

2014

INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
ANNUAL REPORT 2014

NOTICE OF MEETING

NOTICE is hereby given that the 49th Annual General Meeting of The INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA will be held on Tuesday, March 31, 2015 at 17:00 hours at the GCIS Building, Main Street, Georgetown, in order to:

1. Receive and consider the Report of the Council for the year ended 31 December 2014.
2. Receive and consider the audited Financial Statements for the year ended 31 December 2014.
3. Elect members of the Council for the ensuing year in accordance with section 4:7 of the Institute's Bye- Laws.
4. Appoint an Auditor for the ensuing year.
5. Transact such other business as may be properly transacted at an Annual General Meeting.

It should be noted that:

- a) Nomination for election to the Council shall be in writing, signed by the proposer and seconder; such nomination shall be delivered to the Secretary at least three (3) days before the time of the meeting at which the election is to take place. (Section 4.2 - Bye-Laws)
- b) Election of the Council shall be by ballot of those present. (Section 4.3 - Bye-Laws)
- c) In the event of an equality of votes between two or more candidates, there shall be a further election to decide between them. The declaration of the Chairman as to the results of the election shall be final. (Section 4.4 - Bye-Laws)
- d) The Council shall consist of eight (8) members, and of the members of the Council at least three (3) shall be members in practice or in service of the members in practice and at least three (3) shall be members not in practice nor in the service of members in practice. (Section 4.1 - Bye-Laws)
- e) At each succeeding Annual General Meeting, four (4) members of the Council shall retire, and shall be eligible for re-election without nomination. Those retiring shall be those with the longest period of unbroken membership on the Council. Any retiring member of Council who is in the office as the President or the Vice-President shall be returned as a member of Council without re-election, unless he declines. (Section 4.7 - Bye-Laws)
- f) Only those members who have paid up their current subscription are eligible to vote at the meeting.

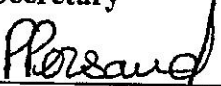
The members of the Council are:

- | | |
|--------------------------|------------------|
| (1) Ronald Alli | - President |
| (2) Colin Thompson | - Vice President |
| (3) Pramila Persaud | - Secretary |
| (4) Vishwamint Ramnarine | - Treasurer |
| (5) Paul Chan-A-Sue | - Council Member |
| (6) Rameshwar Lal | - Council Member |
| (7) Harryram Parmesar | - Council Member |
| (8) Shelliza Yusuf | - Council Member |

The members retiring are:

Paul Chan-A-Sue, Pramila Persaud, Shelliza Yusuf, Vishwamint Ramnarine.

P. Persaud
Secretary


March 9, 2015

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MEMBERSHIP (CONT'D)

The new members admitted were:

- | | |
|---|--|
| <ol style="list-style-type: none"> 1. Mark T. Chu-A-Kong 2. Andre L. Davis 3. Lancelot N. France-Cummings 4. Jagdesh Haripershad 5. Devan Khemraj 6. Nicola N. Layne 7. Goswami Parmesar | <ol style="list-style-type: none"> 8. Alvin Rabajan 9. Saeed Rahaman 10. Sham Narine Ramnarain 11. Jitanjali Seesankar 12. Savitri Seonarine 13. Dave B. Singh |
|---|--|

CERTIFICATES OF PRACTICE

Certificates of Practice were issued in 2014 to twenty (20) members. Their names and the firms to which they are attached are as follows:

PRACTICING MEMBER	DESIGNATION	NAME & ADDRESS OF PRACTICING FIRM
Ali, Nizamudin (N1)	Managing Partner	Nizam Ali & Company 215 'C' Camp Street, G/town
Alli, Khalil G.	Partner	Jack A. Alli, Sons & Co. 145 Crown Street, G/town
Alli, Ronald	Managing Partner	Jack A. Alli, Sons & Co. 145 Crown Street, G/town
Atherly, Lancelot A.	Partner	L.A. Atherly & Co. 64 Brickdam, G/town
Douglas, Clyde	Partner	TSD Lal & Co. 77 Brickdam, G/town
Drubahadur	Partner	D. Bahadur & Co. 125 Laluni Street, Q/town, G/town
Drubahadur, Haimwattie	Partner	D. Bahadur & Co. 125 Laluni Street, Q/town, G/town
Hinds, Clifton Nigel	Partner	Nigel Hinds Financial Services 110 Laluni Street, Q/town
Jaskaran, Terrance (N2)	Partner	Maurice Solomon & Co. 92 Oronoque Street, G/town

