



2016

INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA ANNUAL REPORT 2016

OBJECTIVES

The objectives of the Institute are:

- (a) To promote and increase the knowledge, Skills and proficiency of its member and registered students.
- (b) To regulate the discipline and professional conduct of its members and registered students by maintaining a strict standard of professional ethics.
- (c) To foster, promote and protect the welfare and interests of the accountancy profession.
- (d) To make provision for the training, education and examination of persons engaged in or intending to engage in the accountancy profession.
- (e) To maintain contact with other recognized professional bodies with similar objects as the institute, whether within or outside Guyana, on all matters pertaining or of interest to the accountancy profession and to make representations to those bodies or any of them on matters affecting the interest of members of the Institute.
- (f) To submit the views of members to the Government and public bodies on legislation or other matters of professional interest to or affecting members.
- (g) To provide opportunities for its members to meet to exchange views and to discuss matters of interest, particularly between practicing and non-practicing members.



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NOTICE OF MEETING

NOTICE is hereby given that the 51st Annual General Meeting of The INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA will be held on Friday, March 31, 2017 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 2016.
2. Receive and consider the audited Financial Statements for the year ended 31 December 2016.
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.

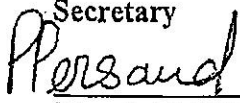
The members of the Council are:

- | | |
|---------------------------------------|------------------|
| (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 (resigned May 2016) | - Council Member |
| (7) Harryram Parmesar | - Council Member |
| (8) Shelliza Yusuf | - Council Member |
| (9) Khalil Alli (appointed May 2016) | - Council Member |

The members retiring are:

Khalil Alli, Pramila Persaud, Vishwamint Ramnarine and Paul Chan-A-Sue.

P. Persaud
Secretary


March 10, 2017

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REPORT OF THE COUNCIL

The Council is pleased to submit to Members, the 51st Annual Report of the Council and the Financial Statements for the year ended 31 December 2016. This report was adopted by the Council on March 25, 2017.

COMPOSITION OF THE COUNCIL

The members of the Council for 2016 / 2017 were:

President	- Ronald Alli	Members - Paul Chan-A-Sue
Vice President	- Colin Thompson	- Rameshwar Lal (resigned May 2016)
Secretary	- Pramila Persaud	- Harryram Parmesar
Treasurer	- Vishwamint Ramnarine	- Shelliza Yusuf
		- Khalil Alli (appointed May 2016)

Council extends its appreciation to Rameshwar Lal for his services and welcomes Khalil Alli as a member effective May 2016.

ATTENDANCE AT MEETINGS OF COUNCIL

Meetings attended by members of Council during the year were:

R. Alli	-	11/11	H. Parmesar	-	09/11
C. Thompson	-	05/11	P. Chan-A-Sue	-	10/11
P. Persaud	-	09/11	S. Yusuf	-	09/11
V. Ramnarine	-	07/11	R. Lal	-	0/04
			K. Alli	-	04/07

MEMBERSHIP

The number of members at 31 December 2016 was one hundred and two (102), with an additional four (4) being approved in December 2016 for membership effective 01 January 2017. The following chart shows a classification of members and their employment, as held on record.

PARENT BODY	TOTAL	NOT IN PRACTICE		IN PRACTICE OR IN SERVICE OF MEMBERS IN PRACTICE	RETIRED
		PRIVATE ENTERPRISE	PUBLIC CORP. & PUBLIC SECTOR		
ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS	93	49	15	28	1
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES	3	1	0	2	0
CERTIFIED PUBLIC ACCOUNTANT	6	2	1	3	0
TOTAL	102	52	16	33	1

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MEMBERSHIP (CONT'D)

The new members admitted during 2016 were:

1. Rafeza Hussein
2. Cherri Peters – Grant

And the four (4) members approved in 2016 for membership effective 01 January 2017 were:

1. Jejram Dhanraj
2. Chavez Jarad
3. Natendra Persaud
4. Ramakrishna Seeraj

CERTIFICATES OF PRACTICE

Certificates of Practice were issued in 2016 to twenty-three (23) members. Their names and the firms to which they are attached are as follows:

PRACTICING MEMBER	DESIGNATION	NAME & ADDRESS OF PRACTICING FIRM
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
Chu-A-Kong, Mark T.	Partner	TSD Lal & Co., 77 Brickdam, Stabroek, Georgetown
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	Partner	Maurice Solomon & Co. 92 Oronoque Street, G/town

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CERTIFICATES OF PRACTICE (CONT'D)

Lal, Rameshwar	Managing Partner	TSD Lal & Co. 77 Brickdam, G/town
Latchana, Rakesh	Partner	Ram & McRae 157 'C' Waterloo Street, G/town
McRae, Robert V.	Partner	Ram & McRae 157 'C' Waterloo Street, G/town
Narine, Harry N.	Managing Partner	PKF, Barcellos, Narine & Co. 106 Lamaha Street, G/town
Parnesar, Jai	Partner	Parnesar 1 Delph St & Durey Lane, G/town
Parnesar, Harryram	Managing Partner	Parnesar 1 Delph St. & Durey Lane, G/town
Ram, Christopher	Managing Partner	Ram & McRae 157'C' Waterloo Street, G/town
Rahaman, Saeed	Partner	TSD Lal & Co. 77 Brickdam, G/town
Ramnarain, Sham Narine	Partner	HLB R. Seebarran & Co. Lot 73 Canje Street & Stone Avenue Section K, Campbellville, Georgetown
Ramnarine, Vishwamint	Senior Partner	PKF, Barcellos, Narine & Co. 106 Lamaha Street, G/town
Ramdihal, Chateram	Partner	Chateram Ramdihal Chartered Accountants, Professional Services Firm, 128 Carmichael Street South Cummingsburg, G/town
Seebarran, Ramesh	Partner	Bisheswar, Seebarran & Co. 252 South Road, G/town
Solomon, Maurice	Partner	Maurice Solomon & Co. 92 Oronoque Street, G/town
Veerasammy, Leslie	Partner	Nizam Ali & Co. 215 'C' Camp 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) continued its audit monitoring services with the Association of Chartered Certified Accountants (ACCA) in the year 2016 in order to continue the monitoring programme of its members holding Practice Certificates. The audit monitoring programme was initiated in 2008 through ICAC in partnership with ACCA and ICAG.

