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## PRESIDENT'S MESSAGE



J.E. (Betty) Brathwaite

One of the first tasks undertaken by the ICAC Executive Committee early in the New Year was a detailed review of our **2011-2016 Strategic Plan** which was approved by the Board in February 2011. The objective was to assess the progress of the strategic goals and initiatives over the past year and to determine an action plan to move forward. The key areas of focus for the ICAC for the next five years remain as follows:

- Expanding the ICAC brand by increasing the role and contribution of the ICAC at the regional and international levels;
- Repositioning and building the ICAC as a regional umbrella body;
- Forging strategic partnerships with key regional and international organizations;
- Broadening the membership base of the ICAC;
- Strengthening the institutional and thought leadership capacity of the ICAC;
- Enhancing the ICAC as a technical resource centre for its member bodies in the region; and
- Increasing revenue and funding opportunities for the sustainability of the ICAC.

Arising from the review process, it has been recognised that there is a need to rebrand the organization to better reflect ICAC's primary role as a regional accountancy association and to ensure that the organization is effectively fulfilling its mandate as an Acknowledged Accountancy Grouping of IFAC. To assist in this process we will be examining the structure and best practices of other regional accountancy bodies that exist globally in order to develop the best model for the ICAC.

### Regional Initiatives

The implementation of the **ICAC/ACCA Practice Monitoring Programme** remains a matter of priority and we are pleased with the progress and positive feedback on the monitoring reviews being carried out in Barbados, Guyana, Trinidad & Tobago and the Eastern Caribbean.

We are also pleased that since January of this year, monitoring reviews have started in Jamaica and we look forward to the benefits that will accrue to the accounting profession in Jamaica from this process. As part of ensuring the effectiveness of the monitoring process, the ICAC has been invited by the Public Accountancy Board (PAB) to nominate a representative to sit on a Practice Monitoring Committee that will oversee the monitoring process and ensure that the necessary actions are taken regarding deficiencies identified in the monitoring reports in respect of firms or practices where reviews are undertaken. Similar oversight or regulatory committees have been established in Trinidad and Barbados as an effective mechanism to support the monitoring process and efforts are also being made by Guyana and the Eastern Caribbean to establish a monitoring committee.

The contract for the ICAC/ACCA practice monitoring programme which commenced in 2008 will expire in another two years. The ICAC Board is therefore considering a proposal for establishing a **regional monitoring unit** to facilitate the ongoing process of practice monitoring in the Caribbean, in keeping with our commitment to ensure the existence of efficient quality assurance review systems in the region. The ICAC is hoping to collaborate with ACCA, which is currently carrying out monitoring reviews on behalf of regional institutes, to establish the proposed regional monitoring unit.

Another initiative of the ICAC this year is the establishment of a **Regional Taxation Committee** to consider, review and present recommendations on matters of taxation and fiscal policies relevant to the regional

accountancy profession. The Committee will make recommendations on changes in international and regional tax administration policies that impact the Caribbean and on matters relating to Double Taxation Treaties and other regional and international agreements on taxation. It will also seek to facilitate discussions, exchange of ideas and experiences on tax related matters affecting the region.

The ICAC Board at its 62nd Meeting held on February 11, 2012 in Antigua, approved a resolution for the establishment of this Committee. It is envisioned that the Committee will include representatives from regional institutes as well as the Caribbean Organisation of Tax Administrators and from the University of the West Indies. This is in an effort to ensure broad-based regional representation on the Committee.

#### ICAC Annual Conference

The ICAC's Annual Caribbean Conference of Accountants continues to enhance the development of professional accountants in the region and provides a forum for great networking among members of the profession.

Plans are well underway for the milestone 30th Annual Caribbean Conference to be held over the period June 21-23, 2011 in St. John's, Antigua under the theme, Playing to Win – Bowling over the Challenges and we anticipate another high quality conference. This year's conference will be hosted by the Antigua & Barbuda branch of the Institute of Chartered Accountants of the Eastern Caribbean (ICAEC) and the conference planning team is promising participants an interesting and stimulating technical programme with very qualified regional and international speakers as well as exciting social events that will afford delegates and

spouses an unforgettable experience.

We anticipate the usual strong support of our member institutes and affiliates and we look forward to welcoming you to Antigua.

**JE (Betty) Brathwaite**  
President

### Inspirational Quote

“If we were to bring creativity down to earth, it would not have to be reserved for exceptional individuals or identified with brilliance. In ordinary life creativity means making something for the soul out of every experience.”

- Thomas Moore,  
"Care Of The Soul"

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## Association of Chartered Certified Accountants (ACCA)

### ACCA launches Global Forums to discuss vital issues for business

Ten new Global Forums have been launched by ACCA to bring together expertise from all sectors around the world to tackle issues crucial to the finance profession and business. The Global Forums will help to develop ACCA's work to influence government, policy makers and businesses on key issues and contribute to ACCA's Research and Insights projects.

The Forums will meet on a regular basis to further the thinking on current and future issues in a number of specific technical subject areas, as well the accountancy and finance profession. They will have an international remit to develop views which support the needs of business globally, with an increasing emphasis on emerging markets.

### Public sector finances – adding value in tough times

*Audit and financial management adding public value* was the theme of ACCA's third international public sector conference held recently in London. The conference was organised to draw out lessons learnt over recent years, and to understand the key challenges from a range of high profile international speakers and focus on new developments, such as strengthening the role of audit and whole of government accounts.

The event attracted public sector financial and policy experts from around the world, including, Ian Mulheim, director of the Social Market Foundation (SMF), a leading UK think tank and The Rt. Honourable Margaret Hodge MP, chair of the UK's Public Accounts Committee.

### ACCA Report on Transforming Finance

There is 'no turning back' from finance shared services and outsourcing as a future delivery model for the finance function, say finance experts from 20 leading global organisations including Coca Cola, Deloitte, PwC, Shell, Unilever and WPP, in a new report from ACCA called, *Finance Transformation: expert insights on shared services and outsourcing*. The report reveals that the use of finance shared services and outsourcing to transform the finance function is here to stay, with gains already made in reducing costs and improving processes. Looking to the future, the report's global experts see much greater opportunities to drive improved business results, where finance transformation moves beyond just delivering cost savings and process efficiencies. However, the report reveals a number of challenges which must be overcome to unlock future value.

Global leaders featured in the report continue to recognise capability shortfalls, from the effectiveness of change management processes to the lack of focus on the retained finance team and inability to see shared services and outsourcing in the context of an overarching vision for finance. These factors are cited as major barriers to finance transformation success.

## American Institute of Certified Public Accountants (AICPA)

### AICPA and Brazilian Accounting Bodies Agree on Memorandum of Understanding

The American Institute of CPAs, the Conselho Federal de Contabilidade ("CFC"- Federal Accounting Council) and the Fundação Brasileira de Contabilidade ("FBC"-Brazilian Accounting Foundation) have agreed to a Memorandum of Understanding (MOU). The two-year agreement was signed in December 2011 at the CFC offices in Brasilia. The MOU, intended to strengthen the accounting profession in both Brazil and the USA, will allow the three parties to begin discussions on a number of initiatives. The parties intend to establish working groups dedicated to the launch and administration of the CPA exam in Brazil and seek to implement a Portuguese language IFRS training programme centralized in Brazil.

### International Committee Roundtable Advances Discussion on Integrated Reporting

The International Integrated Reporting Committee held a roundtable meeting in November 2011 at SAP's Executive Briefing Center in Palo Alto, California to gather perspectives on integrating governance, environmental and social performance information into organizational financial reporting. The meeting, co-convened by the American Institute of CPAs, Ceres and Sustainable Silicon Valley, was attended by business leaders from the corporate, investment, standard-setting and regulatory communities.

The roundtable discussions were led by Paul Druckman, executive committee chairman of The Prince's Accounting for Sustainability Project and CEO of the IIRC working group. Participants in the roundtable discussed the business case for integrated reporting and the benefits from the perspective of reporting organizations, investors and other stakeholders. The panellists identified challenges to the acceptance of integrated reporting and key factors to accelerating the adoption of integrated reporting in the US.

"Organizations are increasingly focused on long-term sustainability, and the IIRC Integrated Reporting Framework represents a significant step towards a globally-accepted solution for better reflecting this focus in business reporting," said Sue Coffey, AICPA senior vice president, public practice and global alliance.

### USA and Hong Kong Sign Mutual Recognition Agreement

The U.S. International Qualifications Appraisal Board (U.S. IQAB) and the Hong Kong Institute of Certified Public Accountants have entered into a five-year Mutual Recognition Agreement that establishes the basis for reciprocity between the USA and Hong Kong accounting professions. This new agreement will allow qualified accountants in the USA and Hong Kong to work across borders, said Barry Melancon, AICPA President and CEO.