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PROFESSIONAL ACTIVITIES

REGULATORY/MONITORING ACTIVITIES

The Institute of Chartered Accountants of Guyana (ICAG), as a member body of the Institute of Chartered Accountants of the Caribbean (ICAC) signed on 07 June 2014 a contract for the extension of audit monitoring services with the Association of Chartered Certified Accountants (ACCA) in order to continue the monitoring programme of its members holding Practicing Certificates.

The audit monitoring programme was initiated in 2008 through ICAC in partnership with ACCA and ICAG. The visit cycle adopted was initially six years from 2009 to 2014 with firms being reviewed once every six years with high risk firms being reviewed either two or four years later, depending upon the level of risk the relevant firm posed. After the visit, the reviewer assessed and commented on the quality of audit work performed by the member firm.

ACCA has its own independent monitoring unit, known as the Practice Regulation Department with personnel having the required qualifications, expertise, skills, experience and integrity of character to discharge the duties of monitoring – which was developed over a 25 year period following the statutory requirement for the monitoring of licensed auditors introduced in the United Kingdom by the Companies Act 1989 and continued in the Companies Act 2006.

ICAG has appointed a Regulatory Committee as a mechanism for reports from auditing visits to be considered for identification of actions to be taken in respect of deficiencies found at individual firms and the general trends emerging from such visits as a basis for pro-active technical programmes to be developed. The Regulatory Committee is composed of non-practicing members supported by legal counsel.

The Regulatory Committee has reported to Council that at the end of 2014, Guyana had achieved a 75% satisfaction rating under the quality assurance review programme and that firms with unsatisfactory outcomes have action plans to improve the standard of audit work.

The revised Statement 1 of the Membership Obligations of the International Federation of Accountants (IFAC) mandates that the review cycle period for firms performing audits of financial statements of public interest entities be three years while retaining the six year cycle for firms with no audits of financial statements of public interest entities.

The territorial Institutes, including ICAG, through the umbrella organisation – ICAC – had invited proposals for a service provider to undertake audit monitoring reviews in the region for a three year contract period commencing 01 January 2016. The award and terms of this contract will be finalised during the one year extension period of 2015.

The new contract will provide mechanisms to comply with revised SMO 1 with a mixed cycle approach so that firms auditing public interest entities will be reviewed every three years with high risk firms being re-reviewed either one or two years later depending upon the level of risk the firm poses.

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TECHNICAL ACTIVITIES

CONTINUING PROFESSIONAL DEVELOPMENT

Annual Conference

7.	The Future of Sugar	Dr. Kusha Haraksingh (University of the West Indies)
8.	Opportunities for Natural Resource Development	A Representative of the Ministry of Natural Resources and the Environment
9.	Adding Value - Achievements and Potential	Mr. Clinton Williams (Guyana Manufacturing and Services Association)
10.	Shipping – A Cause for Concern	Chris Fernandes (John Fernandes Insurance Services Inc.)
11.	The Forestry Sector in Guyana	Mr. James Singh (Guyana Forestry Commission) and Dr. Janette Bulkan through her representative – Mr. Rustum Bulkan (University of British Columbia)
12.	The State of Gold and Diamond Mining in Guyana	Mr. Patrick Harding (Guyana Gold and Diamond Miners Association)
13.	Alternative Minerals – Potential for Guyana	Mr. Rickford Viera (Guyana Geology and Mines Commission)
14.	Focus on the Rice Sector	Mr. Dharamkumar Seeraj (Guyana Rice Development Board)
15.	Accounting for Small and Medium-sized Entities	Mr. Andrew Braithwaite (Member of IASB – IFRS for SMEs Implementation Committee)
16.	Accounting for the Agriculture Sector	Mr. Paul Bhim – Member of ACCA
17.	Revenue from Contracts with Customers	Mr. Fazal Bacchus – Member of ICAG / ACCA
18.	Update on recent IFRS Projects	Mr. Leslie Veerasammy – Member of ICAG / ACCA

A general determination at the conclusion of the Conference was the need to host workshops involving all relevant participants as Guyana approaches its 50th Anniversary as an independent nation on 26 May 2016, to carry out a more in-depth evaluation.

