Cheryl Carter
Cuthbert Carter*+
Drayton Carter*+
Linda Carter
Peter Carter*+
Robert Carter*+
Iain Caskie
Roger Cave+
Anthony Chandler*+
Andria Chapman
Jean Chase-Sealy*+
Sunil Chatrani
Glenn Cheong+
Anthony Christie
Sharon Christie
Andrew Clarke*
Ashley Clarke*
Betty Clarke+
Carlton Clarke
Glenda Clarke
Hugh Clarke*+
Jean Clarke+
Jennifer Clarke
Sandra Clarke
Steve Clarke*
Paula Codrington
Corey Connell
Dane Coppin
Judy Corbin-Alkins
Tim Courtis
Janice Coward+
Selene Coward
Richard Cozier
Peggy Craigwell
Carl Crichlow*+
Douglas Crichlow+
Nicholas Crichlow+
Orlando Crichlow
Allan Cruikshank
Gordon Cummings
Gregory Cummings
Colleen Cyrus
Kirk Cyrus
Marcia Cyrus
Christine Dabaiya+
Annice Dalrymple+
Colin Daniel+
Leshan Daniel
Dalvin Darlington
Wayne Davis
Wayne Deane
Joyce Dear*+
Christopher deCaires*+
Lesah Denny

Alastair Dent*
Terry Depeiza*
Narissa Dhanraj
Sherry Diaz*+
Emily Dick-Forde
Mark Douglas
Owen Douglas*+
Violet Douglas
William Douglas
David Downes
Peterson Downes*+
Francina Downey*+
Oriel Doyle
Roland Drakes+
Lindell Earle+
Charles Edey
Derek Edghill
Michael Edghill*+
Roger Edghill
Roslyn Edghill+
Dawn Edinboro
Gloria Eduardo*+
Steve Edwards*
Sharon Elcock
Anthony Ellis*+
Marvlyn Estrado*
David Estwick
Janice Estwick
Richard Estwick
Trevor Estwick*
Christopher Evans+
Faye Evanson
Edward Evelyn*
John Evelyn*
Margo Evelyn+
Maria Evelyn-Robinson*+
Donna Every
Coral Farley
Trudy Farley
Alan Farnum *
Cheri Field
Wayne Fields*+
Richard Fingall
Cheryl Fitzpatrick-Payne
Arlene Fong
Carlyle Forde*+
Deanna Forde
Frank Forde
Patricia Forde Blanchard
Carolyn Forde-Bryan
Rochelle Forde-Smith
Claudia Francis+
Luther Francis+
Maurice Franklin*+
Alison Frost*+
Martin Frost*+
Heinrich Funk+
Paula Galbraith
Stephen Galbraith
Kirk Garcia+
James Gardiner
Jeffrey Gellineau*+
Gillian Germain-King
David Gibbons
Winton Gibbs*+
Courtney Gibson
Ian Gibson*+
Pamela Gibson*+
Marilyn Gill-Drayton*
Glenroy Gittens
Laura Gittens*
Tricia Gittens
Vivian-Anne Gittens+
Angela Goddard
Glenroy Goddard
Sir John Stanley Goddard+
Joseph Goddard+
Renée-Ann Gollop*
Sharon Goodridge
Glenda Gordon+
Kathleen Gordon
Dorken Greaves
Roslind Greaves
Paula Green
Andrez Greene
Andrea Greenidge
Berkeley Greenidge*
Karen Greenidge
Marianne Greenidge
Toni Greenidge
Geoffrey Gregory*+
Brian Griffith*+
John Griffith+
Paul Griffith
Shelley-Ann Griffith*+
Michelle Griffith-Gaskin
Herma Griffith-Ifill
Edmund Grimes
Michael Grimes*+
Roger Gumbs
John Hadchity+
Mark Hall*
Vinston Hampden+
Terence Hanton+
Jeffrey Harewood*
Shelley-Lynn Harewood
Atilola Harper
Mark Harris
Marcus Hatch*+
Allan Camara Haynes
Allan Connell Haynes*+
Cameron Haynes*
Cheryl Haynes
Hadley Haynes+
Trevor Haynes
Nancy Headley
Howard Henry
Kathy-Ann Hewitt
Kenneth Hewitt*+
Ronald Hewitt+
Colin Highland*+
Alice Hill-Greenidge
Monica Hinds+
Roglyn Hinds+
Tanya Hinds
Gregory Hinkson+
Lora Hinkson
Patrick Hinkson*
Nancy Hoad*+
Anthony Hobbs*
Ralph Holder+
Dawn Holder-Maxwell*
Roger Holford
Shelly-Ann Hope
John Howard*
Tracy Howard
Cheryl Howard-Bartlett
Nicholas Hughes*
Carolyn Humphrey*
Winsmore Humphrey*+
Christina Hunte
Frank Hunte
Jefferson Hunte*
Jennifer Hunte
Marsha Hunte
Sonia Hunte*+
Maureen Huque
Carlson Husbands+
Marilyn Husbands
Maurice Husbands+