Mutual Recognition Agreements facilitate cross-border reciprocity by streamlining the process for qualified professionals with accounting credentials to become certified and licensed in each other's countries. Although approved by U.S. IQAB, the AICPA and NASBA, the agreements are subject to individual state board of accountancy acceptance.



## Certified General Accountants of Canada (CGA-Canada)

### Uniting the Canadian Accounting Profession

On January 17, 2012, the Certified General Accountants of Canada (CGA-Canada), the Canadian Institute of Chartered Accountants (CICA) and the Certified Management Accountants of Canada (CMA Canada) presented members with a framework to unify the Canadian accounting profession.

The Unification Framework is the result of several months of discussions among these organizations and consultation with members, Canadian business leaders, governments, regulators and other stakeholders. It includes details of a transition to a new common designation, Chartered Professional Accountant (CPA), and the development of a new CPA Certification Programme. The structure of the framework is consistent with the unification process already underway in the Province of Quebec, where the Orders of Chartered Accountants, Certified Management Accountants and Certified General Accountants have agreed to unify under the Chartered Professional Accountant designation.

By joining together, these organizations and their members will be in a strong position to provide the highest quality financial and management accounting services, while serving and protecting the public interest by establishing consistent codes of professional conduct, disciplinary systems and licensing regimes. Unification of the profession would result in Canada having one of the largest accounting organizations in the world with the influence needed to advance Canadian business interests.

Visit [www.CPACanada.ca](http://www.CPACanada.ca) for more information about the Unification Framework and the supporting CPA Certification Program.

### CGA-Canada Announces 2011-12 Board of Directors

CGA-Canada is pleased to announce its 2011-12 Board of Directors, led by its new Chair Terry LeBlanc, FCGA. "This year our focus will be on planning for the future of the CGA designation," says Mr. LeBlanc. "It promises to be a busy year and I look forward to working with the rest of the team."

Mr. LeBlanc of Moncton, New Brunswick is a graduate of the Université de Moncton. He worked as an executive with the Canada Revenue Agency and retired after more than 30 years of service. Mr. LeBlanc volunteered extensively over the years, both locally with CGA New Brunswick and on a national level. Patrick Keller of Penticton, British Columbia will assume the role of Vice Chair. He is an electronic commerce audit specialist with the Canada Revenue Agency. He served on the board of CGA British Columbia as president in 2008 and was the representative for members of the Okanagan region from 2001-08.

The Board members for 2011-12 are:

Anthony Ariganello, FCGA	- Secretary
Dr. Catherine Aczel Boivie	- Public Representative
Joyce Evans, FCGA	- Past Chair
Hilary Becker, CGA	- Member
Don Bureaux, CGA	- Member
John Pankratz, FCGA	- Member
Donna Price, FCGA	- Member
Denis Riendeau, FCGA	- Member
Tom Sullivan, FCGA	- Member
Rob Stephanson, FCGA	- Member

## Certified Management Accountants (Canada) Nova Scotia, Bermuda and the Caribbean partner

### CMA Caribbean – Programmes Update

CMA Caribbean launched its full suite of CMA accreditation programmes in Jamaica last year. To ensure full reach to all territories in the region, CMA has initiated discussions with the University of the West Indies (UWI) Open Campus to focus on future programme offerings that will ensure a distance/in-class blended model for programme. Until the programmes are offered through UWI in its entirety, they will continue to leverage the Canadian-based intellectual property and partnerships that exist for offering weekly, web-conferencing tutorials, virtual office hours, and local tutors.

To assist struggling students in the CMA Foundational Studies Programme, a mentoring/tutoring programme has been developed that match students with recent CMA graduates. This is already helping struggling students to achieve success, while having the benefit of engaging members.

## Institute of Chartered Accountants in England and Wales (ICAEW)

### New ICAEW website explains audit

ICAEW has launched a new website for non-accountants which explains the purpose of audit and the role of auditors. The website – [www.trueandfair.org.uk](http://www.trueandfair.org.uk) – describes the process that auditors go through to give their opinions on companies' financial reports, offering unbiased, objective information in layman's language.

The website has been set up to help improve understanding of audit, a service which is relied upon by investors and the wider business community, but which is often misunderstood or overlooked. With reforms to statutory audit currently being considered by the European Union, ICAEW hopes that [www.trueandfair.org.uk](http://www.trueandfair.org.uk) will provide unbiased, objective information for anyone interested in finding out more about audit.

Henry Irving, head of ICAEW's Audit and Assurance Faculty, said: "Because audit can be quite technical, and demands specialist skills, it is sometimes seen as something only accountants are interested in. But the reality is that investors, customers, suppliers, and many other stakeholders are all affected by changes to the audit market. Whilst doing an audit and the skills required are highly specialised, the underlying concepts surrounding what it is meant to do and why are easier to explain. The website [www.trueandfair.org.uk](http://www.trueandfair.org.uk) has been created to ensure anyone with an interest in audit has easy access to that information".

With the European Commission proposals for reform of the statutory audit market published at the end of 2011, discussion of the role and value of audit will continue throughout 2012.

## ACCA Forum on Priorities for Financial Reform in the Caribbean

*"The topic of financial reform has long been discussed within the global and regional arenas, particularly over the last few years since the financial crisis reared its head. Accountants in the region are required to play their part in changing the face of finance in the region and in adding value to this process of financial reform."* This was the view of Betty Brathwaite, ACCA International Assembly Representative for Barbados and President of the Institute of Chartered Accountants of the Caribbean (ICAC) as she addressed a breakfast meeting hosted by ACCA on February 29, 2012 at the Hilton Barbados.

Citing a meeting of representatives of Caribbean countries, IDB governors and leading academics and policymakers held in The Bahamas in October 2010 to discuss global economic context and the Caribbean, Ms. Brathwaite noted that the issues discussed included:

- The likely pattern of world growth and its impact on the Caribbean, as well as the longer term structural challenges faced by the region. The short and medium-term growth prospects, critical for defining the fiscal space that will be available to countries for public investment and social programmes, especially given the elevated levels of debt in some countries in part due to the recent global crisis.
- The status of leading financial reform measures stemming from the global financial crisis (GFC) and their relevance for the Caribbean.
- Recent changes in the global marketplace for goods and services and the implications for the Caribbean and the fact that given the size of the region's economies, integration may be necessary to compete effectively, but what policies would best favor competitiveness to accompany integration?

essary to compete effectively, but what policies would best favor competitiveness to accompany integration?

The breakfast meeting focussed on the topic '*Priorities for International Financial Reform: A Caribbean perspective*', which was authored by Dr. DeLisle Worrell, Governor of the Central Bank of Barbados and Shane Lowe, research officer, Financial Stability Unit, Central Bank of Barbados. The paper was first launched in November 2011 and provides insight into how the global crisis has uncovered the relative importance of Caribbean IFCs in the global context.



ICAC President, Betty Brathwaite (at left), addresses participants on Priorities for International Financial Reform at a breakfast meeting hosted by ACCA.

Shane Lowe, co-author of the report, led the stimulating discussion on the topic at the meeting which attracted over 40 participants including Mr. Harold Codrington, Deputy Governor, Central Bank of Barbados; Mr. Kestor Guy, Senior Economist with the Financial Stability Unit of the Research and Economic Analysis Department of the Central Bank of Barbados; Brenda Lee Tang, Head of ACCA Caribbean, and Mr. Reginald Farley, Executive Director of ICAB.

### UWI Cavehill Campus Accounting Students' Association Launch Week of Activities

The University of the West Indies (Cavehill) Accounting Students' Association (ASA) launched its first week of activities over the period March 26-31, 2012 with a one-day forum sponsored by ACCA. The forum was addressed by Honourable Maxine McClean, Minister of Foreign Affairs and Foreign Trade in Barbados and Ms. Betty Brathwaite, Partner at Deloitte (Barbados), ICAC President and ACCA International Assembly Representative for Barbados.

Ms. Brathwaite spoke to the students on the future of the accounting profession and their role as students and future practitioners. She noted that in this age of transformation, the accounting profession has to examine its current role as businesses expect accountants to remain the financial custodians of the organisation but increasingly accountants were being required to play a role as trusted business advisors.

