



ICAJ

INSTITUTE OF CHARTERED ACCOUNTANTS
OF JAMAICA

ANNUAL REPORT | 2022 - 2023



EQUIPPING THE PROFESSION FOR A CHANGING WORLD

EQUIPPING THE PROFESSION FOR A CHANGING WORLD

ANNUAL REPORT 2022 - 2023

**You have within you the
strength, the patience and
the passion to reach for the
stars to change the world.**

-Harriet Tubman



INSTITUTE OF CHARTERED ACCOUNTANTS OF JAMAICA

Formed in Jamaica on January 18, 1965 the Institute of Chartered Accountants of Jamaica (ICAJ) was incorporated under the Public Accountancy Act (PAA), 1968. The PAA regulates the Accountancy profession in Jamaica as well as the use of the Accountancy designation, CA and FCA.

The designation "Chartered Accountant" is reserved for persons who are members of ICAJ. Members wishing to offer assurance services as accountants in Jamaica must also be registered with the Public Accountancy Board (PAB).

THE OBJECTIVES OF THE INSTITUTE ARE TO:

- Promote and increase the knowledge, skill and proficiency of its members and students;
- Regulate the discipline and professional conduct of its members and students;
- Promote and protect the welfare and interest of the Institute and the Accountancy profession, in Jamaica and abroad;
- Make provisions for the training, education and examination of those engaging in or intending to engage in the profession;
- Do all such things as are incidental to realising the objectives of the profession.

VISION STATEMENT

"The ICAJ is committed to being a cohesive national body of trusted and influential professionals, that seeks to regulate and advance the Accountancy profession, consistent with world standards, for the benefit of its members, its students and its publics and, through creative thought leadership, encourage national development and the advancement of positive global change."

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NOTICE OF ANNUAL GENERAL MEETING

EQUIPPING THE PROFESSION FOR A CHANGING WORLD

NOTICE IS HEREBY GIVEN that the Fifty-Eighth Annual General Meeting of the Institute of Chartered Accountants of Jamaica will be held at the Jamaica Pegasus Hotel, 81 Knutsford Boulevard, Kingston 5, on July 20, 2023, commencing at 6:00 p.m. for the following purposes:

1. To confirm the Minutes of the Fifty-Seventh Annual General Meeting held on July 21, 2022.
2. To receive the Reports of the Council and President, the Financial Statements and Report of the Auditor thereon for the year ended March 31, 2023.
3. To re-elect/elect Council members: -

The following members of the Council retire by rotation in accordance with Bye-Law 15 (1) (a):

- Mr. Sixto Coy, FCA - In Public Practice - will be seeking re-election
- Mrs. Sharon Donaldson-Levine, FCA - Not in Public Practice - will be seeking re-election
- Mr. Nigel Chambers, FCA - In Public Practice - will be seeking re-election
- Mr. Garfield Reece, FCA - In Public Practice - will be seeking re-election

4. To consider and if thought fit, pass the following resolution:-

“That Jennifer Green-Hibbert be elected as Auditor and Council be authorised to fix her remuneration or to determine the manner in which such remuneration is to be fixed.”

5. To consider any other business that may be properly brought before an Annual General Meeting.

Your attention is drawn to:

- (i) The *Public Accountancy Act*, Second Schedule (section 19-2):-

“The Council shall consist of not fewer than eight or more than twelve of the members of the Institute, and of the members of the Council at least one shall be a public officer, and of the remaining members at least one-third shall be persons who are neither accountants in private practice nor public officers.”

- (ii) The Institute’s Bye-laws:-

Bye-law 13 (2). At least 21 days notice of the Annual General Meeting shall be given to each member. The Notice convening the meeting shall set forth the procedure of nomination and election to Council and shall be accompanied by:-

(a) A copy of the report of the President and the Council, including the Annual Financial Statements and the Report of the Auditor thereon.

(b) The names, qualifications, and resumes of members nominated for election.

Bye-law 18 (1). Nominations of candidates for election to the Council shall be in writing signed by two members, and shall be lodged with the Secretary by the first working day in June.

Bye-law 18 (2). Election of the Council shall be by ballot where the number of candidates nominated for election exceeds the number of available positions.

Bye-law 23. On any vote by ballot, any member may cast his/her vote by proxy in the form determined by the Council from time to time.

A specimen of the proxy form is enclosed.

BY ORDER OF COUNCIL

Dated this 30th day of June 2023

Elaine Robinson
HONORARY SECRETARY



REPORT OF COUNCIL

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The following officers were elected on July 21, 2022, at a Special Meeting of Council.

President - Allison Peart
Vice President - Eric Scott

Mrs. Sharon Donaldson-Levine and Mrs. Elaine Robinson were re-appointed as Treasurer and Secretary, respectively.

The first regular Council meeting for 2022/2023 was held at the office of the Institute, 8 Ruthven Road, Kingston 10 on September 8, 2022.

Council Meetings

The attendance of Council members during the period April 2022-March 2023 was as follows:



Council Members at Special Meeting held on July 21, 2022

NAMES	FIRST ELECTED	RE-ELECTED	MEETINGS ATTENDED	TOTAL POSSIBLE MEETINGS
Allison Peart	2013	2022	11	11
Eric Scott	2013	2022	11	11
Raymond Campbell	2011	2021	9	11
Sixto Coy	2014	2020	9	11
Sharon Donaldson-Levine	2017	2020	10	11
Nigel Chambers	2014	2020	10	11
Elizabeth McGregor	2014	2021	10	11
Garfield Reece	2017	2020	10	11
Marlene McIntosh	2013	2019	4	4
Janet Morrison-Plummer	2015	2021	11	11
Eric Mardner	2019	2022	10	11
Gail Moore	2021	-	11	11
Sharon Harvey-Wilson	2022	-	6	7

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ALLISON PEART
ICAJ President

PRESIDENT'S REPORT

EQUIPPING THE PROFESSION FOR A CHANGING WORLD

I am very pleased to present my report on the Institute of Chartered Accountants of Jamaica (ICAJ) for the year 2022/2023. This year we accomplished a lot despite the challenges posed by the COVID-19 pandemic and the fire at the Secretariat.

Administrative Support

The work from home programme implemented during the pandemic was discontinued. However, measures to protect the health and safety of our staff and visitors to the Secretariat are still being observed. We also utilized the lessons learned from the pandemic to improve the mode of delivery for our Continuing Professional Development Courses and various events and meetings. Many thanks to our members, students, sponsors and non-members for your participation in our webinars, workshops, meetings and other events.