The visit cycle was revised in keeping with Statement 1 of the Membership Obligations of the International Federation of Accountants (IFAC) which 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.

Revised review cycle periods were recognised in a new service contract awarded to the Association of Chartered Certified Accountants during the year 2015 following an international tender process. The contract covers a three year period commencing on January 1, 2016 with a right of renewal for a further three year period.

The new contract signed by ICAG 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. Firms which do not audit public interest entities will be reviewed once every six years with high risk firms being re-reviewed either two or four years later, depending upon the level of risk the firm poses.

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 2016, Guyana had achieved a satisfaction rating in excess of 70% under the quality assurance review programme.

However, the Regulatory Committee has identified the responsibility for remedial action in respect of auditors who have unsatisfactory outcomes at their monitoring visits, in keeping with the requirements of IFAC Statement of Membership Obligations (SMO) 1 on Quality Assurance.

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PROFESSIONAL ACTIVITIES (CONT'D)

REGULATORY/MONITORING ACTIVITIES (CONT'D)

One of the remedial actions suggested is the requirement for additional CPD. However, it is recognised that additional CPD alone will not significantly improve the quality of audit work and therefore where additional CPD is imposed, it should be supported by other forms of remedial action.

Council has approved the early follow-up visits to non-compliant firms as an effective way of ensuring whether the firms have made the necessary improvements. This is a positive feature of the monitoring programmes of all ICAC member bodies.

But, Council has been advised and so recognise that it is not responsible regulation to allow non-compliant firms to continue to audit where firms persistently have unsatisfactory outcomes and fail to make the necessary improvements. As indicated in paragraph 77 of SMO 1 Regulators can exercise sanctions through the licensing system (regulatory action) rather than through the disciplinary system.

These are issues that ICAG are addressing to in order to provide assurance to public interest that ICAG continues to work to strengthen the reputation of its practicing members through this effective quality assurance system which generally has provided a high level of satisfactory outcomes in Guyana.

The continuation of this programme will ensure that ICAG is able to remain in compliance with the International Standards on Quality Control as promulgated by IFAC.

TECHNICAL ACTIVITIES

CONTINUING PROFESSIONAL DEVELOPMENT (CDP)

ICAG continued its programme of activities for members' continuing professional development.

CDP ACTIVITIES

Ethics and Professional Responsibility – Ramesh Persaud

The introduction of the presentation on Code of Ethics applicable to professional accountants was recognised as a necessary measure as ICAG continues to work with members and students on the fundamental principles of professional ethics. It was accepted that this presentation should be on the annual calendar as members are reminded of the acceptance of their responsibilities to act in the public interest.

IFRS / ISA Update – Mr. Nagin Lad

This joint ICAG / ACCA two-day seminar was held at the Georgetown Marriott and was well attended by members and affiliates.

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TECHNICAL ACTIVITIES

CDP ACTIVITIES (CONT'D)

Mr. Lad covered recent updates on accounting and audit standards during the two days respectively as follows:

Day 1 – IFRS

- IASB - Improvements Project Update
- IFRS - 16 Leases
- IFRS - 4 Insurance Contracts
- IFRS - 15 Revenue from Contracts with Customers

Day 2 – IFRS / ISA

- IFRS 14 – Regulatory Deferral Accounts
- IFRS 9 - Financial Instruments / Disclosure Initiative / Other IFRS Amendments
- ISA 260 - Communication with those charged with governance
- ISA 315 – Risks of material misstatement / Use of experts
- Non-compliance with laws and regulations (NOCLAR)

IASB for SME Implementation Group

Rakesh Latchana – Chairman of the Technical Committee – was appointed to the International Accounting Standard Board (IASB) Small and Medium-sized Entities Implementation Group (SMEIG) effective July 2016.

On behalf of Council and all members of ICAG heartiest congratulations are extended to Rakesh Latchana on this appointment.

MEMBERSHIP / PUBLIC RELATIONS

The Membership Committee approved six applications for membership during the year, with four being eligible for membership from 01 January 2017.

Council continues 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

ICAG/ACCA Examinations Scheme

During the year 2016 forty one (41) students successfully completed the ACCA final examinations, while thirty nine (39) students completed the last level in the Foundation in Accountancy (FIA). Effective January 2016 the ACCA offered four (4) paper based examination sessions annually as follows March, June, September and December. As a result, the highest number of students completed the ACCA examinations in the year 2016 when compared with the last five (5) years analysis.

During the period 2011 – 2016, one hundred and sixty three (163) students completed the ACCA final examinations:

Year	2011	2012	2013	2014	2015	2016	Total
No of Graduates	31	31	23	16	21	41	163

The local students have continuously performed with distinction at the ACCA Examinations as recorded at the December 2015, March 2016, June 2016 and September 2016 sessions.