Andrew Hutchinson+
Ian Hutchinson+
William Hutchinson*+
George Hutson*+
Isabelle Hutson*+
Junior Inniss
Paula Jackman
Toni Jackman
Michelle Jacobs
Stephen Jardine*+
David Jean-Marie
Flo Jean-Marie+
Maxine Jeffers
Vallis Jemmott
Earl John
Kathy Ann Johnson
Stacey Johnson
Angela Jones
Joy-Ann Jones*
Lana Jones
Mark Jones
Roland Jones
Carlton Jordan*+
Elson Jordan+
Frank Jordan
Oliver Jordan
Manoj Karnani*
Naresh Karnani*
Vivian Kellman
Caroline Kemp-Courtis+
Jason King
Tricia King
Trudy King
Andrew Kirby
Graham Kirby*+
Robert Kirby*+
Angolyn Kirton
Mark Knight
Ricardo Knight
Ralda Knight-Haynes
Ayub Kola*+
John-Paul Kowlessar*
Marjorie Lander+
Shelly Lashley*+
Paul Laurayne*
Charmaine Layne
Kerry Layne
William Layne+
Marguerita Layne-Yarde+
Kay Leacock
Lorna Leacock
Cheryl Leslie
Carl Lewis
David Lewis*
George Lewis*+
Harcourt Lewis*
Liesa Lewis
Louisa Lewis-Ward*
Christopher Linton
Derek Lloyd
Esther Lord
Shawhay Lorde
Paula Louis
Adrian Lovell
Wayne Lovell
Anderson Lowe
Hank Lucas
Lionel Lynch
Richard Lynch*+
Valence Lynch*+
Gaitri Mahabir
Gerald Mahon
Andrew Mallalieu
Christopher Mapp
Marilyn Mapp
Andrew Marryshow*+
Anderson Marshall*+
Angela Marshall
Arleigh Marshall
Geoffrey Marshall
Monica Marshall+
Terri-Ann Massiah
Renée Maycock
Ian Mayers*
Karen Mayers
Cheryl Mayers-Goddard
Juliette Maynard*
Bruce McClean*
Lydia McCollin*
Gregory McConnie*
Patrick McDonald
Jeffrey McFarlane
Carol McKeever*+
Philip McKeever+
Andrew McKenzie*+
Ashok Merai
Edward Meyer*
Sherry Ann Millar
Dodridge Miller+
Simon Milligan*+
Eleanor Morgan
Samuel Moseley+
Rachael Mottley
Patricia Murray
Yonnette Murray*
Marcel Murrell, Jr*
Tessha Myers
David Myles+
Mohan Nandwani
Angelica Neblett
Judith Nelson
Douglas Newsam*+
Carol Nicholls*+
Maria Nicholls
Lisa Michell Niles
Lisa Michelle Niles+
Paula Niles
Julian Norris+
Lindell Nurse*+
Christine O'Connor
Kathy-Ann Olliviere
Philip Osborne*+
Anderson Padmore
Beverley Padmore
Lisa Padmore*
Steven Parker
Kathy-Ann Parris
Christine Parris-Debique*
Hanif Patel*+
Mohammed Patel+
Jacqueline Payne
James Payne*+
Patrice Payne
Kemaul Persaud
Aidan Pestaina
Alan Peters+
Ian Philip*+
Lynn Phillips-Scantlebury*
Colvin Pile+
Richard Pile
Glyne Pilgrim
Paul Pitt
Rudolph Prescod*
Martin Pritchard+
Nicola Pritchard*+
André Procope
Sherry Quintyne
Florence Redman+
Morris Redman+
Diane Reece