Renovations ongoing at Secretariat Building

The renovation of the Secretariat Building to prevent water intrusion continued in earnest and repairs were conducted on the section of the building that sustained the fire damage. Fire safety measures have since been enhanced and include the installation of a fire safety system. All members of the Secretariat support team also participated in a fire drill and CPR training.



Secretariat Support Staff undergoing CPR training

Strategic Initiatives 2022-2025

We pursued the finalisation of our strategic objectives for 2022-2025. Council held meetings and an online retreat to focus attention on the major goals for 2022 to 2025. Key objectives and operational targets were identified and operational plans developed. Implementation of the operational plans by the various committees is ongoing and is incorporated into the work plans for the Secretariat support team. We have also commenced the process of the human resources review of the Secretariat. The goal of this project is to develop a structure at the Secretariat that meets the current and future needs of the ICAJ. This will facilitate exceptional service delivery and ensure that the Institute is able to attract and retain the required talent to meet organisational objectives and the needs of our members.

Acknowledging our History

The long awaited ICAJ history book was launched during Chartered Accountants Week in October 2022. The launch coincided with the naming of the Founders Room at the Secretariat in honour of the founding fathers of the ICAJ. Past President Philmore Ogle, the only surviving founding member, participated in the unveiling of a photograph of the founding fathers. The ICAJ history book documents the first fifty years of the ICAJ and is available for sale at the Secretariat or www.icaaj.org.





Philmore Ogle receiving a copy of the ICAJ history book from President Allison Peart. At the podium is Past President Bruce Scott.

Amendments to the bye-laws and Draft Regulations are being proposed to sections of the bye-laws dealing with investigations and disciplinary matters. These are changes which Council believes are necessary to strengthen the ICAJ's uncompromising stance on strong moral and ethical principles in keeping with our tagline "Integrity First". Regulations, which are new, relating to investigations and disciplinary issues have also been drafted. After consultation with members, there will be an Extraordinary General Meeting to consider the changes which will become effective once approved by the membership.



ICAJ President Allison Peart reads through the Bye-laws as Vice President Eric Scott outlines the amendments.

Contribution to National Development

The ICAJ recognises the pivotal role that the profession plays in nation building, and maintained a strong relationship with local organisations including the Ministry of Finance and Planning, Tax Administration Jamaica, the Ministry of Industry, Investment and Commerce, the Financial Services Commission, Jamaica Stock Exchange, and

the Bank of Jamaica. During the year, the ICAJ also participated in reviewing and providing comments on several legislative matters, including the *Trust and Corporate Services Providers Act*. The ICAJ also proposed changes to the *Companies Act* regarding the reading of Audit reports at AGMs which have been accepted by the Ministry of Industry, Investment and Commerce and are currently in the Bill that is expected to amend the *Companies Act* later this year. Through its MOU with Tax Administration Jamaica, the ICAJ continues to provide technical assistance and commentary on various tax matters and bulletins, and raises issues with the TAJ on various matters concerning our members. We also attended meetings with TAJ and the Organization for Economic Cooperation and Development (OECD) regarding various International Tax changes.

Alliances with Accounting Bodies

Representatives from ICAJ attended and participated in meetings hosted by the International Federation of Accountants ("IFAC"), the Institute of Chartered Accountants of Caribbean ("ICAC") and ACCA. ICAJ and ACCA have partnered to introduce a capacity building initiative to help students prepare for and improve their level of success in exams, and a new joint scheme agreement with ACCA was also signed. Meanwhile, the Memorandum of Understanding with the American Institute of Certified Public Accountants (AICPA) is being revised and CPA Canada continued its support for training programmes hosted by the ICAJ. We also collaborate on an ongoing basis with the Public Accountancy Board on several matters including training courses for members. The ICAJ is also a member of ICAC and our Past President Sixto Coy served as its Secretary and was recently elected as Vice-President of ICAC.

Integrity First

The ICAJ remains committed to promoting sound ethical practices and principles among members of the accounting profession. In keeping with the change in the tagline to "Integrity First" a programme of ethics-based

training was implemented. Webinars were held for members free of charge. Presenters included members of the profession as well as representatives from state agencies whose mandate covers the promotion of integrity and transparency in business.

Council Elections

We welcomed Sharon Harvey-Wilson to Council as she was newly elected at the 57th Annual General Meeting. Sharon was appointed Chairman of the Public Relations and Marketing Committee. My sincere thanks and appreciation to outgoing Council member Marlene McIntosh who made an outstanding contribution to the growth and development of the ICAJ and the accountancy profession. Eric Mardner, Chairman of the Tax Committee was re-elected to Council in 2022.



President Allison Peart (c) with Sharon Harvey-Wilson (r) who was elected to Council for the first time, and Eric Mardner who was re-elected.

Member Engagement and Successes

Engagement with members and students remains at the forefront of ICAJ's programmes and activities. Communication via social media, text messaging and telemarketing continued, in order to ensure that updates are provided in a timely manner.

The ICAJ is committed to its members and we re-established the welfare fund based on the discussion at the 57th Annual General Meeting. The ICAJ continues to provide members with a medical plan and recently we concluded discussions with VMBS to make an approved retirement scheme available to ICAJ members who do not currently have a pension plan.

Congratulations to the following members who were recognized for their contribution to the profession during the year:

- Mr. Bruce Scott, Past President of ICAJ was appointed as Territory Leader for PwC Jamaica.
- Mr. Leighton McKnight, Past President of ICAJ was conferred with the Honorary Doctorate in Business Administration by the University of the Commonwealth Caribbean. He was also appointed as Executive-in-Residence at the Mona School of Business and Management, University of the West Indies (Mona).
- Mrs. Pamela Monroe Ellis received the 2021 RG Platinum Award from the RJRGLEANER Communications Group for her exemplary leadership in the Public Service as Auditor General.
- Mrs. Meghon Miller-Brown was promoted to President of Guardian Life.
- Mr. Alok Jain, Past Council member, who received the Order of Distinction, Commander Class, in recognition of his outstanding work and contribution to the accountancy profession.
- Mr. Alastair Macbeath, Past President of ICAJ, was awarded the 2022 Distinguished Member Award.