High Achievers – Individual ACCA Paper

December 2015

- Raan Motilall (Professional Level placed 2nd)
- Shaian Haniff (F7)
- Shaian Haniff (F9)
- Rafael Singh (P5)
- Raan Motilall (P7)

March 2016

- La Toya Barton (F5)

June 2016

- Kapildeo Singh (P2)
- Vishnu Singh (P2)
- Ryan Clarke (P3)

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STUDENTS' AFFAIRS (CONT'D)

ICAG/ACCA Examinations Scheme

September 2016

- Ashwini Gossai (F7)
- Dinello Mahabir (P3)
- Addel Singh (P5)
- Kapildeo Singh (P7)

Student's Recognition Ceremony

The ICAG and ACCA hosted its Students' Recognition Ceremony at the Roraima Duke Lodge on February 4, 2017 for the students who have successfully completed the final level in the Foundation in Accountancy (FIA), Association of Chartered Certified Accountants (ACCA) examinations and top Caribbean Achievers. The ceremony hosted students from the December 2015, March 2016, June 2016 and September 2016 sittings.

Waheeda Ali of the Students Committee chaired the event and congratulated the students on their accomplishment. Guest Speakers, Paul Chan A Sue, Council Member of the ICAG and Haimchan Ramdeo, Education Manager of ACCA Caribbean expressed congratulations to the students on their success. The graduates were charged by Mr. Chan A Sue to obtain the required experience, thus transferring their status from affiliates to members within a timely manner. Further, it was alluded being part of a professional accounting body integrity and professionalism are important traits for all students, affiliates and members. Performing your task professionally and ethically at the workplace is vital for all ACCA members, affiliates and students – regardless which level of qualification you are pursuing. Mr. Ramdeo highlighted that dynamics of the ACCA profession and urged graduates to be good role models of the body.

In concluding, Ronald Alli, President of the ICAG congratulated the students on their achievement and reminded the graduate's families that the support and sacrifice given were fully utilized by the graduates.

Tablets Presentation Ceremony

The Institute of Chartered Accountants of Guyana hosted a function on June 11, 2016 for the students who won tablets from the Association of Chartered Certified Accountants from the FF1 Promotion held in January 2016. There are eight (8) students from Guyana who benefitted from the Promotion namely: Murphy Jones, Sharda Sookwah, Vanessa Baptiste, Raywantie Lall, Maria Persaud, Sharmila Mohan, Brindadan Ramasar and Kumar Mohan.

Colin Thompson, Vice President of ICAG offered congratulatory remarks to the students and welcomed them to the professional accounting body. The students were given an overview of the ACCA body and the role of the ICAG. The new entrants were reminded that being part of the accounting body honesty and professionalism are vital characteristics for all students.

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Student's Progression

The Student's Committee has continuously strengthened relationships with students and Approved Learning Partners. The Committee is geared to provide advisory support to the students in which members will share their experience and provide mentorship guidance. For the year 2016, seven hundred and sixty two students paid their local subscription.

Based on reports received, Council members are examining the following matters:

- lack of competence displayed by the affiliates,
- inadequate opportunity to gain experience during the accelerated examination route,
- accelerated route to complete the examinations and
- reduction of local students pursuing the ACCA examination.

As a result of the concerns highlighted discussions were held with representatives of ACCA Caribbean pertaining to the Computer Based Examinations challenges, Student Progression, Student Retention, Examination Developments and issues faced by the students.

The ACCA team has assured the ICAG representatives that matters raised will be addressed with the relevant personnel. It was agreed that an employer survey is needed to obtain feedback regarding the qualification and performance of the ACCA students/affiliates. The outcome of the survey will determine the requisite developmental support to be provided to the students/affiliates. In concluding, the ICAG and ACCA teams look forward to building a stronger partnership and ensuring that the best professional opportunities are offered to the students and members.

TAXATION

The Regional Taxation Committee has commenced work to host a taxation workshop at the ICAC Annual Conference in Guyana in 2017 on the theme – "Transfer Pricing and its Impact within the Caricom Region.

NATIONAL DEVELOPMENT

LEGISLATIVE MATTER

The Technical Committee continued its interactions with the Regulatory Agencies on the Draft Insurance and Pension Acts.

Council represented the views of ICAG with a team from the World Bank and International Monetary Fund during a Financial Sector Assessment Programme visit to Guyana on the:

- Draft Insurance Act and
- Banking Sector and Accounting Framework

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FINANCE

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

Educational Trust Fund:

	\$
Net operational income	2,264,355
Fair value gain on available-for-sale assets	448,536
Net comprehensive income	<u>2,712,891</u>

General Account:

Net comprehensive income	<u>224,184</u>
	<u>2,937,075</u>

Council wishes to highlight the significant success of its programme to re-register students with the introduction of revised student's fees. The programme to enhance students' development will be accelerated with additional staff and a joint action plan with ACCA.

Council continues to examine properties for acquisition to house its Secretariat and provide meeting facilities. Council will communicate with Members on this development prior to a final determination.

INVESTIGATIONS, DISCIPLINARY AND APPEALS

No new complaints were received by Council during the year.

Of the matters brought forward:-

Two of those matters have relevant legal actions before the Courts, resolutions of which are still being awaited prior to concluding thereon.

On the third matter Council has accepted the report of the Investigation Committee and will finalize the matter.