She stated that a priority for the ICAC was to ensure that as a regional body, it enhances and builds on the reputation of accountants. This includes fostering greater collaboration for the benefit of the profession and ensuring the sustainability of the profession. She noted that there is no limit on talent, skills and opportunities within the accountancy profession but *"the accounting profession itself must recognize and expand its role, its responsibility and its dedication to fulfil its mission to provide accurate and complete information to the investing public."*

"The next decade will be a period of rapid change and continuous transformation for the accounting profession that will lend itself to greater opportunities for growth and productivity. That's just one of the findings in the latest edition of the Intuit 2020 report, which focuses on the demographic, social, economic and technology shifts that will shape the accounting profession over



# CGA Conference Focuses on New Ways to Measure Business Performance

“The days of purely measuring business performance strictly by financial results are numbered,” states Brenda Pope, Partner, Risk Advisory Services of KPMG, Barbados. Ms. Pope was speaking of her company’s decision to sponsor the CGA International Sustainability Conference held at the Hilton Hotel in Barbados on February 10, 2012.

“With business’ environmental impact increasingly likely to affect their overall corporate value, companies are starting to see sustainability reporting as central to their business strategy rather than merely a PR requirement,” Pope said, observing that KPMG publishes a Sustainability Report and has done a survey of global Corporate Responsibility Reporting.

“Today, discerning investors are beginning to look at broader measures of an entity’s real contribution and performance. Increasingly we see investors pushing – ever more aggressively – for companies to provide fuller information to illustrate the value they have delivered, and the sustainability of growth. That ‘something’ is increasingly the shape of the ‘Triple Bottom Line;’ an amalgam of financial results and an assessment of the social and environmental impacts of a business. Or, put another way: People, Planet and Profits.” Pope added.

Goddard’s Enterprises Limited, a Barbadian company with an international operation, is also placing focus on the Triple Bottom Line. Director of Human Resources, Dr. Ashwell Thomas said his company had a clear philosophy and policy on environmental performance and social responsibility and has published formal Corporate Social Responsibility Reports. “It is my view that when you put emphasis on safety and environmental performance, your productivity and efficiency are driven by that, and it goes right to the bottom line.”

Conference highlights included international speakers Dr. TA Loeffler and Mr. Nick Shepherd, along with a keynote address by Prime Minister, The Hon. Freundel Stuart with a focus on environmental stewardship - the economics of protecting the planet’s resources, workable models for HR development and capacity building and sustainability reporting – The Triple Bottom Line

Approach.

CEO of CGA Caribbean, Graham Clarke said the organization had chosen the theme, *Improving the Bottom Line, Protecting the Environment, Developing People*, which seeks to make the link between sustainability and business because it was clear that accountants in the Caribbean need to be in step with these global developments, in order to remain relevant in the marketplace.

“Given the current global concerns about climate change, poverty reduction and the movement toward the creation of a “Green



From left to right: Terry LeBlanc, Chair of CGA-Canada; Prime Minister of Barbados, Hon. Freundel J. Stuart QC, MP; Hank Lucas, President of CGA Caribbean; and Graham Clarke, CEO, CGA Caribbean after the opening ceremony of the International Sustainability Conference 2012. In the background is Brenda Pope, Partner at KPMG.

Economy,” this conference was of great importance and relevance to the people of the Caribbean and the world at this time,” he said.

Mr. Clarke noted that the CGA International Sustainability Conference 2012, which was the first of its kind in the region attracted business leaders, accountants and other professionals from Barbados and the rest of the Caribbean.

the next decade,” Ms. Brathwaite stated.

She cited the four key trends that will shape the profession’s future highlighted in the report as follows:

- **Shifting Business Environment Creates New Opportunities** – Specialization and collaboration will lead to increased opportunities for accounting and tax professionals, who will work across global borders to meet their client’s needs, made possible by advances in technology.
- **Demographic Shifts Change the Face of Professionals and Clients**– Demographic shifts and a growing U.S.-based minority population will have broad implications for firms and their clients, influencing how, when and with whom they do business.
- **From Data to Decision Making, Technology Changes the Accounting Profession** – As technology expands and the automation of data collection rises, the focus of accounting will

shift from computation to consulting as clients increasingly rely on their accounting professionals to analyze business information, support decisions and provide strategic advice.

- **High-Tech Enhances High-Touch Client Outreach, Relationships and Service** – Social media and ubiquitous mobile technologies will become even more pervasive, changing the way accounting and tax professionals conduct business and attract new clients. It will be imperative for practitioners to manage their Web and mobile presences to establish firm reputation and brand.

The Accounting Students Association (ASA) was officially launched on November 17, 2010 with the assistance of the Institute of Chartered Accountants of Barbados (ICAB). Since its launch, the ASA has been hosting workshops, lectures, student lead tutorials sessions in addition to community service efforts in an effort to assist accounting students to become more prepared academically and socially for the Accounting profession.



# Registration Now Open for the 2012 Caribbean Conference of Accountants

Registration is now open for the ICAC's 30th Caribbean Conference of Accountants to be held over the period June 21-23, 2012 in St. John's, Antigua; one of the Caribbean's premier tourist destinations.

The 2012 Caribbean Conference is being hosted by the Institute of Chartered Accountants of the Eastern Caribbean (Antigua & Barbuda branch) under the theme, *Playing to Win – Bowling over the Challenges*.

## Technical Sessions:

The two-day technical session on June 22 and June 23 will be led by highly-recognised, regional and international experts who will examine the increasing challenges facing the accounting profession and Caribbean economies in general and the strategies to effectively overcome them. Topics include:

- Strategy for the Development of the Accountancy Profession in the Caribbean Countries.
- Anti-money Laundering and Terrorist Financing - the changing role of the accountant.
- Regulatory changes within the banking and financial sector - Is enough being done?
- Fraud - the new schemes, red flags and cost on our economies.
- The auditing profession - independence, quality and reforming the regulations as proposed by the European Commission.
- Corporate Governance and Responsibility - Risk management concerns for Directors and Officers.
- Budgeting - a new perspective in a challenging environment.
- Effective Leaders in Turbulent Times - making the tough decisions.
- FATCA - like it or not it's here...
- The faltering tourism industry within the Caribbean - How do we turn it around?
- IFRS for SMEs - A new set of standards required?
- Staying fit and healthy - a challenge amidst the other challenges.
- Are we ready for the challenges - A conference summary.

## Conference Events:

Social events showcasing the rich culture of Antigua and Barbuda are being planned to ensure that conference delegates and their spouses experience an unforgettable time in Antigua. The conference events are as follows:

- **Thursday, June 21** - Welcome Cocktail Reception & Evening of Culture
- **Friday, June 22** - Conference session (Day 1)  
- President's Gala Dinner at Grand Royal Antigua Ballroom
- **Saturday, June 23** - Conference Session (Day 2)  
- Closing Theme Fete at the Historic Nelson's Dockyard

## Conference Fees:

Persons may register online at <http://2012conference.icac.org.jm/> or complete and submit registration forms via email to [icaec@candw.ag](mailto:icaec@candw.ag) or via fax at 268-562-7935.

<b>Delegates</b>	- US \$500 for Members (Members include ICAC Members - regional institutes, associates and affiliates (ACCA, AICPA, ICAEW, CMA, CGA). - US \$550 for non-members
<b>Spouses</b>	- US \$250 (cost includes participation in all social events)
<b>Day Passes</b>	Welcome Cocktail Reception – US \$40 per delegate President's Gala Dinner - US \$100 per delegate Closing Theme Fete – US \$60 per delegate
<b>Technical Sessions (both days) – US \$350 per delegate</b>	

*Registration fees for delegates include participation in the two-day conference technical sessions as well as coffee breaks and lunch on both days, the Welcome Cocktail Reception, President's Gala Dinner and the Closing Theme Fete.*

*Registration fees for Spouses include participation in the Welcome Cocktail Reception, President's Gala Dinner and the Closing Theme Fete as well as excursions.*

## Conference Hotel and Accommodation:

The 2012 Conference will be held at the Grand Royal Antigua Beach Resort, a 40-acre, tropical garden estate bordered by a protected cove and half-mile of glistening beach. This hotel sits on Antigua's western coast, nestled into a hillside at breathtaking Deep Bay. Visit the hotel's website at <http://www.grandroyalantigua.com/> to learn more.

Special negotiated rates for conference delegates are as follows:

CATEGORY	SINGLE OCCUPANCY	DOUBLE OCCUPANCY
<b>Room Only</b>		
Mountain View	US \$80	US\$80
Lagoon View	US\$90	US\$90
<b>Room &amp; Breakfast</b>		
Mountain View	US\$95	US\$110
Lagoon View	US\$105	US\$120

*\*Rates quoted are per night and are exclusive of 22.5% Government taxes and service charges.*

For further details on the 2012 Caribbean Conference of Accountants visit the conference website at <http://2012conference.icac.org.jm> or email [icaec@candw.ag](mailto:icaec@candw.ag) or [icac@cwjamaica.com](mailto:icac@cwjamaica.com)

*Make your bookings early for the 30th Annual Caribbean Conference of Accountants!*

The Institute of Chartered Accountants of Jamaica (ICAJ), through

## WRITERS' CLUB FOR ACCOUNTANCY PROFESSIONALS

The Institute of Chartered Accountants of Jamaica (ICAJ), through its Current Affairs Committee, has launched a Writers' Club to encourage members of the accountancy profession to write and share ideas for articles on current and topical issues for publication in the media.