2022 Distinguished Member Alastair Macbeath gives his response at the Award Banquet held in his honour.

Closing

It has been my pleasure to serve as your President over the past two years. I thank my Council members, committee members, past presidents for your hard work and all members who supported the Institute, for your prayers and words of encouragement. Thanks also to the staff of the ICAJ. I know you will all give the incoming President your unwavering support to ensure that the rich legacy set by our founding fathers continues to grow.

Allison Peart
Allison Peart
President



REPORTS OF THE COMMITTEES OF COUNCIL

The objectives of the ICAJ are achieved mainly through the work of 16 Committees, which are primarily headed by members of Council.

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TECHNICAL COMMITTEES

ACCOUNTING STANDARDS COMMITTEE



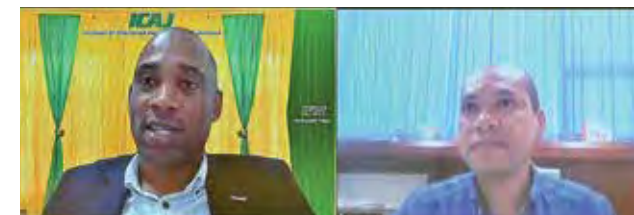
Garfield Reece

During the period 2022/23 the Committee continued to fulfill its mandate to provide training and support to members and other stakeholders on the interpretation of International Financial Reporting Standards (IFRS). The committee also conducted reviews of Financial Statements of listed entities and engaged with local experts and actuaries to evaluate the current economic conditions in order

to facilitate publishing of quarterly advisories on discount rates for measuring Defined Benefit Long-Term Obligations and Sensitivity Analysis Rates under IFRS 7.

IFRS Workshop

The annual IFRS workshop was held virtually on January 27 and 28, 2023. The workshop was facilitated by local presenters with 480 participants in attendance.



Jermaine Williamson (left) President of the Association of Land Economy and Valuations Surveyors (ALEVS) and Wilbert Spence, Partner, Audit at KPMG, presenting updates on IFRS 13.

The topics covered included:

- Headwinds facing Post-Pandemic Recovery in the Caribbean
- *Trust and Corporate Services Providers Act* - Implications for the Accounting Profession
- International Standards of Quality Management (ISQM)
- Sustainability Reporting Standard: Where are we now?
- Data Protection: Under the Law

- IFRS 13 – Property Valuations: Relying on The Work of Experts
- Business Ethics Framework
- Digital Economy
- IFRS 17 Implementation (2023) Overview

- Post COVID 19 Considerations: Impact on Financial Reporting
- Debt vs Equity
- Changes to IAS1
- Earnings Per Share
- Mental Health and Wellness

Review of Selected Financial Statements

The Committee reviewed financial statements of selected entities listed on the main and junior stock exchanges, that were prepared by various audit firms. The findings were discussed with the relevant auditors who committed themselves to considering the recommendations made for the next review period.

Advisories

The Committee liaised with relevant actuaries and local experts to evaluate current market and economic growth trends to determine the revised discount rates for Measuring Defined Benefit Long Term Obligations and the rate bands for the Sensitivity Analysis under IFRS 7 - Financial Instruments, Disclosures for quarterly publication. The Committee plans to conduct an evaluation and revise the current model and process used to generate the rates in the future.

IFRS 17 Implementation

An overview of the implementation of this standard was presented at the 2023 Annual IFRS Workshop. The Committee continued its discussions with the Financial Services Commission regarding the implementation of IFRS 17 initiatives.

Audited Financial Statements

The Committee sought and obtained extensions for regulatory filings from the various regulatory bodies. However, given the relaxation of COVID-19 restrictions and return to normality no further extensions will be requested.

AUDIT PRACTICE COMMITTEE



Nigel Chambers

During the year under review, the Committee remained committed to "... reviewing and monitoring the compliance of practising members with International Standards on audit and associated services, as well as with ethical requirements applicable to practising members". We have leveraged our continuing review of technical and professional matters and shared relevant insights with practising members and the general membership through articles, bulletins and workshop content presented by members of the Committee.

Legislative Review

The Committee persisted in advocating for a change in the law requiring the reading of audit reports at annual meetings of stockholders, and the considerations are far-advanced. The Ministry of Industry, Investment and Commerce (MIIC) has confirmed that the Institute's proposed amendment to Section 157 (2) would be included in the revisions being made to the *Companies Act*. We continue to follow up this long-awaited amendment with MIIC.

Practice Monitoring

The Committee continued its support for practitioners by sharing relevant technical content to support audit quality. An online Practitioner's Development workshop was held on June 7-8, 2022, under the theme, 'Facing Audit Challenges' and a second round of workshops was held virtually on November 9-10, 2022, with a similar focus. The ICAJ and Public Accountancy Board collaborated to host these events, which have been well attended and received excellent participant feedback.

Government Audit Commission

The functions and updates of the Audit Commission, which now falls within the remit of the Ministry of Finance & Planning and the Public Service Internal Audit Directorate, were still being monitored by the Committee through our representative.

Professional Indemnity Insurance

The committee emphasized the need for all practitioners to adhere to the ICAJ's standards by obtaining sufficient PII coverage. There has been significant improvement in the rate of compliance, and the advised course of action is strictly enforced where practitioners demonstrate non-compliance.

IFAC Reporting

The Committee continues to monitor updates from the International Federation of Accountants (IFAC) website. Relevant information is disseminated through emails to members, the ICAJ website, and Newsletter.

We have noted the significant developments from the International Sustainability Standards Board regarding the proposed standards addressing climate and general sustainability reporting. Also of note is the International Standard on Quality Management 1 (ISQM1) which became effective on December 15, 2022.

Thank you

The Committee's activities continue to be centred around supporting the Council in achieving the strategic objectives of the Institute. Our Committee members remain steadfast in their service as they make their contribution to a forward-thinking ICAJ that builds on the work of our founding fathers.

A big thank you to the members of the Committee who continue to commit significant time to technical research, presentations and meetings, in advancing the mission of the ICAJ.

There has been significant improvement in the rate of compliance...

INFORMATION & COMMUNICATIONS TECHNOLOGY COMMITTEE



Elizabeth McGregor

In keeping with ICAJ's Strategic Plan to continue delivering first class customer service to its members and students through the effective use of information and communications technology the Committee, during the review period, was engaged in the activities described below.