AFFILIATIONS

The Institute maintained its membership with IFAC and ICAC during the year.

IFAC

The Institute's compliance with IFAC's SMOs continues to be guided by the approved Action Plan, which outlines our Institute's progress in maintaining or achieving compliance with respect to the following obligations, as revised in November 2012.

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AFFILIATIONS (CONT'D)

Two important items in achieving SMO's objectives are:

- Participation at a regional level in April 2016 with finance representatives of the Regional Governments to collaborate on the implementation of IPSASs. The event will be hosted jointly by ICAC and IFAC.
- The continuation of work by a committee comprising Khalil Alli, Colin Thompson and Sandia Ramnarine (legal counsel) to update the Bye-Laws of ICAG including provisions for investigation, disciplinary and appeals processes.

ICAC

The ICAG continued its membership of the Institute of Chartered Accountants of the Caribbean (ICAC). That body is comprised of the professional accountancy organizations from the Caribbean and includes other professional bodies such as the ACCA, ICAEW, CPA Canada and AICPA as affiliate members.

In June 2016 the ICAC elected a new Board of Directors with Jasmine Davis – Director from The Bahamas – being returned as President. The ICAG is represented by Khalil Alli who also serves as Secretary to the Board.

The members of the Board are:

- Jasmine Davis	President	Bahamas
- Anthony Pierre	Vice President	Trinidad & Tobago
- Khalil Alli	Secretary	Guyana
- David Simpson	Treasurer	Barbados
- Dennis Chung	Director	Jamaica
- Reynaldo Magana	Director	Belize
- Andrea St. Rose	Director	Eastern Caribbean

Suriname was admitted as a full member to the ICAC effective 01 January 2017.

The ICAC continues to oversee major regional initiatives and remains a recognised accounting grouping in the IFAC framework. During 2016 the ICAC embarked on a new priority with the hosting of a regional forum to examine Public Financial Management in the region. The event was held in The Bahamas and was supported by IFAC and the World Bank. It is expected that the ICAC will take a lead role in promoting PFM reform in the region.

The ICAC also continues to monitor the effective execution of the practice monitoring regime in member territories. The monitoring program is undertaken by the ACCA following a tender process coordinated by the ICAC during 2015.

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AFFILIATIONS (CONT'D)

The ICAC continued its efforts to provide relevant professional development opportunities to accountants in the region. The 2016 Annual Conference of Caribbean Accountants was held in Belize. The 2017 Annual Conference will be hosted by the ICAG over the period June 22-24 at the Guyana Marriott Hotel under the theme *New Horizons – Charting the Course Together*.

Regional Committees

The Regional Committees of ICAG continues to work to develop in collaboration with Member Institutes initiatives aimed at strengthening and broadening the accountancy profession in the region and the opportunities for training and development.

The committees and territories with responsibility are:-

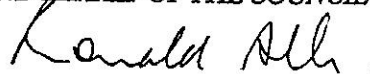
Committee	Territory Responsible	ICAG Representative
Education / Joint Seminar	Bahamas	Shelliza Yusuf
Membership	Barbados	Pramila Persaud
Publicity	Jamaica	Vishwamint Ramnarine
Technical	Trinidad & Tobago	Rakesh Latchana
Taxation	Guyana	Harry Parmesar
Taskforce	Guyana / Eastern Caribbean	Ronald Alli

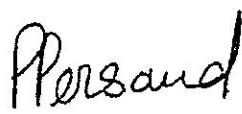
APPRECIATION

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.

We look forward to even greater support in the coming year from members as we aim to collectively strive to meet the ever-expanding needs and obligations of the profession and in particular hosting the ICAC 2017 Conference in Guyana June 2017.

FOR AND BEHALF OF THE COUNCIL


RONALD ALLI
President


PRAMILA PERSAUD
Secretary

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STANDING COMMITTEES 2016 / 2017

(1) Investigation Committee

Mr. Ramesh Persaud
Mr. Paul Chan-A-Sue
Mr. Ramesh Lal
Mr. Lance Atherly
Mr. Khalil Alli

(2) Disciplinary Committee

Dr. Yesu Persaud
Mr. Harry N. Narine
Mr. S. S. Prashad

(3) Student Affairs Committee

Ms. Waheeda Ali
Ms. Shelliza Yusuf
Ms. Jitanjali Seesankar
Mr. Jai Parmesar
Mr. Vasudeo Singh

(4) Technical Committee

Mr. Rakesh Latchana
Mr. Khalil Alli
Mr. Harryram Parmesar
Mr. Goswami Parmesar
Mr. Omadatt Singh
Mr. Deodat Indar
Mr. David Dharamraj
Mr. Shawn Gurcharran
Mr. Azzarudeen Haniff
Ms. Cherri Peters - Grant

(5) Finance Committee

Mr. Vishwamint Ramnarine
Mr. Shawn Gurcharran
Mr. Anand Kalladeen

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STANDING COMMITTEES 2016 / 2017

(6) Membership/Public Relations

Mrs. Pramila Persaud
Mr. Peter Persaud
Mr. Paul Chan-A-Sue
Mr. Mahendra Ramjeawan
Mr. Terrence Jaskaran

(7) International Relations

Mr. Colin Thompson
Mr. Khalil Alli
Mr. Chandradat Chintamani

(8) Regulatory

Mr. Paul Chan-A-Sue
Mr. Oswald Barnes
Mr. Lekhnarine Shivraj

(9) Building

Mr. Vishwamint Ramnaraine
Mr. Christopher Persaud
Mr. Troy Beharry

(10) Governance

Mr. Khalil Alli
Mr. Colin Thompson
Ms. Sandy Ramnaraine

(11) Business and Economic Affairs

Mr. Komal Samaroo

(12) Taxation Committee

Mr. Harryram Parmesar and representatives of practicing firms

(13) Appeals Committee

Members of the Council except those serving on the Investigations or
Disciplinary Committees