The Writers' Club complements the ICAJ Writers' Competition which was established to promote research and writing skills among members of the profession. The Club will provide training in writing skills, discussions on the craft of writing and the business of publishing and professional networking opportunities for members.

Club membership is open to:

- All Members of ICAJ
- Jamaican Registered Public Accountants who are not ICAJ members
- Members of the Institute of Chartered Accountants of the Caribbean
- ACCA Members
- CGA Members
- AICAP Members (CPAs)
- CMA Members
- UWI Mona MSc. (Accounting) students and graduates
- Students and graduates of the ICAJ/ACCA Joint Scheme examinations
- All other accountants (by invitation only)
- Members of the public (by invitation only)

Upon becoming a member, persons will be required to produce at least one article per year and to attend and participate in the Club's informal discussion fora. Additionally, members can earn CPD credits for articles written and published.

Members of the club will be automatically be eligible to participate in the ICAJ Writers' Competition held annually, to give entrants the opportunity to win 'The Diamond Pen Award'. This Award is presented at the Institute's Annual Awards Dinner, held each December.

Visit the Writers' Club Facebook Page at <http://www.facebook.com/IcajWritersClub>.

# FIVE WAYS TO RAISE YOUR CONFIDENCE IN FINANCIAL REPORTING

GAIN CONFIDENCE WITH A RECOGNISED CERTIFICATE OR DIPLOMA FROM ICAEW

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# Helping Small and Medium-Sized Practices Meet the Challenges and Seize Opportunities

Interview with Giancarlo Attolini, Chair, IFAC Small and Medium Practices (SMP) Committee

## How important are small and medium-sized accountancy practices?

Small and medium-sized practices or SMPs constitute the vast majority of accountancy practices worldwide and, in many areas of the world, are believed to employ the majority of professional accountants working in practice. SMPs provide a broad range of high-quality professional services—from the traditional audit, accounting, and tax services, to value-adding business advisory—to meet the needs of their clients who are typically small and medium-sized entities (SMEs). SMEs are crucially important to the health and stability of the global economy: They account for the majority of private sector GDP, employment, and growth globally, and, moreover, hold the key to the global economy's recovery from one of the deepest economic downturns in modern times.

IFAC recognizes that addressing the needs of SMPs and SMEs is important. And its members echo this sentiment. The most recent IFAC Global Leadership Survey, which polls the presidents and chief executive officers of IFAC member bodies, found that addressing the needs of SMPs and SMEs is the second most important issue facing the Global Accountancy Profession in 2012.

## Why do SMEs often choose SMPs for various professional services?

Our global research as summarized in the IFAC information paper *The Role of SMPs in Providing Business Support to SMEs*, has indicated that SMEs look to SMPs for a range of professional services for various reasons, most notably their reputation for competency and trust, responsiveness, and geographical proximity.

## Why did IFAC establish the SMP Committee? What is its role?

In recognition of the importance of SMPs, especially in supporting SMEs, IFAC created the SMP Committee in 2006. Since then IFAC, largely at the behest of its member bodies, has increased its commitment to helping cultivate robust SMPs. Today the SMP Committee supports SMPs in various ways. It does this primarily through IFAC member bodies—helping them to support their SMP stakeholders. The committee develops guidance and tools and works to ensure that the needs of the SMP and SME sectors are considered by standard setters, regulators, and policy makers. The committee also speaks out on behalf of SMPs to raise awareness of their role and value and the importance of the small business sector overall.

## What changes do you see in the global landscape in so far as SMPs are concerned?

The global economy has changed a lot in the past few years and the accounting industry has not escaped these changes. Hence, it's no surprise to find that SMPs are facing a changed economic and regulatory landscape—one characterized by significant challenges, but also with great opportunities if the results of the fourth quarter IFAC SMP Quick Poll are anything to go by. The poll revealed that regulatory burdens and economic woes continue to top the list of challenges faced by SMPs and their small business clients. Of course, the overall results mask some significant regional variations. But a key lesson, if there is one, for SMPs is that they

are best placed to thrive in the new global economy by changing with the times.

## What are the key challenges that SMPs are facing?

The fourth quarter IFAC SMP Quick Poll pulled in over 2,400 responses from around the world, thanks to the promotional efforts of many IFAC member bodies. In all regions barring Europe, the burden of regulation ranked as the top challenge faced by practitioners' small and medium-sized entity clients. Meanwhile, economic uncertainty ranked as the top challenge in Europe. When accountants were asked to name the biggest challenge facing their practices, keeping up with new standards and regulations ranked first, followed by attracting and retaining clients in almost all regions (in Asia, these top two were reversed).

## How can SMPs best overcome economic uncertainty and other challenges?

While SMPs are facing significant challenges, the poll showed that respondents were generally more positive about 2012 compared with 2011. As the global economy starts to pick up, there will be emerging opportunities and SMPs should be ready to adapt to embrace them.

**First, boost marketing and promotion efforts** – According to the poll, growth in practice fees will be driven primarily by winning business from new clients. This will demand more and smarter promotion and marketing efforts that should focus on what distinguishes SMPs—as mentioned before, most notably their reputation for competency and trust, responsiveness, and geographical proximity. Accounting and compilation services are perhaps worth special focus as poll respondents saw this as the fastest growing source of revenue, and the marketability of compilations should increase with the release of the International Auditing and Assurance Standards Board's new standard on compilation engagements.

**Second, focus on advisory/consulting services** – These services, ranging from tax consulting and financial management to newly emerging services like wealth management and advice on sustainable business practices, are a crucial growth area for SMPs. The poll found it was the second fastest growing source of revenue after accounting and compilation. But perhaps most telling was the finding that insufficient partner time and marketing services to clients jockeyed for the position as the top challenge in building advisory/consulting services work. This suggests that SMPs need to free up partner time to make it work, perhaps use value-based pricing to ensure a good return, and, as mentioned previously, increase their marketing and promotion. The poll also revealed that an existing client relationship is the main reason that SMEs seek advisory/consulting services, suggesting practices should, where ethical rules allow, promote them to existing clients.

## In what ways has the world changed and how can SMPs change with it?

**First, internationalize** - Cross-border trade, in goods and services, and investment is growing exponentially and great advances in transportation, IT, and communications infrastructure are making the world a smaller place. As a result, SMEs are increasingly doing business internationally. SMPs will, therefore, need to internationalize themselves if they are to effectively support these



SMEs. A good place to start is to have a strategy that might include joining an international network or association of practices, possibly to affiliate with a national firm with international connections. The value of an international network or association comes from the local knowledge that member firms can offer to clients. This means even a small practice can help a client go global and may help the practice retain clients that might otherwise choose a larger firm.

**Second, exploit emerging technologies** – Emerging technologies like cloud computing offer the opportunity to both increase your practice's service offerings and, generally, do more with less. From a remote location, SMPs can now provide SMEs with a full range of services, from basic book-keeping and payroll to virtual CFO, in a way that is safe, secure, and more cost effective than traditional face-to-face delivery. SMEs can thus enjoy many of the same benefits of having an in-house professional accountant that larger entities enjoy.

### What are the potential implications for policy makers, regulators, and standard-setters?

Even at a time of global economic uncertainty, concerns around regulation and standards are still uppermost in the minds of SMPs and SMEs for whom compliance may be disproportionately burdensome. And according to an earlier poll, the nub of this concern seems to be the pace or speed with which regulation and standards are changing, more than complexity and volume.

Regulation is intended to bring benefits, for example, by helping markets operate fairly and efficiently. We somehow need to ensure that these benefits outweigh the burden and are widely recognized. IFAC has spoken out on these issues. IFAC believes that regulatory reform should not create unreasonable obstacles for the progress

of SMEs: costs and complexities that will impose burdens on, and threaten the sustainability of the small business sector must be carefully examined. In addition, international standards should be applicable, accessible, and cost-effective for SMPs and SMEs. The committee plays a pivotal role here by stressing the need for a stable platform of regulation and standards that are relevant to SMEs and SMPs and capable of being applied in a manner proportionate to size of practice or entity.