Secretariat ICT Infrastructure

The following ICT activities were outsourced to Prodigy Limited:

- Installation of PBX and training of the ICAJ staff to use new handsets.
- Sourcing of upgrade to existing Sophos (Firewall) model which is nearing its end-of-sale lifecycle.

ICT Policies

Prodigy Systems Limited will be assisting with the development of a comprehensive set of ICT policies for the ICAJ. Further discussions regarding the development and implementation of the policies will be undertaken in the next financial year.

Data Protection Policy

The ICT Committee began exploring the requisite policies and procedures that would be required in keeping with the new *Data Protection Act*. The Institute was advised by Jamaica's

Information Commissioner that preparatory work could commence on these policies using the requirements of the Act as a guideline, until the regulations are available.

A Data Protection consultant will be contracted in the next financial year to draft the policies which must include an incident response policy, access to data policy, and a consent to data policy.

Routine tests, including penetration testing, are to be administered on the member management system.

Request for Proposals (ICT Providers)

In keeping with best practices which require that outsourced ICT services are put to tender every three to five years, a Request for Proposals (RFPs) for service providers to manage aspects of our ICT systems under a Managed Service Arrangement was circulated in the media and to members. Details of the RFP were published on the ICAJ's website. The Secretariat received four (4) proposals and they were assessed by an ICT sub-committee. Shortfalls were identified in all the bids, and letters were sent to each service provider requesting further clarification.

Electronic Certificates

CPD certificates can now be submitted electronically. Electronic certificates for membership will be explored with the Membership and Bye-laws Committees.

The ICT Committee began exploring the requisite policies and procedures that would be required in keeping with the new *Data Protection Act*.



TAXATION COMMITTEE



Eric Mardner

For the financial year 2022/2023, the ICAJ Taxation Committee remained steadfast in executing its mandate as directed by the bye-laws of the Institute. The Committee monitored and reviewed changes in Tax Laws and Regulations, maintained research into technical matters and ensured that members are kept abreast of the changing Tax landscape.

ICAJ Taxation Seminars & Workshops

For the 2022/2023 financial year, the Committee collaborated with the ICAJ CPD Committee in hosting two taxation webinars which continued to be facilitated exclusively online. The first of the two was held on May 11, 2022, and included presentations on:

- Tax Considerations of Starting a Business,
- Anti-Tax Avoidance Measures, and a
- Commentary on the Tax Implications of the 2022/2023 National Budget.

These were complemented by:

- the Economic Outlook;
- The Updates from Tax Administration Jamaica ("TAJ").

The September 2022 webinar focused on:

- Capital Allowances and Deferred Tax,
- GCT Update,
- Economic Outlook and Updates from Tax Administration Jamaica; and
- Updates from the Organisation of Economic Co-operation & Development (OECD) on their work in Jamaica.

The Committee successfully spearheaded a 3-day workshop titled 'Emoluments, Payroll Taxes and Recent Developments' in December 2022. TAJ continued to support the initiatives of the ICAJ and remained a staple on the programmes of the Committee events.

Engagement with Stakeholders

Consistent with the constant engagement between the tax authorities and ICAJ, representatives of TAJ attended the June 2022 meeting of the Committee to address the various compliance and legal issues raised by the Committee. An opportunity was also provided for the ICAJ to provide comments on the Practice Note on Electronic Records. Matters of interest and concerns related to tax filing are swiftly brought to TAJ's attention for consideration.

Along with the bye-laws Committee representatives, members of the Committee engaged in meetings and correspondence with the Minister of Finance and the Financial Services Commission ("FSC") to raise concerns about the unintended consequences of the recently enacted *Trust and Corporate Services Providers Act, 2017* (the "TCSP") including the increased income tax rate for regulated entities under the TCSP. Clarity on the services provided by chartered accountants that would be regulated by the FSC under the TCSP was sought which resulted in an FSC Bulletin dated March 2023 that clarifies the services that will be excluded by the FSC under the TCSP such as preparing and filing tax returns.

Taxation Outreach Initiative in Schools

There was a return of the execution of the outreach initiative by the Committee in secondary schools across Jamaica. This commenced with an engaging presentation at the Excelsior High School in Kingston.

The committee monitored and reviewed changes in Tax Laws and Regulations, maintained research into technical matters and ensured that members are kept abreast of the changing Tax landscape.

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STAKEHOLDER ENGAGEMENT

MEMBERSHIP COMMITTEE



Elaine Robinson

During the financial year 2022/2023, the Membership Committee continued to provide administrative support to registered members and worked towards its main objective of increasing membership.

As at March 31, 2023, there were 1,575 registered members. While the Institute welcomed 54 new members, there was a reduction of 39 members primarily due to non-payment of dues.

Deceased Members

Regrettably the ICAJ family lost five (5) members in the past year:

- Ms. Millicent Hughes
- Mrs. Louise Beecher
- Mr. Vinroy Whyte
- Mr. Kevin Kelly
- Mr. Leonard Condell

New Members' Orientation

The Committee hosted a virtual Orientation Session on June 29, 2022, to welcome new members who were admitted between October 2021 and June 2022. Over 30 new members participated in the session.

Recognition of Retirees

A virtual recognition ceremony for retirees was held on June 22, 2022, and was well received by the 20 members in attendance. The members were given the opportunity to share their experience on retirement and how it had impacted their lives.

ICAJ Welfare Fund

Having dissolved the company under which the Fund was being managed, plans are afoot to re-establish the fund under the governance of the Institute. A Terms of Reference document is being crafted to guide the operations of this vital resource that benefits members who may be in need.

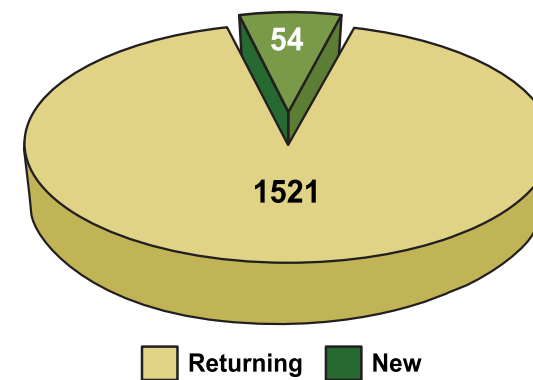
There were 1,575 registered members representing a net increase of 15 persons or 1% over the corresponding period.