IFRS and ISA Workshop

ICAG hosted a two day conference on 01 and 02 December 2014 jointly with ACCA and ICAC on International Financial Reporting Standards and International Standards on Auditing.

The presenter was Graham Fairclough, BSC, FCA, FCCA, who was very competent in the selected IFRS and ISA topics. Participants were complimentary as to the scope and delivery style of Mr. Fairclough.

MEMBERSHIP / PUBLIC RELATIONS

The Membership Committee achieved some success in its drive to enroll new members and as at 31 December 2014 there were 94 members on the register - a net increase of 14% over 2013. This success will be followed up more aggressively in 2015.

Council had cause to defend certain decisions taken in the application process for practice licenses in the High Court of Guyana during the year.

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STUDENTS' AFFAIRS (CONT'D)

Student Support and Development

Council deferred the student annual fees of \$1,000 per student until 2015 as the opportunity was taken in 2014 to have discussions with ACCA Regional Team on measures necessary to ensure the timeliness of students obtaining relevant experience to support their academic achievements.

ACCA has recognised the importance of this measure and in the last quarter the ACCA Regional Team appointed a new Education Manager whose responsibility will be the development and implementation of education services. Meetings between the ACCA Regional Team and Council Members have commenced with our primary objective being the development of quality students who will work to enhance the reputation of accounting in Guyana.

NATIONAL DEVELOPMENT

Legislative Matter

ICAG provided comments on the Preliminary Draft Pension Law for Guyana, following reviews of the proposed legislation by our Technical Committee during the period July – September 2014.

FINANCE

The financial results of the Institute for the year ended are as follows:

Educational Trust Fund:

	\$
Net operational income	2,708,134
Fair value loss on investments	(63,926)
Net comprehensive income	<u>2,644,208</u>

General Account:

Net comprehensive income	<u>411,737</u>
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The continued positive results reflected in the Educational Trust Fund in 2014 of \$2,708,134 is attributable to the results of an aggressive and successful programme of activities by the Technical Committee in achieving Council's intent of satisfying Members' needs for Continuing Professional Development.

The increase in annual membership fees and practice certificate fees in the current year resulted in a net income of \$411,737 compared with the deficit of \$19,928 in 2013. However, the need to engage legal services to defend Council's decision on the non-issue of practice certificates carried a steep increase in professional fees and there is an expectation that this will continue in 2015.

The financial position of the Institute continues to be very sound with cash balances of \$58,774,275 and investments of \$3,131,819.

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AFFILIATIONS

ICAC

Board of Directors

At the 32nd Annual Conference, hosted by the Suriname Institute of Chartered Accountants, the following members were elected to the Board for the year 2014 / 15:

Frank Myers	- President / Director	- Eastern Caribbean
Jasmine Davis	- Vice President / Director	- Bahamas
Khalil Alli	- Secretary / Director	- Guyana
Vintoria Bernard	- Treasurer / Director	- Jamaica
Joan Braithwaite	- Director	- Barbados
Anthony Pierre	- Director	- Trinidad and Tobago
Shawn Mahler	- Director	- Belize

Annual Conference

The 2014 ICAC Conference was held in Paramaribo, Suriname under the theme *"Back 2 Basics – Sharing our Values"*.

The Conference featured presentations by international speakers on a wide range of topics including Corporate Governance, Opportunities and Imperatives for Caribbean Economic Growth; Strategic Leadership; Ethics and Professional Conduct as well as technical developments within the accountancy profession. Participants and speakers included chartered accountants and industry experts from the Caricom Region, United Kingdom, Canada, USA, the Dutch Caribbean and the Netherlands.

The conference also featured presentations from representatives of the International Federation of Accountants (IFAC), the World Bank, and the Inter-American Development Bank.