### What role can individual SMPs play in shaping the global policy, regulation and standard setting agenda?

While an individual SMP may feel that it is too small to make a difference or that it lacks the capacity to contribute in a significant way, it needs to be remembered that the strength of the SMP voice comes from their sheer numbers. Therefore, it is important that we all play our part, no matter how small, and get involved in some way, be that by writing a comment letter on an exposure draft, responding to a survey or poll, or participating in the initiatives of the SMP Committee. The challenge, however, is to ensure one cohesive, clear, and collective message. The SMP Committee aims to act as a mouthpiece for the voice of SMPs. The committee has an online Discussion Board and conducts regular polls, which we encourage our member bodies to promote to their SMPs so that we can channel the voices from a global representation of this sector.

See [www.ifac.org/SMP](http://www.ifac.org/SMP) to learn more about the IFAC SMP Committee and its support for SMPs through collaboration with IFAC member bodies.

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## Corporate Reports Still Hold Value Says ACCA Study

*Annual reports are important to stakeholders, but are undermined by length and complexity*

Corporate reports are being held back by confusion over their different audiences, their complexity, and lack of timeliness, according to a new ACCA (Association of Chartered Certified Accountants) survey of annual report users ahead of the annual corporate reporting season.

Respondents state in ACCA's report –called ***Re-assessing the value of corporate reporting*** – that there is a need for a greater focus on forward-facing plans, risk management, and the effective integration of these and other issues into corporate reports in a more coherent way.

“For all the concerns that stakeholders express about corporate reporting, our survey strongly suggests that the annual report has not diminished in its significance for investors and other stakeholders,” says Ian Welch, ACCA's head of policy.

“In fact, the annual report seems to have become more important since the financial crisis, with users reviewing reports more carefully than ever. However, confusion and complexity have hamstrung reports to an extent; they could

be much better than they are. Corporate reports are still documents that add value for stakeholders, but investors should be positioned as the most important audience for the report,” he adds.

The survey of 500 investors, capital providers, suppliers, customers, and report preparers in the UK, US, and Canada found that:

- 50% of respondents named the annual report as their primary source of information about a company.
- 41% said the corporate report was an easy way to assess information about a company.
- 48% said too much ‘promotional material’ crept into reports.
- 47% thought that reports were too long.
- 40% said reports were too general purpose.
- 35% felt reports are too backward-looking.
- 35% said reports were too complex; of this figure, 68% blamed reporting standards and 61% blamed legal requirements.
- 26% felt it was difficult to assess a company's performance from their corporate report.

The survey also asked what information stakeholders

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# Metrics are Revolutionizing Corporate Financial Management

By John L. Daly, MBA, CPA, CMA, CPIM, Executive Education, Inc.

Business schools have long compartmentalized various aspects of financial management into separate classes. Our professors likely discussed financial planning, internal control, internal reporting, and cost accounting as different topics. Today, advances using metrics are quickly binding these major financial management tasks into an integrated whole. If you want to keep your financial management skills up-to-date you need to have a strong understanding of how *metrics* are causing this to happen.

A *metric* is a performance measurement. At one time, metrics discussions focused around *financial ratios*. A financial ratio is an old-fashioned type of metric, which compares one financial number to another, such as debt/equity or profit/sales.

At one time, limited computing capabilities restricted financial analysis to these primitive metrics derived entirely from the general ledger. However, today's financial management can provide considerably more value by combining both financial and non-financial information. While analysts usually use financial ratios for entire businesses, today companies commonly use metrics for individual responsibility centers as well. Today, organizations often develop metrics for every major activity.

Did a responsibility center do well or poorly last month? If a manager's budget was \$100,000 and she spent \$120,000, is this a good job or a bad job? To answer these questions, we need to know something about business volume. By calculating cost/unit, and benchmarking this metric against other organizations, financial management can quickly focus performance discussions.

For example, hospital departmental reports commonly show cost/laboratory test, cost/prescription filled, or cost/inpatient day. Benchmarked against other hospitals, the metric allows everyone

to know which departments are doing well and which ones are doing poorly.

Once an organization begins using metrics, budget discussions change from what a department spent last year, to what it should spend to be efficient. The simple act of benchmarking metrics is a powerful tool, significantly reducing the politics in the budgeting process.

While you can calculate a cost/unit for any activity where you can measure output, profit center's metrics usually include revenue/unit and gross margin/unit in addition.

These simple practices are only the beginning. In addition to financial metrics, today's performance management employs a high proportion of non-financial metrics, looking at the organization from customer, operational and learning perspectives as well. First introduced almost 20 years ago, this *Balanced Scorecard* approach has led to the development of *strategy maps* tying financial and non-financial metrics into a neat, efficient package.

Experienced financial managers quickly recognize that metrics have broad financial management uses. For example, the same responsibility center metrics generated for financial planning and control also have powerful cost accounting uses. While a short article cannot make you an expert in these techniques, we hope that it has spurred you to ask, "Do I need to learn more about metrics soon?"

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## Corporate Reports Still Hold Value cont'd

wanted to see in reports that was not already included:

- 71% thought companies should report more on potential risks that could affect their performance.
- 70% said the most pressing issue for companies to report on was how they intended to manage or mitigate key risks.
- 59% said the inclusion of social and environmental data through an integrated report would add value..
- Stakeholders expressed an interest in real-time, externally assured, reporting.

"Annual reports can add real value for businesses and investors," says Ian Welch. "But, as the survey shows, there are some real issues in today's reporting. Reports need to be simplified, they need to be written with investors in mind, and they need to be more forward-looking and evidently risk aware. Hopefully the survey provides an encouraging backdrop against which regulators, standard-setters, and

companies can go about simplifying, clarifying, and adding more value to corporate disclosures," he further stated

Ian Welch concludes, 'It was noteworthy that while respondents reported a drop in interest in social and environmental information – perhaps understandable in difficult economic times – they suggested integrated reporting might be a way of reviving the value of this data to report users'.

### Note:

1. The report, **Re-assessing the value of corporate reporting**, can be found on ACCA's website <http://www.accaglobal.com/content/dam/acca/global/PDF-discover/2012/value-reporting.pdf>



## The Bahamas Institute of Chartered Accountants

**Accountants' Week 2011**

The Bahamas Institute of Chartered Accountants (BICA) hosted its Annual Accountants' Week during November 6-12, 2011. The week began with a church service at St. Francis Xavier Cathedral. During the week, the seminars held under the theme, "Developing the Bahamian Accounting Profession in the Era of Globalization", brought together accountants and finance professionals from all business sectors. Seminar speakers included:

- Minister Zhivargo Laing, Minister of State, Finance
- Mr. Philip Stubbs, Chairman, Securities Commission of The Bahamas
- Mr. Anthony Kikivarakis, Partner, Deloitte
- Mrs. Remelda Moxey and Mrs. Olivia Saunders, Lecturers, College of The Bahamas
- Mr. Ronald Atkinson, Partner, Ronald Atkinson & Co.
- Mr. Ryan Pinder, Tax Attorney and Member of Parliament
- Mr. Branville McCartney, Corporate Attorney and Member of Parliament

A cocktail reception was held on Thursday, November 10 at which over one hundred accountants spent the evening socializing. The week ended with a Fun Run/Walk/Push on November 12 and part proceeds from the event were donated to the National AIDS Foundation and the Cancer Society of the Bahamas.

**Continuing Professional Education**

On December 8, 2011, BICA in conjunction with the Association of Certified Fraud Examiners (ACFE) held a seminar at The British Colonial Hilton Hotel under the theme, "Fraud, Ethics & Compliance". Topics covered included, *Managing Ethical Issues in Today's Workplace*, *Commercial Crime and its Impact on Business & Society*, and *Elements of Internal Investigations: Gathering and Protecting Evidence*. Speakers included Tiphany Russell, Senior Manager, Deloitte; John Bain, Managing Partner from John Bain & Co. and Robertha Davis, Senior Examiner, Securities Commission.

On January 24, 2012, the Institute launched its Continuing Professional Education (CPE) program for the 2012 calendar year with a half-day seminar at The British Colonial Hilton under the theme, "Regulatory Compliance & Financial Services Review" for the benefit of financial services industry practitioners. The seminar was designed to highlight what every practitioner should know about FACTA (Foreign Account Tax Compliance Act) and included an assessment of the laws and regulations that govern The Bahamas Financial Services Industry. The lead presenter was noted accounting practitioner, Mr. Lawrence Lewis, a Partner at Deloitte & Touché and their lead partner for the FATCA initiative in The Bahamas and Turks & Caicos Islands.