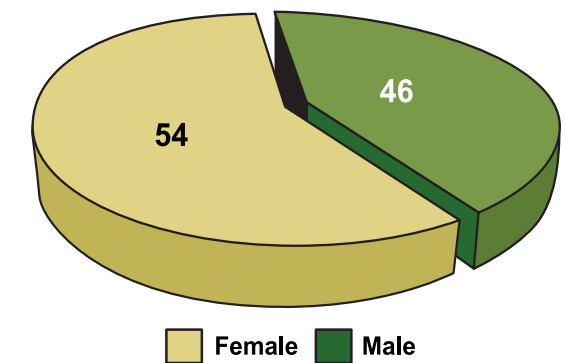
Membership Totals by Category

Category	Fellow in Public Practice (FIPP)	Fellow Not in Public Practice (FNIPP)	Associate in Public Practice (AIPP)	Associate Not in Public Practice (ANIPP)	Affiliate in Public Practice (AFIPP)	Affiliate Not in Public Practice (AFNIPP)	Member Overseas (MO)	Member in Retirement (MIR)	Total
Membership as at March 31, 2022	155	774	3	338	5	5	100	159	1539
Adjustment to prior year (Lifetime Members)	9	12	0	0	0	0	0	0	21
Revised Membership as at March 31, 2022	164	786	3	338	5	5	100	159	1560
New Members	0	8	0	46	0	0	0	0	54
Resigned	-1	-1	0	-1	0	0	0	0	-3
Removed	-2	-32	0	-17	0	0	-6	0	-57
Reinstated	1	10	1	10	0	0	4	0	26
Deceased	0	-2	0	0	0	0	0	-3	-5
Transfers	-2	2	0	0	0	0	0	0	0
Transferred to Fellow	1	60	-2	-55	0	0	-4	0	0
Total as at March 31, 2023	161	831	2	321	5	5	94	156	1575

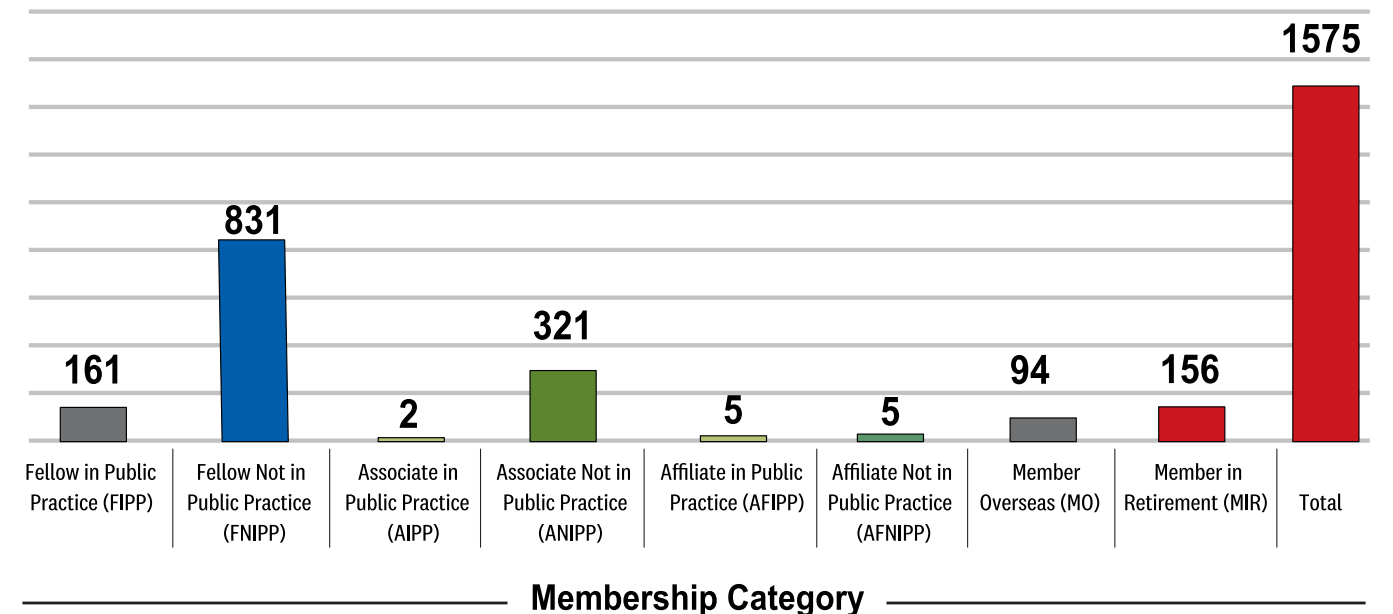
New vs. Returning Members



Membership by Gender %



Membership Total as of March 31, 2023



PUBLIC RELATIONS AND MARKETING COMMITTEE



Sharon Harvey-Wilson

The role of the Public Relations and Marketing Committee is to promote public awareness of the ICAJ and its role in the accountancy profession whilst developing and implementing public relations and marketing strategies and campaigns consistent with the ICAJ's objectives.

Changing of the Guard

Consequent to the Annual General Meeting held July 2022, Mrs. Sharon Harvey-Wilson, newly elected Council member, was appointed Chairman of the Committee.

The Committee elected Miss Kareen Thompson as Vice-Chairman.

The Committee thanks Mrs. Elaine Robinson, outgoing Chairman, for her leadership and contribution and congratulates her on her appointment as Chairman of the Membership Committee.

During the year two members resigned and three members were removed from the Committee because of their inactivity. The Committee extends their appreciation to the members for their contribution to the work of the ICAJ.

Strategic Initiative

The Committee had a successful year and placed emphasis on the finalization of the action plan for the strategic objectives. The PR and marketing objectives for the 2022 to 2025 period, include:

- improving the Institute's visibility and image in Jamaica and internationally;
- improving ICAJ's recognition regionally and internationally;
- using social media more effectively as a communication tool;
- identifying revenue streams through website optimization and monetization;
- a national media campaign to promote the value of being a Chartered Accountant through membership with ICAJ;
- the publication of newspaper articles;
- a structured programme of engagement with high schools and universities to promote the value of ICAJ membership;
- and an assessment of current relationships with professional accounting bodies as well as re-engaging with other professional accounting bodies, among other activities.