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LIST OF MEMBERS

NAMES	TEL. NO
1. Ali, Nizamudin	227-8825
2. Ali, Farzana	227-8222
3. Alli, Khalil G.	226-2904
4. Alli, Ronald	226-2904
5. Alli, Waheeda	231-8474
6. Atherly, Lancelot A.	225-8981
7. Bacchus, Fazal	265-6000
8. Bacchus, Alia	227-5568
9. Barnes Oswald	222-0001
10. Bailey, Stephen	227-5568
11. Beharry, Troy T.	220-8198
12. Bennett-Blair, Christine	231-8769
13. Beckles, Shonette Semone	225-1278
14. Chan-A-Sue, Paul	226-6205
15. Chandraban, Punaram	225-0317
16. Chintamani, Chandradat	265-6000
17. Chu-A-Kong, Mark T.	225-1278
18. Clarke, Prince	226-3226
19. Davis, Andre L.	225-0910
20. Dharamraj, David Anthony	220-8198
21. Dhanraj, Jejram	
22. De Nobrega, Clement	333-6626
23. Douglas, Clyde	226-3226
24. Drubahadur	225-1278

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25. Drubahadur, Haimwattie	225-1278
26. Eastman, Joseph	662- 7467
27. France-Cummings, Lancelot N.	
28. Fraser, Arron	225-1640
29. Goberdhan, Khemraj	226-6050
30. Gomes, Travis	216-1805
31. Gurcharran Shawn	231-4400
32. Haniff, Azzarudeen	645-8743
33. Haripershad, Jagdesh	225-8949
34. Hinds, Clifton Nigel	225-4649
35. Hoosein, Shameer	233-2728
36. Hussein, Rafeza	
37. Indar, Deodat	265-7403
38. Jamuna, Nalini	265-6000
39. Jaskaran, Terrence	227-5568
40. Kalladeen, Anand	624-1323
41. Khan Hema N	225-2546
42. Khan, Glen	225-6875
43. Khemraj, Devan	
44. La Bennett, Monica	227-4810
45. Lal, Rameshwar	226-3226
46. Latchana, Rakesh	226-1072
47. Layne, Nicola N.	225-6629
48. Manohar, Hance	225-7161
49. McDonald, Kezia	225-2286

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50. McRae, Robert V.	226-1072
51. Mohamed, Bibi Faria	226-3226
52. Mohammed, Desmond	227-0658
53. Narine, Harry N.	225-8915
54. Narine, Soraya N.	225-8915
55. Nathoo, Loris	226-4015
56. Parjohn, Candacey	616-1490
57. Parmesar, Harryram	225-6627
58. Parmesar, Jai	225-6627
59. Parmesar, Goswami	225-6627
60. Persaud, Christopher	220-2073
61. Persaud, Peter	225-0317
62. Persaud, Pramila	226-1705
63. Persaud, Ramesh	225-8949
64. Persaud, Yesu	226-1315
65. Persaud, Natendra	
66. Prasad, Seu Sarra	220-8198
67. Rabajan, Alvin	227-5568
68. Rahaman, Saeed	
69. Ram, Christopher	226-1072
70. Rambajan, Stephen Naipaul	327-5466
71. Ramcharitar, Roopnarine	265-4262
72. Ramdihal, Chateram	
73. Ramjeawan, Mahendra	265-6000
74. Ramnarine – Sham Narine	226-2078
75. Ramnarine, Vishwamint	225-8915

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76. Ramraj, Jonathan	226-3226
77. Resaul, Gobardhan	226-8491
78. Samaroo, Komal	265-6000
79. Sattaur, Khurshid	227-8814
80. Seebarran, Ramesh	226-2078
81. Seeraj, Ramakrishna	
82. Seesankar, Jitanjali	227-8825
83. Seonarine, Savitri	
84. Shivraj, Lekhnarine P.	226-8491
85. Singh, Ashni	225-1519
86. Singh, Dave B.	227-8825
87. Singh, Geetanjali	225-1519
88. Singh Omadatt	225-1861
89. Singh, Selina	222-0001
90. Singh, Suresh	226-3241
91. Singh, Taramatie	227-8814
92. Singh, Vasudeo	265-6000
93. Solomon, Maurice	227-5568
94. Sookhai, Mark	619-5691
95. Stanley, Ronald	225-1861
96. Statia, Godfrey	225-4649
97. Sukhai, Brian	
98. Sukhai, Roopnarine	233-2462
99. Thompson, Colin	222-0001
100. Vaughn, George	647-4431
101. Veerasammy, Leslie	227-8825

**INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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102. Williams, Kurt	690-0000
103. Wiltshire, Garfield	225-9311
104. Yusuf, Shelliza	225-9676

**INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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2016 ACCA GRADUATES