BICA partnered with industry associations, The Bahamas Financial Services Board (BFSB) the Society of Trust and Estate Practitioners (STEP) and the Association of International Bank & Trust Companies (AIBT) to host a full day seminar on February 16, entitled, "The Bahamas Advantage: An Evolving and Dynamic Legislative Regime". The seminar provided an in-depth look at recent financial

services Acts passed at the end of last year, including the Trustee Amendment Act, 2011; Rule Against Perpetuities (Abolition) Act, 2011; Executive Entities Act, 2011; International Business Companies (Winding Up) Amendments Act, 2011 and Companies Act (Winding Up) Amendment Act, 2011.

On Thursday, February 23, 2012, a half-day seminar was held in conjunction with KPMG at the British Colonial Hilton Hotel. The seminar addressed the proposed Foreign Account Tax Compliance Act (FATCA) and included discussions on the *Purpose, Scope and Definition of FATCA; Requirements to Deduct and Withhold Tax, Identification of Payee and Reconciling FATCA with Bahamian Law*. The speakers for the seminar were Melinda Schmidt, Director KPMG LLP, New York and Iyandra Bryan, Attorney at Higgs & Johnson Law Firm.

On February 23 & 24, 2012, BICA hosted a two-day **Compliance & Business Development 2012 Conference** in Freeport Grand Bahama, the nation's second city. Informative presentations from highly qualified speakers were delivered on key issues affecting The Bahamas and in particular the Freeport Economy. Speakers included Mr. Ian Rolle, President of the Grand-Bahama Port Authority (GBPA) who spoke on, *Jump Starting the Freeport Economy-Why Not Now?*; I.T Consultant, Mr. Brent Wong who spoke on, *I.T Needs & Potential Solutions*; Mr. Lenny Abrahams of Pricewaterhouse, UK who addressed *Threats Associated with White Collar Crime Phenomenon*, and Ms. Yvette Betel who provided valuable insights on *Increasing Value in Your Human Resource by Doing More with Less*.

**Contribution to National Development**

Mr. Reece Chipman, Treasurer of BICA, represented the Institute at the 21st Annual Bahamas Business Outlook on January 12, 2012. The Bahamas Business Outlook seeks to address key issues affect-



Mr. Julian Rolle, President of BICA (second from left) presents a cheque to Ms. Joan Lightbourne, Administrator of the AIDS Foundation of The Bahamas on January 24, 2012. The cheque represented BICA's donation of proceeds from its Fun/Walk/Run Fundraiser and is in keeping with its commitment to contribute to community development. Also present were Ms. Tanya Rahming, the Institute's Executive Officer (at left) and Mr. Reece Chipman, Treasurer of BICA (at right).



ing the business community in the country.

Mr. Chipman also represented BICA at the International Business & Financial Summit (IBFS) held in Marsh Harbour, Abaco on February 3-5, 2012. The IBFS brought together thought leaders in wealth and asset management to discuss industry trends and requirements and their impact on clients, international financial centers and industry professionals.

#### **ICAC Involvement**

Mr. Reece Chipman and Ms. Zelma Wilson, BICA's director and

alternate director on the Board of the Institute of Chartered Accountants of the Caribbean (ICAC), attended the ICAC 62nd Board of Directors Meeting in St. John's, Antigua.

#### **Donation**

In keeping with its commitment to give back to the community BICA donated the proceeds from the Fun Run Walk to the AIDS Foundation and the Cancer Society of the Bahamas on January 24, 2012.

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## **Institute of Chartered Accountants of Barbados**

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#### **Accountants' Week**

The highlight of the period under review was the celebration of Accountants' Week during the period November 6 to 12, 2011. The most significant event during the week was ICAB's Annual Conference held on November 11, which focused on the theme, "Building the New Economy". It featured presentations by distinguished experts as well as a concluding roundtable which made recommendations on the way forward.

Other activities for Accountants' Week were:

- A church service
- A panel discussion on the topic, "Are Auditors Meeting the Public's Expectations?"
- A Job Interviewing Skills Workshop for the UWI Accounting Students Association
- A special newspaper feature

#### **Policy Advocacy**

##### **Meeting with CARICOM Secretary General**

ICAB was part of a delegation from the Barbados Private Sector Association (BPSA) which met with the newly-appointed Secretary General of CARICOM, Ambassador Ervin LaRoque to discuss issues related to regional integration.

##### **Social Partnership**

ICAB attended a meeting of the Social Partnership on February 3, 2012 at the Lloyd Erskine Sandiford Centre. The meeting was chaired by the Prime Minister. The main agenda item was a discussion on the way forward for the Barbados economy. Presentations were made by the Government, Trade Unions and the Private Sector. The Prime Minister announced the formation of the Barbados Action Team and its three working groups/task force focused respectively on Efficiency, Growth, and Social Issues (Protecting the Vulnerable). The team will comprise 15 persons, with five persons each nominated by the Government, Trade Unions, and the Private Sector. ICAB President, Andrew Brathwaite was chosen by the private sector as one of its nominees for the Barbados Action Team.

ICAB also attended meetings of the Sub-Committee of the Social Partners on November 25, 2011 and January 27, 2012. The main agenda items included:

- The Barbados Competitiveness Programme;
- The National Employment Policy;
- Energy Policy;
- Trends in Electricity Rates;
- Promotion and Appointments in the Public Service.

#### **Contribution to ICAC**

ICAB's Executive Director attended the ICAC Regional CEOs Forum held in Trinidad on November 4, 2011. The main agenda item was a meeting with Mr. Joseph Bryson of IFAC on the Action Plan Process under the IFAC Member Body Compliance Programme.

#### **Regulatory/Technical Developments**

##### **Continuing Professional Development (CPD)**

The CPD programme for 2012 was finalized during the period under review. It comprises 22 seminars for a total of 132 hours. Additionally, there will be a special students' CPD series during the year with six seminars for a total of 18 hours.

Over the period November 1, 2011 to February 29, 2012 the following seminars were held:

- On November 11, 2011, the ICAB Annual Conference was held at the Lloyd Erskine Sandiford Centre under the theme, "Building the New Economy".
- On November 22-24, 2011, an IFRS for SMEs Caribbean Workshop was held at the Accra Beach hotel. It attracted 60 persons from Barbados, Jamaica, Trinidad, St. Lucia, St. Vincent, Grenada, Antigua, Belize, Suriname, and Guyana. The presenters were Mr. Paul Pacter – Board Member IASB, and Mr. Michael Wells – Director IFRS Foundation.
- On December 8, 2011, the 2012 CPD Seminar Outlook was presented at the Hilton Hotel. The presenters were Dr. Philmore Alleyne and Mr. Charles Tibbits.
- On Jan 10, 2012, ICAB and UWI held a joint seminar on Regional Tax Treaties & Tax Information Exchange Agreements and OECD Standards. The presenter was Dr. Shee Boon Law of the International Bureau for Fiscal Documentation (IBFD). The programme also included a panel discussion.
- The International Bureau for Fiscal Documentation (IBFD) held its international tax course (Recent Developments in International Taxation) during the period January 10-13, 2012 at the Accra Beach Hotel. ICAB facilitated the seminar for the IBFD.
- On February 16, 2012, a presentation was made on the proposed Limited Liability Partnership (LLP) Legislation.
- On February 21, 2012 members were updated on new anti-money laundering legislation at a seminar, "Obligations of Accountants in the Anti-Money Laundering & Terrorism Financing Act" by the Financial Intelligence Unit (FIU).

##### **Presentation of Certificates**

At a ceremony held at the Hilton Hotel on December 8, 2011 certificates were presented to 24 new members who were admitted to

the Institute between June and December 2011. Additionally, certificates were presented to 23 members who were being awarded the designation, "Fellow of the Institute" in recognition of their seniority in the profession. One member was presented with a Practising Certificate.

### Public Outreach

ICAB publicly supported and endorsed the launch by Crime Stoppers Barbados of its whistle blowing programme, the "Integrity Line." The programme provides a structured framework for private sector companies to have a safe, confidential and secure facility for members of staff to report any instances of wrongdoing within the company.

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## Institute of Chartered Accountants of Belize

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### Council Update

The Council of the Institute of Chartered Accountants of Belize (ICA-Belize) is in the process of re-activating both the Investigation and the Legal & Taxation Committees. The initiative is to strengthen and enforce the regulation of the accountancy profession in Belize with the pending revision of the Institute's Bye-Laws.

The Institute's Annual General Meeting is scheduled to be held in April 2012 at which new Executive Officers will be elected for

2012-2013 period. The Institute will also present its CPD training programme for the year.