Honouring ICAJ's Heritage

The documentation and celebration of ICAJ's rich heritage was among the high points for ICAJ during the review period. This involved the publication and launch of the ICAJ History Book which is a documentation of the first 50 years of the Institute. The project was marshalled by Dr. Patrick Bryan, renowned Professor Emeritus of the University of the West Indies (Mona), and launched during Chartered Accountants Week. The launch coincided with the naming of the Founders Room at the Secretariat and the unveiling of a photograph in honour the founding fathers of ICAJ. Mr. Philmore Ogle, the remaining survivor of the 'Young Turks' as the founding fathers are known, attended the launch event and gave a first-hand account of how the ICAJ was founded. The History Book is available for sale at the Secretariat.



President Allison Peart reviewing a copy of the ICAJ history book with Philmore Ogle (r), and Professor Patrick Bryan.

Publications

There was continued use of print, electronic and social media as well as e-blasts, as the main channels for disseminating information to members, students and the public. Text messaging and telemarketing were also mainly used to promote CPD events and other activities which targeted our members. Our online presence was maintained with regular postings and updates.

Corporate Sponsorship

During the year GraceKennedy Group Limited was our title sponsor of ICAJ calendar of events. As part of the sponsorship package they were offered brand exposure at ICAJ events, primarily through advertising in print and social media and direct marketing to members and students. The sponsorship package has been revised to specifically target the marketing and promotional needs of potential sponsors going forward.



LinkedIn post acknowledging corporate sponsors.

The Institute also attracted sponsors for major calendar events including the Annual Business Conference, the Distinguished Member Awards Banquet and Chartered Accountants Week. Many thanks to GraceKennedy Limited and all our corporate sponsors for their support of the Institute during the year.



ICAJ President, members, students and well-wishers at the Chartered Accountants Week celebratory church service

Chartered Accountants Week

Chartered Accountants Week was observed from October 2-7, 2022 and featured a constructive programme of activities which kicked off with members attending a Church Service at Webster

Memorial. In recognition of our Founders, the ICAJ History Book was launched and the Founders Room unveiled. This launch event was done in collaboration with the UWI Press. A hybrid Annual Business Conference, under the theme: "Sustaining our Future with Integrity", was hosted and was successful. Other activities during the week included publication of a newspaper supplement, presentations about the ICAJ and the accountancy profession to tertiary institutions and service clubs. This was aimed at increasing awareness and raising the profile of the ICAJ. Chartered Accountants Week culminated with the first members Lyme since the pandemic, and it was well attended.



ICAJ Member Trevor Vidal making a presentation to University students during Chartered Accountants Week.



PR and Marketing Committee Chair and committee members at the Lyme.

Awards Banquet

Planning for the 2023 Annual Awards Banquet to honour the 2022 Distinguished Member Awardee got into high gear in the last quarter of the financial year. The event to celebrate the outstanding contribution of Distinguished Member Awardee Mr. Alastair Macbeath to the profession was a resounding success.

Going forward

The Committee will be rolling out a programme to determine how satisfied members are with the services offered by the ICAJ. The results will help the ICAJ to prioritize the needs of our members. Your full participation in the customer service surveys coming on stream shortly, will be appreciated.

The documentation and celebration of ICAJ’s rich heritage was among the high points for ICAJ during the review period. This involved the publication and launch of the ICAJ History Book which is a documentation of the first 50 years of the Institute.

Pictorial highlights of the Annual Awards Banquet.



Alastair Macbeath receiving his 2022 Distinguished Member Award citation from President Allison Peart while Mrs Carol Macbeath looks on.

PUBLIC SECTOR COMMITTEE



Janet Plummer

The Committee continued its efforts to encourage the adoption and implementation of International Public Sector Accounting Standards (IPSAS) within public sector bodies; assessed the ongoing training process and procedures of public sector workers on IPSAS; and explored developmental needs of Chartered Accountants within the public sector. The Committee also conducted extensive reviews and provided feedback on new

an enterprise resource planning system that will allow Municipal Corporations to comply with the requirement to generate accounts using accrual accounting.

IPSAS Certification

Over the period September-December 2022, 35 of 50 persons from Agencies and Departments within the MOF&PS who participated in the ACCA Cert. IPSAS course were successful.

Internship Programme

The Committee continued its collaboration with the MOF&PS’s Internal Audit Directorate Department to enhance the internship programme’s objective for the benefit of mentors and mentees. A review of the terms of reference for the programme was done with a view to incorporating the use of technology for engagement and the completion of relevant assignments by mentees.

and revised standards published by the International Federation of Accountants (IFAC).

IPSAS/Accrual Accounting

The Ministry of Finance and Public Service (MOFPS) continued the implementation of the Cash Basis IPSAS within Central Government. Trials are ongoing to determine the preferred software to aid in the preparation of Financial Statements using Cash Basis IPSAS. The MOFPS intends to re-evaluate the software selection process with the assistance of its experts in order to minimize disruptions during the transition process.

Support for Accountants in the Public Sector

The Committee continued its efforts to provide support to professional accountants within the public sector by way of engaging the Society for Human Resource Management to discuss the benefits of employing professional accountants, training and compensation. Having received feedback from professional accountants within the public sector on specified developmental needs by way of a survey, the committee will be developing a programme of activities to meet the relevant needs on a timely basis.

The MOFPS’s plans to introduce the Accrual Accounting system within local government is ongoing. The Ministry’s project steering committee has considered acquiring a cloud software for hosting

The Committee conducted extensive reviews and provided feedback on new and revised standards published by the International Federation of Accountants (IFAC)



STUDENT AFFAIRS COMMITTEE



Sixto Coy

The ICAJ continued its partnership with the ACCA to serve the needs of 2613 registered students under the programme. This year, there was extensive focus on recruitment and retention initiatives by providing study support resources, facilitating exams, engaging students through technology and the staging of various outreach projects and events. ACCA contributed to a capacity development programme to provide mentorship to students and assist them with exam preparation techniques.

Our relationship with local tertiary institutions was maintained through ongoing support and provision of bursaries to benefit outstanding accounting students of The University of The West Indies (UWI) and University of Technology (Utech). ICAJ aims to develop international relations with other professional bodies in particular AICPA, with which it is renewing a Memorandum of Understanding to encourage members to pursue the certified management accounting qualification.