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

- 1. Lisa Moonilall**
- 2. Eshranee Narine**
- 3. Timur Christopher Mohamed**
- 4. Davon Morledhar Kellawan**
- 5. Mohamed Amir**
- 6. Rod Lee Singh**
- 7. Aaron David Josiah**
- 8. Ramakrishna Seeraj**
- 9. Melissa Angela Xavier**
- 10. Samantha Nichola Edwards**
- 11. Penelope Jones**
- 12. Iniki Williams**
- 13. Melissa Abiola Mars**
- 14. Reshma Devi Jadunath**
- 15. Anna Patoir**
- 16. Rocshel Barron**
- 17. Vedant Jowahir James**
- 18. Delicia Wilson**
- 19. Amrita Prashad**
- 20. Rachel Rodrigues**
- 21. Sophia Mohamed**

**INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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2016 ACCA GRADUATES (CONT'D)

- 22. Shameeza Bhairo**
- 23. Bibi Rabina Khan**
- 24. Nikita Persaud**
- 25. Rosezana Singh**
- 26. Kumar Khandaiya Kissoon**
- 27. Thameshwar Sooklall**
- 28. Mahendra Bethune**
- 29. Kapildeo Sawh**
- 30. Alan Parsram**
- 31. Chitrawatie Babulall**
- 32. Deopaul Ram**
- 33. Adrian Clifford**
- 34. Dinello Mahabir**
- 35. Amrita Mathura**
- 36. Dane Nicholas Clementson**
- 37. Addel Singh**
- 38. Vishaul Persaud**
- 39. Kapildeo Singh**
- 40. Vishnu Singh**
- 41. Daniel Parsan**

INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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PICTURE GALLERY

IFRS/ISA Workshop was held at the Marriott Hotel, Georgetown, on September 15 & 16 2016.

The presenter Mr. Nagin Lad – BA, MSC, MAAT and FCCA has taught ACCA papers and has conducted various CPD events in Trinidad, Barbados, Bermuda, Belize, Jamaica and Guyana.



INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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PICTURE GALLERY

IFRS/ISA Workshop

Mr. Lad interacting with participants



INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
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PICTURE GALLERY

IFRS/ISA Workshop

Participants discussing and comprehending what was presented



INDEPENDENT AUDITOR'S REPORT

To the members of

The Institute of Chartered Accountants of Guyana

Opinion

I have audited the financial statements of **The Institute of Chartered Accountants of Guyana-General Account and the Educational Trust Fund** - which comprise the statements of financial position as at December 31, 2016, and the statements of comprehensive income, statements of changes in accumulated funds and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view, in all material respects, the financial position of **The Institute of Chartered Accountants of Guyana-General Account and the Educational Trust Fund** - as at December 31, 2016 and their respective financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Institute's Act 1991.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Institute in accordance with the ethical requirements that are relevant to my audit of the financial statements in Guyana, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



R. Seebarran
Chartered Accountant
73 Canje Street & Stone Avenue,
Section 'K', Campbellville,
Georgetown


March 11, 2017

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
GENERAL ACCOUNT
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

	<u>Note</u>	<u>2016</u> <u>G\$</u>	<u>2015</u> <u>G\$</u>
Assets			
Current assets			
Inventory - IFRS manual		43,692	-
Receivables	3	403,500	1,078,952
Fixed deposits	4	4,331,617	4,298,589
Cash on hand and at bank	5	<u>5,093,636</u>	<u>4,011,319</u>
Total assets		<u><u>9,872,445</u></u>	<u><u>9,388,860</u></u>
Equity and liabilities			
Equity			
Accumulated funds		9,041,091	8,816,907
Current liabilities			
Due to Education Trust Fund		701,354	366,953
Payables		<u>130,000</u>	<u>205,000</u>
		<u>831,354</u>	<u>571,953</u>
Total equity and liabilities		<u><u>9,872,445</u></u>	<u><u>9,388,860</u></u>

The notes on pages 37 to 41 form an integral part of these financial statements. The Council approved these financial statements for issue on March 11, 2017

On behalf of the Council

President 

Treasurer 

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
GENERAL ACCOUNT
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>2016</u> <u>G\$</u>	<u>2015</u> <u>G\$</u>
Income:		
Membership subscription and application fees	2,561,000	2,330,000
Practicing certificate fees	575,000	500,000
Practice monitoring fees	1,570,000	990,888
Surplus on members' activities	171,545	52,749
Interest on deposit	<u>33,028</u>	<u>45,928</u>
Total income	<u>4,910,573</u>	<u>3,919,565</u>
Expenditure		
Due- International Federation of Accountants	1,055,500	1,055,500
- Institute of Chartered Accountants of the Caribbean	382,240	350,950
General expenses	4,500	7,158
Employment costs	813,094	533,411
Stationery, postage and printing	108,209	123,306
Practice monitoring	1,570,000	990,882
Library expense	21,846	
Professional fees	406,000	1,160,000
Impairment of receivables	325,000	161,500
Total expenditure	<u>4,686,389</u>	<u>4,382,707</u>
Net comprehensive income /(loss) for the year	<u><u>224,184</u></u>	<u><u>(463,142)</u></u>

The notes on pages 37 to 41 form an integral part of these financial statements.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
GENERAL ACCOUNT
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Accumulated funds G\$
As at January 1, 2015	9,280,049
Net comprehensive loss for the year	<u>(463,142)</u>
As at December 31, 2015	<u><u>8,816,907</u></u>
As at January 1, 2016	8,816,907
Net comprehensive income for the year	<u>224,184</u>
As at December 31, 2016	<u><u>9,041,091</u></u>

The notes on pages 37 to 41 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, 2016