### Continuing Professional Development

The first CPD seminar for 2012 will be on Accounting and Auditing. The seminar is scheduled to be held in May and will be hosted by ICA-Belize in collaboration with the Institute of Chartered Accountants of the Caribbean (ICAC) and the Association of Chartered Certified Accountants (ACCA).

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## Institute of Chartered Accountants of Guyana

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### Anniversary Reception and Dinner

The Institute hosted its 45th Anniversary Reception and Dinner on Saturday, November 19, 2011. It was well attended by members and their guests who were treated to an evening of entertainment from Calypsonian Young Bill Rogers and Comedian Habeeb Khan among others.

### Recognition Ceremony

ICAG in collaboration with ACCA hosted its Recognition Ceremony at the Pegasus Hotel, Guyana on January 28, 2012 which was well received by 244 participants. This included 32 ACCA graduates, 80 CAT graduates and 132 guests.

The speakers included Mr. Colin Thompson, President; Mr. Harryram Parmesar, ICAG Council Member; Ms. Brenda Lee-Tang, Head of ACCA Caribbean and Mr. Shane Kissoon, Manager-ACCA Caribbean Southern Caribbean who congratulated the graduates on their achievements.

Special Award winners were acknowledged from each examination sitting for both the ACCA and CAT examination schemes. Awards were presented by Mr. Chandradat Chintamani, ICAG Vice President and Mr. Roger Gopaul, Head of Education – ACCA Caribbean presented the awards.

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## Institute of Chartered Accountants of Jamaica

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### Continuing Professional Development Seminars

ICAJ, in collaboration with the Bank of Jamaica (BOJ), hosted a training session on the BOJ Real Time Gross Settlement (RTGS) System on December 15, 2011. The event was supported by ICAJ members.

A Taxation Seminar on "*Compliance Review to Meet Revenue Deadline – March 15*" was held on Wednesday, February 29, 2012 at the ICAJ Secretariat. The topics examined included *Features of Employer's Annual Return (SO2) Form*; *Strategic Compliance Direction of TAJ for 2012*; and *Compliance Issues regarding NHT, NIS and Heart Contributions*. The team of presenters comprised Mrs. Ethlyn Norton-Coke, Legal and Compliance Officer University of Technology Jamaica; Mr. Ainsley Powell, Chief Technical Advisor, Tax Administration Jamaica, along with representatives from the National Housing Trust (NHT), HEART TRUST NTA,

and the ICAJ Taxation Committee.

ICAJ also staged a workshop on the International Financial Reporting Standards (IFRS), on February 3 & 4, 2012, at the Jamaica Conference Centre. The lead presenter was International Trainer, Mr Ian Charles, from Emile Woolf International. Local presenters also provided participants with theoretical and practical guidelines relating to the revised standards.

### Students Orientation Session

Accounting students were the focus on Tuesday, January 31, 2012, when ICAJ hosted another of its regular Orientation Sessions designed to assist them to enhance their performance in examinations and to give them a start in their chosen profession. An initiative of the Student Affairs Committee, members made presentations during the session. Mrs. Nyssa Johnson gave an overview of the



ICAJ/ACCA Joint Scheme Examination, along with the operating procedures while Mr. Errol Jones presented on Examination Preparation. Approximately, 50 students benefitted from the session.

### Students Technical Session

A technical session was held for the students on February 2, 2012 with Mr. Ian Charles, the lead presenter of the ICAJ International Financial Reporting Standards (IFRS) Workshop, from Emile Woolf International. He provided students with theoretical and practical guidelines relating to the revised standards.

### UWI/Choices Expo

ICAJ participated in and copped an award for providing outstanding support to the Annual Career Exposition at the 21st Annual Career Expo hosted by the Office of Placement and Career Services at the University of the West Indies, Mona, on February 23 & 24, 2012 under the theme, "Mapping Your Future, Transforming Jamaica".

The two day event had over 40 companies and institutions participating through booth displays. The expo provided valuable career information and networking opportunities for students at the secondary and tertiary levels.

On Wednesday, February 29, 2012, ICAJ participated in the CHOICES and Association of Chartered Certified Accountants (ACCA) Career & Education Expo held at the Medallion Hall Hotel, under the theme, "Preparing for Career Success in Accounting, Business and Management".

### George S. Willie Resource Centre

The official opening of the Resource Centre was held on Wednesday, November 30, 2011. The Centre was named for Mr. George S. Willie, Managing Partner at Bert Smith & Co, Certified Public Accountants and Management Consultants, Washington D.C., whose philanthropic donation made it possible. **The George S. Willie Resource Centre** is expected to be a source of accounting and business information in Jamaica and the Caribbean.

### Annual Awards Dinner

The Institute's Annual Awards Dinner was held at the Jamaica Pegasus Hotel on Thursday, December 1. The keynote speaker was George S. Willie, Managing Partner of Bert Smith & Co. Among those recognised during the function were new

members and retirees. The presentation of ICAJ's most prestigious Award, the Distinguished Member Award, was the highlight of the evening. This was presented to Richard Downer, a Fellow of ICAJ and a former member of the Canadian Institute of Chartered Accountants.

### 47th Anniversary Church Services

The anniversary service in Montego Bay Service was held on January 8, 2012 and in Kingston on January 22, 2012. The Service was well attended by members, students and staff.

### ICAJ Welfare Fund Week

The ICAJ Welfare Fund celebrated its first Anniversary and hosted a Welfare Fund Week during January 22 – 27, 2012. The Fund was established to assist past and present members of the Institute who may be in need. During the Welfare Fund Week, telemarketing was undertaken to solicit donations.

### Database Launch

On Monday, February 13, 2012, the ICAJ launched a new Online System (Aeoron Extend) geared towards improving the Institute's overall service delivery. The new database is expected to advance data security and service delivery, and contains features that will improve services and communication between the Institute and its stakeholders.



George S. Willie, Managing Partner at Bert Smith & Co. (centre) cuts the ribbon to officially open the George S. Willie Resource Centre. Sharing in the occasion from left are his wife, Doreen Willie; ICAJ President, Vintoria Bernard; Chairman of ICAJ's Library & Website Committee, Elaine Robinson; and ICAJ Vice President, Dennis Chung.



Vintoria Bernard, President, ICAJ, (second from left) celebrates with Richard Downer, 2011 ICAJ Distinguished Award recipient (at left) and Denis Goldson, 2011 ICAJ Distinguished Award Nominee. At right is Dennis Chung, Vice President, ICAJ.

### Memorandum of Understanding with the Jamaica Stock Exchange (JSE)

ICAJ signed a Memorandum of Understanding (MOU) with the Jamaica Stock Exchange (JSE) on February 14, 2012. The MOU provides for cooperation between the entities to assist the JSE to enhance its capacity for monitoring published financial statements.

## Institute of Chartered Accountants of Trinidad & Tobago

### ACCA & ICATT Recognise Top Awardees

In November 2011, ACCA and ICATT jointly hosted our annual Recognition Ceremony to honour successful candidates and top performers of the December 2010 and June 2011 ACCA and CAT examinations.

### Member Recognition and Christmas Events

ICATT hosted its third South Networking Cocktail & Member Recognition Ceremony on November 23, 2011.

On December 9, 2011, ICATT's President, Anthony Pierre, hosted the annual end of year luncheon and extended best wishes and thanks to those members that have dedicated their time and effort throughout the year.

An employee of the month programme was launched at the Institute in 2011 to recognize those members of staff who have gone above and beyond the call of duty. Employees recognized were Ariel



Burgin, Oneika Bushell, Barry Bishop, Gizelle Gittens, Camille Applewaite and Kyzier Foster. At the President's Christmas Dinner and Staff Appreciation Function in December 2011, Ms. Gizelle Gittens, Senior Customer Service Representative was named the Employee of the Year. Mrs. Avion Alves – Rollock, Accountant was presented with an award of appreciation and Ms. Oneika Bushell, Marketing and Corporate Communications Manager was presented with a recognition award for the commendable role she played towards the success of the 2011 ICATT Conference.

### Ongoing stakeholder engagement

As part of an initiative by ICAC to encourage more developed institutes in the region to assist with the growth of the less developed regional institutes, ICATT signed a three-year "twinning" agreement with the Suriname Institute of Chartered Accountants (SUVA) in 2011. ICATT has since been instrumental in assisting SUVA to secure an extension of an IDB funded project to improve compliance with international accounting and auditing standards in Suriname and have designed two major consultancies for SUVA, namely the development of Technical Guidance Tools for use by the country's SME's and another for technical assistance to develop a strategic plan and sustainability model for SUVA.