Graduation Ceremony

The 2022 ICAJ/ACCA Joint Graduation Ceremony was deferred to 2023 due to the low number of

graduates over the period December 2021 to June 2022. However, the graduates received recognition by way of newspaper publication and on ICAJ's social media pages.

UWI Student Membership

ICAJ and UWI continued the partnership to encourage MSc Accounting students to register with the ICAJ to ensure a smooth transition into membership. There was an online briefing session for UWI MSc students on October 5, 2022, with representatives of the ICAJ Students Affairs Committee who discussed the benefits of membership and why the students should choose accounting as a profession.

The annual Kenneth Chung Memorial Scholarship was presented to a second year MSc student, Delphina Hanson, while the two scholarships contributed by Mr. George Willie were presented to UWI MSc accounting students, Kadesha White-Rowe and Troy Doig. Congratulations to the awardees for their outstanding academic performances.

MOU with AICPA

The Institute's partnership with the American Institute of Certified Professional Accountants (AICPA) continues to provide the opportunity for members and students to improve their business and technology skills through the Chartered Global Management Accountant (CGMA) designation.



Delphina Hanson (centre) is the 2022 recipient of the Kenneth Chung Memorial Scholarship. Attending the awards ceremony from left were: Eric Scott, Vice President of ICAJ, Dennis Chung, Past President, Allison Peart, President, and Hon. Robert Morgan, Minister without Portfolio in the Office of the Prime Minister.

ICAJ/ACCA Joint Examination Scheme Graduates 2022

The Institute of Chartered Accountants of Jamaica and the Association of Chartered Certified Accountants congratulate all graduates who successfully completed their ACCA Examinations.

We wish them every success in their future endeavours.

CONGRATULATIONS!

DECEMBER 2021



IAN PAUL BAGHALOO



SHAKEIL HARRISON



SAMANTHA HIBBERT



KAMARA MCKENZIE



PATRICK PINOCK



KRAIG SIMPSON



ASHLEY SMITH



KENNISHA THOMAS



FRANCINE WHITTLE

- ROMANE BAKER
- SHAQUEIM CAMERON
- KEREEN POWELL
- CHEDAVIA REID
- CAMILLE WALKER

MARCH 2022



SHERNETTA DAVIS



LORIE-ANN ELLIS



MURINE GRANT



ODETTE GREENFIELD



TAMAR JOHNSON



TANASHA WELLINGTON

JUNE 2022



ROWHAN ROWE



PATRENIA WILLIAMS

- MONICK CAMPBELL
- KEDEEN DAVIS
- SHERICE REID
- SHANIKA SPENCER



TAJARA BENT



AFASHA FOSTER



LOTOYA MILLINGS



SHYANNE MCINTOSH



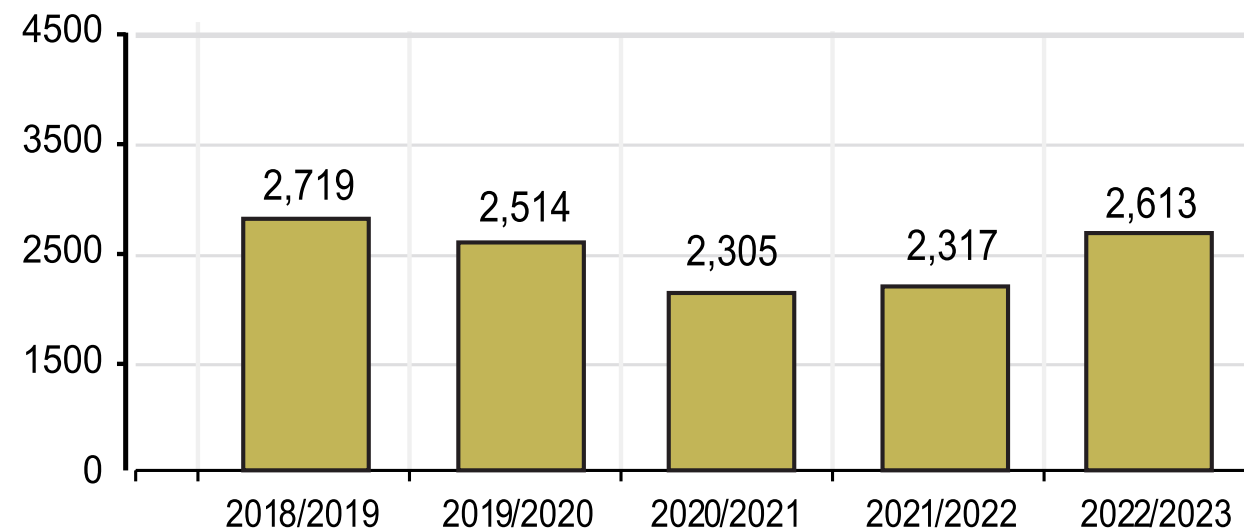
VIOLET ROBINSON

- SHICONE ALEXANDER
- RICHARD DEPASS
- ZACHARY HENRY
- DAMALI LUTON
- LOTOYA MILLINGS

TRAINING & PROFESSIONAL DEVELOPMENT

Student Population

	2022/2023	2021/2022
ACCA Programme	2,102	1,891
FIA Programme	511	426
Total	2,613	2,317



Student Population

2018/2019	2,719	2020/2021	2,305	2022/2023	2,613
2019/2020	2,514	2021/2022	2,317		

ICAJ/ACCA Professional Examination Performance

TOTAL		
Mar - June 2022	Sep - Dec 2022	Year 2022
12	24	36

CONTINUING PROFESSIONAL DEVELOPMENT COMMITTEE



Gail Moore

The CPD Committee continued to deliver on its mandate of promoting the professional development of ICAJ members through the provision of high-quality training. This was achieved by facilitating CPD activities held independently by the Institute, or jointly with other professional associations.