One of the recommendations from the conference was that the regional profession needed to join international institutions in urging Governments in the region to implement the necessary institutional arrangements required to enhance public sector financial management, transparency and accountability. An integral and essential part of these arrangements is the use of accrual-based accounting through the adoption and implementation of International Public Sector Accounting Standards (IPSASs). These standards promote greater transparency and accountability in public sector finances and allow for enhanced monitoring of government debt and liabilities for their true economic implications. The accountancy profession and the international financial community is of the view that without accrual accounting, government decisions will always be sub-optimal, to the disadvantage of taxpayers and other stakeholders.

The conference also highlighted the need for greater involvement by members of the profession in charting the way forward within a region where the majority of economies are plagued by low growth, high debts levels, high unemployment, and fiscal deficits. According to the ICAC President, chartered accountants with their experience, education, and training are ideally placed to participate in discussions given their understanding of the business environment.

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APPRECIATION

The Council wishes to record its appreciation to all members who served and volunteered their services to the various tasks executed during the year. We also wish to record our appreciation to the administrative staff of the Institute for her services during the year.

The Council has identified the need to strengthen the support staff of the Institute and will be recruiting initially an Executive Officer in the first quarter of 2015.

We look forward to even greater support in the coming year as we aim to collectively strive to meet the ever-expanding needs and obligations of the profession.

FOR AND BEHALF OF THE COUNCIL



RONALD ALLI
President



PRAMILA PERSAUD
Secretary

**INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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LIST OF MEMBERS

NAMES	ADDRESSES	TEL. NO
1. Ali, Nizamudin	c/o Nizam Ali & Co., 215 'C' Camp St., G/town	227-8825
2. Ali, Farzana	c/o Guyana Revenue Authority., 200 -201 Camp St, G/town	227-8222
3. Alli, Khalil G.	c/o Jack A. Alli, Sons & Co., 145 Crown St., G/town	226-2904
4. Alli, Ronald	c/o Jack A. Alli, Sons & Co., 145 Crown St., G/town	226-2904
5. Alli, Waheeda	c/o Riaz Computer Centre, 105 Regent St, Bourda, G/town	231-8474
6. Atherly, Lancelot A.	c/o L.A. Atherly & Co., 64 Brickdam, G/town	225-8981
7. Bacchus, Fazal	c/o Demerara Distillers Limited., Diamond, EBD	265-6000
8. Bacchus, Alia	c/o Maurice Solomon & Co., 92 Oronoque St. Q/town, G/town	227-5568
9. Barnes Oswald	c/o Caricom Secretariat., Turkeyen, ECD	222-0001
10. Beharry, Troy T.	c/o Trading & Distribution Inc., R6 Ruimveldt, G/town	227-20319
11. Bennett-Blair, Christine	c/o Camex Limited., 125 'C' Barrack St,Kingston, G/town	231-8769
12. Chan-A-Sue, Paul	25 Lamaha Gardens., Georgetown	226-6205
13. Chandraban, Punaram	c/o Privatization Unit.,126 Barrack Street, G/town	225-0317
14. Chintamani, Chandradat	c/o Demerara Distillers Limited., Diamond, EBD	265-6000
15. Chu-A-Kong, Mark T.	c/o TSD Lal & Co., 77 Brickdam, Stabroek, G/town	225-1278
16. Clarke, Prince	c/o Telecom Solutions, Eccles Industrial Park, E.B.D	226-3226
17. Davis, Andre L.	c/o Banks DIH Ltd., Thirst Park, Ruimveldt, G/Town	225-0910
18. De Nobrega, Clement	c/o Lot 80 Vryman's erven, New Amsterdam, Berbice	333-6626
19. Douglas, Clyde	c/o TSD Lal & Co., 77 Brickdam, Stabroek, G/town	226-3226
20. Drubahadur	c/o D. Bahadur & Co., 125 Laluni Street, Q/town, G/town	225-1278
21. Drubahadur, Haimwattie	c/o D. Bahadur & Co., 125 Laluni Street, Q/town, G/town	225-1278
22. Eastman, Joseph	c/o 901 'A' Block K, Diamond, EBD	662- 7467
23. France-Cummings, Lancelot N.	c/o 100 Tucville Terrace, NE La Penitance	
24. Fraser, Arron	c/o Wartsila Operations Guyana Inc., 01 Water St. G/Town	225-1640