In November 2011, SUVA's Project Manager, Ms. Monic Foppele, visited ICATT's offices for one week of learning, training and experience in the procedures and operations of the Institute. ICATT President, Anthony Pierre, and General Manager, Subert Gilbert also participated in SUVA's Strategic Planning session held in November.

ICATT continues to work closely with the International Federation of Accountants (IFAC), to implement the Institute's action plan in compliance with the Statements of Members Obligations (SMO). In November 2011, Mr. Joseph Bryson, Technical Manager, Member Body Development, IFAC visited Trinidad to speak at ICATT's annual conference. ICATT's revised action plan was completed in November 2011 and is available for viewing on IFAC's and ICATT's websites.

ICATT was also represented by President, Anthony Pierre and Vice President, Derek Mohammed at IFAC's Annual General Meeting held in Berlin, Germany.

Council member, Kyle Rudden represented the ICAC and ICATT at the first Congress of Accountants in Africa held in Nairobi from November 7-9, 2011. This included the presentation of a commemorative plaque from ICAC to the CEO of the Institute of Certified Public Accountants of Kenya (ICPAK), the host institute.

In December, ICATT partnered with the Trinidad and Tobago Extractive Industries Transparency Initiative (EITI) Steering Committee to host a free information workshop on accounting consultancy opportunity for practising members. The EITI is a global initiative with the objective of fostering transparency and accountability in the extractive (oil, gas and mining) industries

by disclosing to citizens of a country, the payments made by companies to host governments reconciled with the government's declared receipts. A requirement for compliance is the preparation of a Reconciliation Report of payments and receipts of all energy sector revenues and its translation into a document for wide dissemination and understanding by the average citizen on how the revenues they produce flow from companies to the Government.

The Institute embarked on a Tobago Stakeholder Visit on February 2, 2012 to meet with officials from the Tobago House of Assembly to address the areas of education and finance and to meet with our members and students resident in Tobago. This visit was successful and ICATT hopes to host similar events in the near future.

On February 9, 2012, ICATT hosted an after-work Carnival Cruise for members and students that was well-received. The Institute hopes to make this an annual event.

On February 15, 2012, ICATT hosted a joint meeting with the Bankers' Association of Trinidad and Tobago (BATT) to discuss the issues affecting timely financial reporting in the country.

ICATT also met with members of the Financial Intelligence Unit of Trinidad and Tobago (FIU) to discuss the submission of compliance programmes by listed companies in keeping with FIU's regulations.

### Continuing Professional Development

In January 2012, ICATT hosted a successful *International Taxation Workshop* facilitated by Mr. Merlin Sergeant, Former Chairman, Board of Inland Revenue.

In February 2012, ICATT hosted a *Public Speaking Developmental Workshop For Finance Professionals*, facilitated by Ms. Janice Learmond-Criqui, a Professional Life coach and motivational speaker. A follow-up session to provide training in Presentation Skills is scheduled to be held in April 2012.

On February 9, 2012, ICATT was a supporting partner with the Certified Management Accountants (CMA) of Canada to host a seminar on *Scenario Planning: Navigating Through Today's Uncertain World*. The seminar was facilitated by Brett Knowles, MBA, CMC.

In March 2012, ICATT hosted its annual two-day Taxation Workshop facilitated by Mr. Rupert Gooding, Chartered Accountant, Tax Consultant & Attorney at Law. ICATT also hosted a seminar on best practice for *Public Sector Reporting* as issued by IFAC. The session was facilitated by Ron Salole, Technical Director of the International Public Sector Accounting Standards Board.



From left to right: ICATT's Vice President, Mr. Derek Mohammed; Dr. The Honourable Timothy Harris, Senior Minister and Minister of International Trade, Industry, Commerce, Consumer Affairs, Agriculture, Marine Science and Constituency Empowerment, St. Kitts & Nevis; ICATT President, Mr. Anthony Pierre; ICAC President, Ms. Betty Brathwaite & Minister of Planning & the Economy, Trinidad and Tobago, Senator, the Honourable, Dr. Bhoendradatt Tewarie, Minister of Planning & the Economy at ICATT's Annual Conference held in November 2011 at the Hyatt Regency Trinidad.



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### IAASB STRENGTHENS STANDARD ON USING THE WORK OF INTERNAL AUDITORS

Many entities establish internal audit functions as part of their internal control, risk management, and governance structures. Effective coordination and communication between the external and internal auditors can contribute positively to the external audit. Recognizing this, the International Auditing and Assurance Standards Board (IAASB) has released International Standard on Auditing (ISA) 610 (Revised), *Using the Work of Internal Auditors*, which addresses the external auditor's responsibilities, if using the work of an internal audit function in obtaining audit evidence.

The revised standard is aimed at enhancing the external auditor's performance by providing a more robust framework for evaluating and using the work of an entity's internal audit function. Related changes have also been made to ISA 315 (Revised), *Identifying and Assessing the Risks of Material Misstatement through Understanding the Entity and Its Environment*, to explain how the internal audit function and its findings can usefully inform the external auditor's risk assessments.

Both ISA 610 (Revised) and ISA 315 (Revised) are effective for audits of financial statements for periods ending on or after December 15, 2013.

### IFAC FORUM ADDRESSES CHALLENGES AND OPPORTUNITIES FACING SMALL AND MEDIUM PRACTICES IN AN EVER-CHANGING GLOBAL MARKETPLACE

Over 200 delegates from 40 professional accountancy organizations in 36 countries convened in Singapore on March 19 for the sixth annual IFAC Small and Medium Practices (SMP) Forum. The event was co-hosted with the Institute of Certified Public Accountants of Singapore (ICPAS).

Delegates from IFAC member bodies assembled with representatives from the regulatory community, leading regional business associations, and international standard setters to discuss the hot-button challenges facing the SMP sector and to collaborate on the solutions on a global level. Plenary panel session topics included shaping regulations and standards and how SMPs can capitalize on emerging opportunities in an ever-changing marketplace.

In his opening remarks, IFAC Deputy President Warren Allen gave an overview of IFAC's role in the changing SME/SMP landscape. He said: "The results of the [2011 IFAC Global Leadership Survey](#) highlighted that the needs of SMPs and small and medium-sized entities (SMEs) continue to be a high-priority area among IFAC's membership. This may be because SMEs—and the SMPs that serve them—often constitute the backbone of economic stability."

### IAASB ENHANCES COMPILATIONS STANDARD & ADDRESSES SME NEEDS

Countless entities around the globe — especially small and medium-sized entities (SMEs) — look to professional accountants in public practice to assist in the preparation and presentation of their financial information. Recognizing the important role practitioners play in providing accounting and financial reporting expertise to entities in support of high-quality financial reporting, the IAASB has released International Standard on Related Services (ISRS) 4410 (Revised), *Compilation Engagements*, addressing such ser-

vice engagements.

ISRS 4410 (Revised) clarifies the practitioner's role and responsibilities in a compilation engagement and matters that need to be considered when accepting such engagements, and emphasizes the importance of quality control. It also expands the traditional compilation engagement report to make clear to users the practitioner's contribution to the compiled financial information presented by management, and the key features of a compilation engagement.

The revised standard is effective for compilation engagement reports dated on or after July 1, 2013.

### PROFESSIONAL ACCOUNTANTS NEED TO RESPOND TO INCREASING DEMANDS FROM INVESTORS FOR ESG INFORMATION

The Professional Accountants in Business (PAIB) Committee of IFAC has published *Investor Demand for Environmental, Social, and Governance Disclosures: Implications for Professional Accountants in Business*. The report considers trends in investor demand for and use of environmental, social, and governance (ESG) information, and recommends ways in which professional accountants can better support their organizations in responding to these demands, and ultimately improve the management and reporting of ESG performance.

The report highlights an evolving trend toward greater interest in ESG factors, and integration of these factors and ESG performance information into investment processes and decisions. It also reviews investor approaches to acquire information on ESG factors, including positive and negative screening, engagement, and ESG integration. To alert professional accountants to essential ESG metrics and indicators sought by investors, the report provides a sector-neutral list of core performance indicators most frequently used by investors to evaluate ESG performance, and a review of how investors might consider the financial implications and monetization of these factors.

In response to the challenges of ESG integration, the report recommends five actions for the accountancy profession and professional accountants in business:

- engage investors effectively to understand their information needs and communicate performance;
- incorporate ESG factors and non-financial performance information into governance and accountability arrangements to improve information and disclosure quality;
- link financial and non-financial performance and outcomes to improve understanding of sustainable value creation;
- ensure that ESG disclosures meet investor needs by being material, timely, consistent, and comparable in order to improve usefulness of reporting and greater transparency; and
- bring together data that may be dispersed in different parts of the organization or its supply chain to support internal and external decision making.



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