Richard Reid*+
Julie Reifer-Jones+
Cora Richards
Hartley Richards+
Orlando Richards*+
Roderick Roberts
Christine Roberts-Ferreira+
Keith Robertson
Brian Robinson*+
Leon Robinson*
Jo-Ann Roett
Lisa Roett
Andrew Rollins*+
Carroll Roswell
Jacqueline Rudder*+
Christopher Sambrano*
Shane Sandiford
Shelley Saul*+
Elizabeth Scott*+
Cleveland Seaforth*
Bonnie Seale*
Wendy Sealy
Brenda Shaar-Sabga
Ruth Sheafe+
Dennis Shemeluck
Andria Shepherd-Payne
David Shorey*+
David Simpson
Maureen Simpson
Orson Simpson
Douglas Skeete*+
Gary Skeete*+
Anne-Marie Small*
David Small+
Marva Small
Igna Smart
Bernard Smith
Eric Smith*+
Gregory A Smith
Gregory MacD Smith+
Jennifer Smith*+
Kirk Smith
Sandra Smith+
Clyde Sobers+
Glen Sobers
Charmaine SooChan
Celeste Spencer+
Courtney Springer*
Renée Springer-Haynes
Harry St Hill
Claudette St John*
Gina Staffner
Arlita Stewart
Arlene Straker
Kurt Straker
Carolyn Stuart
Karen Stuart
Felicia Sue
Mark Sutherland*+
Marie-Jeanne Symmonds*+
Deborah Talma
Gregory Tannis
Trisha Tannis
Barry Taylor+
Lisa Taylor
Ricardo Taylor+
Payal Thani
Denzil Thomas
Ingrid Thomas
Dawn-Dew Thompson
Dionne Thompson
Heather Thompson
Toni Thompson
Tyson Thompson*+
Philmore Thorne
Terrence Thornhill+
Charles Tibbits*+
Ashley Toppin*+
Patrick Toppin*+
Christopher Towner*+
Everton Trotman*
Harold Tryhane*+
Suzena Turton*
Lalu Vaswani
Steve Vaughn*
Paul Waithe
André Walcott*
Sabina Walcott-Denny+
Peter Walford*+
Gordon Walker*+
Roger Walkes
Ann Wallace-Elcock*
Joseph Ward*+
Ryan Ward
Sharain Ward
Robert Warner
Adrian Waterman*
Ivan Watson*
Gregory G Webster
Maurice Webster+
P W Gregory Webster
Annette Weekes
Diana Weekes
Fay Weekes
Sophia Weekes
Michael Weetch+
Robert Whirley, Jr
Karen White
Muriel White
Michelle White-Ying*+
Sharon Whitehall
Roseann Whittaker
Rita Wilkinson
Ronald Wilkinson*+
Almroth Williams
Fiona Williams*+
John Williams*+
Marion Williams+
Matthew Williams
Simon Williams*
Anthony Wilson+
Roland Wilson+
Sandra Wilson
Anthea Winston
Noel Wood
Joan Workman*+
Dave Worrell*
Judith Worrell
Sheldon Worrell
Juan Wright
Marlon Yarde
John Yearwood
Lisa Yearwood
Vincent Yearwood*+

* practising certificate holders
+ fellowship certificate holders

List of Past Presidents

The Barbados Association of Professional Accountants was formed in 1966 and over time was led by –

1966	Mr. E. H. Walmsley
1967	Mr. Henry Cuke
1967/1968	Mr. Alex Roger
1968/1969	Mr. Ian Phillips
1970/1971	Mr. McDonald Smith
1971/1972	The late Mr. David Cuke, GCM
1972/1973	Mr. Owen Douglas
1973/1974	Mr. Kenneth Hewitt, CBE

In 1974, an Act of Parliament created the Institute of Chartered Accountants of Barbados and the following persons have held the Office of President –

1974/1976	Mr. Kenneth Hewitt, CBE
1976/1977	Mr. Desmond Tudor
1977/1979	Mr. David Shorey
1979/1981	Mr. Harry Tryhane
1981/1983	Mr. Patrick Toppin
1983/1985	Mrs. Joyce Dear
1985/1987	Mr. Michael Weetch
1987/1989	Mr. Anthony Ellis
1989/1990	Mr. James Payne
1990/1993	Mr. Patrick Toppin
1993/1995	Mr. Christopher DeCaires
1995/1996	Mr. Marcus Hatch
1996/1998	Mr. Douglas Skeete
1998/2000	Mrs. Carol Nicholls
2000/2002	Mr. Elson Jordan
2002/2004	Ms. Betty Brathwaite

Notes