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51. Parmesar, Harryram	c/o Parmesar, 1 Delph St & Durey Lane, G/town	225-6627
52. Parmesar, Jai	c/o Parmesar, 1 Delph St & Durey Lane, G/town	225-6627
53. Parmesar, Goswami	c/o Parmesar, 1 Delph St & Durey Lane, G/town	225-6627
54. Persaud, Christopher	c/o David Persaud Investment Ltd, LeRessouvenir, ECD	220-2073
55. Persaud, Peter	c/o Privatization Unit, Barrack Street, G/town	225-0317
56. Persaud, Pramila	c/o Citizens Bank Guyana Inc., 201 Camp St., G/town	226-1705
57. Persaud, Ramesh	c/o IPED., 253 South Road, Bourda, G/town	225-8949
58. Persaud, Yesu	c/o Demerara Distillers Ltd., 44 High St., G/town	226-1315
59. Prasad, Seu Sarran	c/o Trading & Distribution Inc., R6 Ruimveldt, G/town	227-2031
60. Rabajan, Alvin	c/o Maurice Solomon & Co., 92 Oronoque St. Q/town	227-5568
61. Rahaman, Saeed	c/o 189 Goed Intent, West Bank Demerara	
62. Ram, Christopher	c/o Ram & McRae, 157 Waterloo St., G/town	226-1072
63. Ramcharitar, Roopnarine	c/o New GPC Inc, East Bank Demerara	265-4262
64. Ramdihal, Chateram	680 8 th Street., South, West Cummingslodge, G/town	227-5568
65. Ramjeawan, Mahendra	c/o Demerara Distillers Ltd., Diamond, E.B.D	265-6000
66. Ramnarine – Sham Narine	c/o Bisheswar, Seebarran & Co. 252 South Road., G/Town	226-2078
67. Ramnarine, Vishwamint	c/o PKF, Barcellos, Narine & Co., 106 -107 Lamaha St. G/town	225-8915
68. Resaul, Gobardhan	c/o Associated Industries Limited, 5 Public Rd, Ruimveldt	226-8491
69. Samaroo, Komal	c/o Demerara Distillers Ltd., Diamond Complex, E.C.D	265-6000
70. Sattaur, Khurshid	c/o Guyana Revenue Authority., 200-201 Camp St., G/town	227-8814
71. Seebarran, Ramesh	c/o Bisheswar, Seebarran & Co., 252 South Road, G/town	226-2078
72. Seesankar, Jitanjali	c/o Nizam Ali & Co., 215'C' Camp St, G/town	227-8825
73. Seonarine, Savitri	c/o Ministry of Agriculture-Guyana Livestock Development Authority, Agriculture Road, Mon Repos, ECD.	
74. Shivraj, Lekhnarine P.	c/o Associated Industries, 5 Public Rd, Ruimveldt, G/town	226-8491
75. Singh, Ashni	301 Shantiniketan St. P/Nagar, G/town	225-1519
76. Singh, Dave B.	c/o Nizam Ali & Co., 215'C' Camp St, G/town	227-8825

**INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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2014 ACCA GRADUATES

The Institute congratulates the following students who successfully completed the ACCA examinations during the year:

- 1. Mark Anthony Adams**
- 2. Deodat Arjune**
- 3. Stephen Bailey**
- 4. Amanda Nanda Basdeo**
- 5. Malisa Basdeo**
- 6. Oniqueca Chance**
- 7. Joshua Hammichand**
- 8. Uonder Kilkenny**
- 9. Nandanie Davi Parmanand**
- 10. Goswami Parmesar**
- 11. Leokeshwari Ramnarace**
- 12. Jonathan Ramraj**
- 13. Gavin Ramsoondar**
- 14. Shazaad Sadiq**
- 15. Sarah Erika Samaroo**
- 16. Motilall Sukhdeo**

The Institute also offers its congratulations to the 57 students who successfully completed CAT examinations in 2014.

INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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PICTURE GALLERY



Participants take a Lunch Break at Workshop



Expressing heartiest appreciation to presenter Mr. Graham Fairclough.



R. Seebarran & Co

Chartered Accountants/Business and Financial Services

Report of Independent Auditor

To the Members of the Institute of Chartered Accountants of Guyana

I have audited the accompanying financial statements of The Institute of Chartered Accountants Of Guyana and the Chartered Accountants' Educational Trust Fund which comprise the statements of financial position as at December 31, 2014, the statements of comprehensive income, statements of changes in accumulated funds and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The Members of Council are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted the audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements give a true and fair view of the financial position of the Institute and the Trust Fund as of December 31, 2014, and their respective financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and comply with the Institute's Act 1991.

R. Seebarran

Chartered Accountant

252 South Road

Bourda

Georgetown

March 20, 2015

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
GENERAL ACCOUNT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
	<u>G\$</u>	<u>G\$</u>
Income:		
Membership subscription and entrance fees	2,308,500	1,588,000
Practicing certificate fees	487,500	380,000
Practice monitoring fees	968,995	931,000
Surplus on members' activities	16,071	5,660
Interest on deposit	<u>55,637</u>	<u>44,953</u>
Total income	<u>3,836,703</u>	<u>2,949,613</u>
Expenditure		
Due- International Federation of Accountants	1,059,750	1,042,201
- Institute of Chartered Accountants of the Caribbean	303,051	287,188
Meetings and social events	-	2,500
Rental- P.O.Box	4,500	4,500
Employment costs	291,170	458,100
Stationery, postage and printing	112,639	84,045
Practice monitoring	951,856	877,311
Annual report	80,000	79,996
Professional fees	522,000	87,000
Provision for bad debt	100,000	46,700
Total expenditure	<u>3,424,966</u>	<u>2,969,541</u>
Total Comprehensive Income / (Loss) for the Year	<u><u>411,737</u></u>	<u><u>(19,928)</u></u>

The notes on pages 33 to 37 form an integral part of these financial statements.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
GENERAL ACCOUNT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u> G\$	<u>2013</u> G\$
Cash flow from operating activities		
Net income / (loss) for the year	411,737	(19,928)
Adjustments for:		
Provision for bad debts	100,000	46,700
Interest income	(55,637)	(44,953)
Operating income / (loss) before working capital changes:	<u>456,100</u>	<u>(18,181)</u>
Receivables	(1,332,266)	(11,000)
Education Trust Fund	3,959,124	5,327,228
Payables	<u>10,000</u>	<u>50,000</u>
Net cash inflow from operating activities.	<u>3,092,958</u>	<u>5,348,047</u>
Cash flow from investing activities		
Fixed deposits	(45,438)	(44,953)
Interest received	<u>55,637</u>	<u>44,953</u>
Net cash flow from investing activities.	<u>10,199</u>	<u>-</u>
Net increase in cash and cash equivalents	3,103,157	5,348,047
Cash and cash equivalents at the beginning of the year	<u>6,101,532</u>	<u>753,485</u>
Cash and cash equivalents at the end of the year.	<u>9,204,689</u>	<u>6,101,532</u>

The notes on pages 33 to 37 form an integral part of these financial statements.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
EDUCATION TRUST FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

	2014 <u>G\$</u>	2013 <u>G\$</u>
Income:		
ACCA subvention	4,223,764	4,035,965
Interest received	646,450	576,512
Surplus from CPD seminars	2,170,596	1,997,685
Dividends received	<u>100,311</u>	<u>97,176</u>
Total income	<u>7,141,121</u>	<u>6,707,338</u>
Expenditure		
Employment costs	873,510	1,374,300
Rental of building	1,392,000	1,392,000
Net graduation expenses	288,158	57,870
Telephone	277,188	218,231
Stationery, and postage	337,916	393,522
Cleaning and sanitation	130,983	70,291
Electricity	74,496	63,757
Repairs and maintenance	3,000	1,138
Students welfare	-	348
Travelling	41,680	81,560
Bank charges	28,008	12,367
Administrative fees	20,960	24,000
Website maintenance	72,500	97,440
Advertisement	343,267	-
Depreciation	<u>312,721</u>	<u>382,556</u>
Total expenditure	<u>4,196,387</u>	<u>4,169,380</u>
Net income for the year	2,944,734	2,537,958
Other Comprehensive (Loss) / Income		
(Loss) / gain on revaluation of investments	<u>(63,926)</u>	<u>505,242</u>
Total Comprehensive Income for the Year	<u><u>2,880,808</u></u>	<u><u>3,043,200</u></u>