	<u>2016</u> <u>G\$</u>	<u>2015</u> <u>G\$</u>
Cash flow from operating activities		
Net income / (loss) for the year	224,184	(463,142)
Adjustments for:		
Impairment of receivables	325,000	161,500
Interest income	<u>(33,028)</u>	<u>(45,928)</u>
Operating income /(loss) before working capital changes:	516,156	(347,570)
Receivables	350,452	2,814
Education Trust Fund	334,401	(4,973,614)
Inventory	(43,692)	-
Payables	<u>(75,000)</u>	<u>125,000</u>
Net cash inflow /(outflow) from operating activities.	<u>1,082,317</u>	<u>(5,193,370)</u>
Cash flow from investing activities		
Fixed deposit	(33,028)	(45,928)
Interest received	<u>33,028</u>	<u>45,928</u>
Net cash flow from investing activities.	<u>-</u>	<u>-</u>
Net increase /(decrease) in cash and cash equivalents	1,082,317	(5,193,370)
Cash and cash equivalents at the beginning of the year	<u>4,011,319</u>	<u>9,204,689</u>
Cash and cash equivalents at the end of the year.	<u>5,093,636</u>	<u>4,011,319</u>
Cash and cash equivalents comprises of:		
Cash on hand and at bank	<u>5,093,636</u>	<u>4,011,319</u>

The notes on pages 37 to 41 form an integral part of these financial statements.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
EDUCATION TRUST FUND
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

	Note	2016 G\$	2015 G\$
Assets			
Non-current assets			
Tangible fixed assets	6	-	-
Investments	7	3,658,722	3,210,186
Total non-current assets		<u>3,658,722</u>	<u>3,210,186</u>
Current assets			
Due from General Account		701,354	366,953
Receivables	3	416,800	416,800
Fixed deposits	4	45,568,082	44,542,592
Cash on hand and at bank	5	7,011,648	6,972,819
Total current assets		<u>53,697,884</u>	<u>52,299,164</u>
Total assets		<u>57,356,606</u>	<u>55,509,350</u>
Equity and liabilities			
Equity and reserve			
Accumulated fund		53,771,586	51,507,231
Investment reserve		3,562,206	3,113,670
Total equity and reserve		<u>57,333,792</u>	<u>54,620,901</u>
Current liability			
Payables and accrued expenses		22,814	888,449
Total current liabilities		<u>22,814</u>	<u>888,449</u>
Total equity and liabilities		<u>57,356,606</u>	<u>55,509,350</u>

The notes on pages 37 to 41 form an integral part of these financial statements. The Council approved these financial statements for issue on March 11, 2017

On behalf of the Council

President Ronald All.

Treasurer Volkerant Ramnarr

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
EDUCATION TRUST FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2016

	2016 G\$	2015 G\$
Income:		
Joint examination scheme subvention	3,216,395	3,867,723
Students' subscription and application fees	1,728,500	80,000
Interest received	1,067,620	1,319,448
Surplus on graduation	-	31,235
Surplus from CPD seminars	836,888	594,517
Dividends received	188,082	100,311
Total income	7,037,485	5,993,234
Expenditure		
Employment costs	2,439,281	1,600,232
Rental of building	1,392,000	1,392,000
Net graduation expenses	29,675	-
Telephone	214,972	164,847
Stationery, and postage	327,626	369,917
Cleaning and sanitation	57,294	107,832
Electricity	108,756	114,983
Repairs and maintenance	480	52,000
Travelling	66,107	57,460
Bank charges	52,101	32,604
Website maintenance	-	69,600
Advertisement	84,838	26,488
Total expenditure	4,773,130	3,987,963
Net income for the year	2,264,355	2,005,271
Other comprehensive income		
<i>Items that may be subsequently reclassified to profit and loss:</i>		
Fair value gain on available-for-sale-assets	448,536	78,367
Total comprehensive income for the year	2,712,891	2,083,638

The notes on pages 37 to 41 form an integral part of these financial statements.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
EDUCATION TRUST FUND
STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Accumulated funds G\$	Reserve G\$	Total G\$
As at January 1, 2015	<u>49,501,960</u>	<u>3,035,303</u>	<u>52,537,263</u>
Net income for the year	2,005,271	-	2,005,271
Other comprehensive income	<u>-</u>	<u>78,367</u>	<u>78,367</u>
Total comprehensive income	<u>2,005,271</u>	<u>78,367</u>	<u>2,083,638</u>
 As at December 31, 2015	 <u><u>51,507,231</u></u>	 <u><u>3,113,670</u></u>	 <u><u>54,620,901</u></u>
 As at January 1, 2016	 <u>51,507,231</u>	 <u>3,113,670</u>	 <u>54,620,901</u>
Net income for the year	2,264,355	-	2,264,355
Other comprehensive income	<u>-</u>	<u>448,536</u>	<u>448,536</u>
Total comprehensive income	<u>2,264,355</u>	<u>448,536</u>	<u>2,712,891</u>
 As at December 31, 2016	 <u><u>53,771,586</u></u>	 <u><u>3,562,206</u></u>	 <u><u>57,333,792</u></u>

The notes on pages 37 to 41 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, 2016

	<u>2016</u> G\$	<u>2015</u> G\$
Cash flow from operating activities		
Net income for the year	2,264,355	2,005,271
Adjustments for:		
Interest income	(1,067,620)	(1,319,448)
Investment income	(188,082)	(100,311)
Operating income before working capital changes:	1,008,653	585,512
General account	(334,401)	4,973,614
Payables and accrued expenses	(865,635)	(660,837)
Net cash (outflow) / inflow from operating activities.	(191,383)	4,898,289
Cash flow from investing activities		
Fixed deposit	(1,025,490)	(6,267,297)
Interest received	1,067,620	1,319,448
Dividends received	188,082	100,311
Net cash inflow/(outflow) from investing activities.	230,212	(4,847,538)
Net increase in cash and cash equivalents	38,829	50,751
Cash and cash equivalents at the beginning of the year	6,972,819	6,922,068
Cash and cash equivalents at the end of the year.	7,011,648	6,972,819
Cash and cash equivalents comprises of:		
Cash on hand and at bank	7,011,648	6,972,819

The notes on pages 37 to 41 form an integral part of these financial statements.

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

1. General information

The Institute of Chartered Accountants of Guyana was registered on November 9, 1966 and became a corporate body with the enactment of the Institute of Chartered Accountants of Guyana Act 1991. It is managed by elected members who serve on Council.

The objectives of the Institute are:

- (a) to promote and increase the knowledge, skills and proficiency of its members and its registered students;
- (b) to regulate the discipline and professional conduct of its members and its registered students by maintaining a strict standard of professional ethics;
- (c) to foster, promote and protect the welfare and interests of the accountancy profession;
- (d) to make provision for the training, education and examination of persons engaged in or intending to engage in the accountancy profession;
- (e) to maintain conduct with other recognized professional bodies with like objects as the Institute, whether within or outside of Guyana, on all matters pertaining or of interest to the accountancy profession and to make representation to those bodies or any of them on matters affecting the interest of members of the Institute;
- (f) To submit the views of members to the Government and public bodies on legislation or other matters of professional interest to or affecting members;
- (g) to provide opportunities for its members to meet to exchange views and to discuss matters of interest, particularly between practicing and non- practicing members.

2 Significant accounting policies

- (a) The principal accounting policies applied in these financial statements are set out below. These policies have been consistently applied to the years presented.

These financial statements have been prepared in accordance with International Financial Reporting Standards under the historical cost convention as modified for the revaluation of investments.

Standards and Interpretations published which are effective from the current financial year are reviewed and adopted by Council, where applicable. The Council is of the opinion that these new standards and amendments would not have a significant impact on these financial statements.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

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, 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 are held for the purpose of meeting short-term cash commitments. These are readily convertible to known amounts of cash, with maturity dates of three (3) months or less.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

Summary of significant accounting policies- cont'd:

(f) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity instrument in another entity. Financial assets and financial liabilities are recognised in the Institute's statement of financial position when it becomes a party to the contractual provisions of the instruments.

The financial instruments carried in the Statements of Financial Position are:

Financial assets:

Due from members and other receivables, cash and cash equivalents.

Financial liabilities:

Payables and accrued expenses

Interest rate risk

Interest rate risk is the risk that the value of the financial instruments will fluctuate due to changes in market interest rates. The Institute manages this risk by monitoring interest- earning assets and procuring the most advantageous interest rates.

The Institute invests excess cash in short-term deposits and interest- earning bank accounts with licensed financial institutions. Short -term deposits are invested for periods of twelve months at fixed interest rates and are not affected by fluctuations in market interest rates up to the dates of maturity. Interest rates on interest earning bank accounts are not fixed but are subject to fluctuations based on prevailing markets rates.

Credit risk

The Institute faces credit risk in respect of its receivables and cash and cash equivalents. However, this risk is controlled by close monitoring of these assets by the Institute. In addition, cash and cash equivalents are maintained with licensed financial institutions assessed by management to be stable. The maximum credit risk faced by the Institute is the total of these balances as reflected in the Statements of Financial Position.

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF GUYANA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

	2016 G\$	2015 G\$
3. Receivables		
General account		
Members	681,000	264,652
CPD seminar	-	1,034,800
Sundry	200,000	41,000
	<u>881,000</u>	<u>1,340,452</u>
Impairment of receivables	<u>(477,500)</u>	<u>(261,500)</u>
	<u>403,500</u>	<u>1,078,952</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>4,331,617</u>	<u>4,298,589</u>
Education Trust Fund	<u>45,568,083</u>	<u>44,542,592</u>
Interest is currently being earned at .5 - 1.25 % per annum. Should interest on short term deposits increase/decrease by 50 basis points, with all other variables held constant, the net surplus for the year would increase/decrease by G\$ 234,334 (2015- G\$ 223,809).		
5. Cash on hand and at bank		
General account		
Cash at bank (interest bearing and non interest bearing)	4,838,901	3,469,373
Petty cash	19,233	-
Cash in hand	235,502	541,946
	<u>5,093,636</u>	<u>4,011,319</u>
Education Trust Fund		
Cash at bank (interest bearing)	<u>7,011,648</u>	<u>6,972,819</u>

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6. Tangible fixed assets

	<u>2016</u> <u>G\$</u>	<u>2015</u> <u>G\$</u>
Cost:		
As at beginning and end of year	<u>1,131,316</u>	<u>1,131,316</u>
Accumulated depreciation:		
As at beginning and end of year	<u>1,131,316</u>	<u>1,131,316</u>
Net carrying amount:		
As at beginning and end of year	<u><u>-</u></u>	<u><u>-</u></u>

7. Investments

Available for sale securities:

Banks DIH Limited- 156, 735 shares	3,542,211	3,134,700
Demerara Distillers Limited- 3,282 shares	<u>116,511</u>	<u>75,486</u>
	<u>3,658,722</u>	<u>3,210,186</u>
Income earned from available-for-sale-investments	<u><u>188,082</u></u>	<u><u>100,311</u></u>