The notes on pages 33 to 37 form an integral part of these financial statements.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
EDUCATION TRUST FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

	2014 GS	2013 GS
Cash flow from operating activities		
Net income for the year	2,944,734	2,537,958
Adjustments for:		
Depreciation	312,721	382,556
Interest income	(646,450)	(576,512)
Investment income	(100,311)	(97,176)
Operating income before working capital changes:	2,510,694	2,246,826
General Account	(3,959,124)	(5,327,228)
Payables and accrued expenses	1,374,620	134,104
Net cash outflow from operating activities.	(73,810)	(2,946,298)
Cash flow from investing activities		
Fixed deposits	(625,674)	2,468,552
Acquisition of tangible fixed assets	(19,000)	(154,879)
Interest received	646,450	576,512
Dividends received	100,311	97,176
Net cash inflow from investing activities.	102,087	2,987,361
Net increase in cash and cash equivalents	28,277	41,063
Cash and cash equivalents at the beginning of the year	6,893,791	6,852,728
Cash and cash equivalents at the end of the year.	6,922,068	6,893,791

The notes on pages 33 to 37 form an integral part of these financial statements.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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2. Summary of significant accounting policies

(b) Tangible fixed assets

Items of tangible assets are measured at cost less accumulated depreciation and any impairment loss.

Depreciation is charged so as to allocate the cost of the assets less their residual values over their estimated useful lives, using the straight line method. The following annual rates are used to depreciate the assets:-

Furniture and fixtures	10- 50% per annum.
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(c) Investments

Investments are recognized in the financial statements to comply with International Financial Reporting Standards.

The Institute's investments are "available for sale" financial assets and these are initially recognized at cost and adjusted to fair value at subsequent periods.

In classifying investment securities as available-for-sale, the Council of the Institute has determined that these securities do not meet the criteria for loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

Gains and losses on "available for sale financial assets" are recognized through the statement of comprehensive income until the asset is sold or otherwise disposed, at which time previously recognized gains or losses are transferred to the statement of income for that period.

(d) Revenue recognition

Annual subscription, practice fees, admission fees and dividends and interest are recognized on an accrual basis. Tuition fees are recognized over the period of instruction.

(e) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, current account balances and short-term deposits with maturity dates of three or less months on average that are readily convertible into known amounts of cash, with maturity dates of three months or less.

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	2014 G\$	2013 G\$
3. Receivables		
General account		
Staff loan	176,000	-
<i>Due from Members:</i>		
Dinner	-	11,000
Practice monitoring fees	107,666	-
Membership receivables	500,000	-
CPD seminar	490,000	-
Provision for bad debts	(100,000)	-
	1,173,666	11,000
Prepayment - Website Mtc	69,600	-
	<u>1,243,266</u>	<u>11,000</u>
Education Trust Fund		
Electricity deposit	84,800	84,800
Rent deposit	100,000	100,000
Rental advance	232,000	232,000
	<u>416,800</u>	<u>416,800</u>
4. Fixed deposits		
General account	<u>4,252,661</u>	<u>4,207,223</u>
Education Trust Fund	<u>38,275,295</u>	<u>37,649,621</u>
Interest is currently being earned at .5 - 1.25 % per annum. Should interest on deposits increase/decrease by 50 basis points, with all other variables held constant, the net income for the year would increase/decrease by G\$222,010 (2013- G\$221,402).		
5. Cash and Bank		
General account		
Cash at bank (non interest bearing)	9,020,649	5,566,410
Petty cash	16,040	22,122
Cash in hand	168,000	513,000
	<u>9,204,689</u>	<u>6,101,532</u>
Education Trust Fund		
Cash at bank (interest bearing)	<u>6,922,068</u>	<u>6,893,791</u>