During the 2022/2023 financial year the Committee supported the planning and execution of the following events:

1. Elements of Business Continuity Planning Webinar held on April 26, 2022 - 78 participants - CPD hours 3.
2. Taxation Update held on May 11, 2022, led by the Tax Committee with participation of the Tax Administration Jamaica - 261 participants - CPD hours 3.5.
3. Facing Audit Challenges held on June 7-8, 2022, administered on behalf of the Public Accountancy Board in tandem with Audit Practice Committee - 257 participants - CPD hours 7.25.
4. GCT Webinar held on July 26, 28, & 29, 2022 - 188 participants - CPD hours 11.
5. Data Privacy Laws held on August 23, 2022 - 302 participants - CPD hours 2. This was a free webinar for ICAJ members.
6. Taxation Update held on September 21, 2022, led by the Tax Committee with participation of the Tax Administration Jamaica - 243 participants - CPD hours 4.
7. 2022 Business Webinar, "Sustaining Our Future with Integrity" held on October 6, 2022, led by the Public Accountants in Business Committee - 292 participants - CPD hours 6. This was a hybrid event.
8. Dos and Don'ts of Chartered Accountants held on October 7, 2022 - 151 participants - CPD hours 2. This was a free webinar.
9. Update on Financial Regulations Webinar held on November 10 & 11, 2022 administered on behalf of the Public Accountancy Board in tandem with the Audit Practice Committee - 212 participants - CPD hours 6.
10. Role of the Integrity Commission held on December 2, - 347 participants - CPD hours 2. This was a free webinar.
11. Emoluments & Payroll Taxes Webinar held on December 7-8 & 12, 2022 led by the Tax Committee - 163 participants - CPD hours 12.
12. Annual IFRS Update held on January 27-28, 2023, led by the Accounting Standards Committee - 478 participants - CPD hours 10.75.
13. Anti-Corruption Strategies and Role of Accountants Webinar held on March 3, 2023 - 295 participants - CPD hours 2. This was a free webinar.

FUTURE OF THE PROFESSION COMMITTEE



Raymond Campbell

The Committee continued to pursue the development of strategic alliances with accounting professionals and associations locally, regionally, and internationally with a view to advancing the Accountancy profession in Jamaica.

The Memorandum of Understanding with the American Institute of Certified Public Accountants (AICPA) and the ICAJ was updated and is being reviewed for renewal. This allows accounting and finance professionals to earn the Chartered Global Management Accountant (CGMA) designation.

PROFESSIONAL ACCOUNTANTS IN BUSINESS COMMITTEE



Sharon Donaldson-Levine

The Professional Accountants in Business (PAIB) Committee is responsible for increasing awareness of the important role professional accountants play in creating, enabling, preserving and reporting value for organizations and their stakeholders. The Committee supports professional accountants in business by enhancing their competence and confidence in a number of areas, including but not

The event themed “Sustaining Our Future with Integrity” took place during Chartered Accountants’ Week and focused on issues of interest to businesses navigating the effects of the global pandemic in a small, vulnerable, open economy such as Jamaica.

TOPICS

Digitization and the Business of Cyber Security

The World Food Crisis and Climate Related Risks

Principles of Integrity and Good Governance

Globalization - Strategies for Resilience and Adaptability

The Great Resignation – Managing Succession Planning vs Self Employment

ESG Update – Sustainability Reporting

Your Health and Emotional Wellness

limited to business reporting, ethics, governance, finance leadership and development, performance and financial management, risk management and internal control and sustainability.

During the review period, the PAIB Committee, in collaboration with the Business Conference Committee, chaired by Sharon Harvey-Wilson, successfully hosted its flagship event, the Annual Business Conference, as a hybrid Conference on October 6, 2022, with approximately 300 participants, both online and at the venue combined. They included business professionals, entrepreneurs and managers in the private and public sectors.



(l-r) Sharon Harvey Wilson, Chairman, 2022 ICAJ Business Conference Planning Committee, Dwayne Brown, Cybersecurity Executive, JN Group, Ingrid Christian-Baker, 2022 ICAJ Business Conference Planning Committee Member, Ryan Meeks, Development Security & Operation (DevSecOps) Application, Symptai and Allison Peart, ICAJ President, paused for a photo opportunity at the ICAJ Business Conference.



William Mahfood, Chairman of Wisynco Group Limited, delivering the keynote address at the Business Conference.



EQUIPPING THE PROFESSION FOR A CHANGING WORLD

STANDARDS MONITORING & REGULATIONS

BYE-LAWS AND HANDBOOK COMMITTEE



Eric Scott

During the 2022-23 financial year, the Committee thoroughly reviewed the Investigations and Disciplinary (I&D) provisions stated in the bye-laws. The objective was to modernize the bye-laws, ensure compliance with IFAC standards, protect the public interest, and build trust within our community. Consequently, the I&D sections of the bye-laws have been updated to enhance efficiency and transparency in the I&D process.

The updated provisions encompass a comprehensive set of regulations governing Investigations and Disciplinary Procedures, Appeals, and Interim Orders. These regulations were carefully developed to enable the prompt and effective resolution of matters, subject to rigorous scrutiny by relevant committees and the Institute's Council, ensuring alignment with industry best practices and standards.

To ensure broad input and consensus, we engaged in consultations with our esteemed members regarding the proposed amendments to the bye-laws. We deeply value their feedback, which played a crucial role in shaping the final recommendations. Building upon this collaborative effort, we intend to present the recommended amendments for approval at an extraordinary general meeting. This inclusive approach ensures that our members' interests and perspectives are duly considered.

Moving forward, we will continue to review and strengthen our bye-laws to adapt to the evolving landscape, thereby safeguarding the interests of our stakeholders and fostering a robust regulatory framework.

To ensure broad input and consensus, we engaged in consultations with our esteemed members regarding the proposed amendments to the bye-laws.



INVESTIGATIONS COMMITTEE

The Investigations Committee continues to fulfil its mandate of conducting investigations of complaints relating to the conduct and good standing of members and students. During the year, members who did not comply with ICAJ's reporting requirements were referred to the

Disciplinary Committee. The Committee had two new complaints for review during this period, both of which are outstanding, bringing to three the number of outstanding matters before the Committee.

The Investigations Committee continues to fulfil its mandate of conducting investigations of complaints relating to the conduct and good standing of members and students.

DISCIPLINARY COMMITTEE

New Matter

During the year under review, a member failed to satisfy a judgement debt for costs awarded against him by the Supreme Court of Judicature of Jamaica in favour of the Institute in respect of an injunction filed by the member to prevent the Institute from taking disciplinary action against that member further to a ruling of the Public Accountancy Board.

The member was required by the Disciplinary Committee to settle the debt in accordance with the Institute's bye-laws 75 (1) (g) and 92; however, the member failed to do so. Subsequently, at a meeting of the Disciplinary Committee which the member did not attend despite being given the

required notice, the Committee resolved that the member be suspended from all rights and privileges of membership of the Institute until the judgement debt was satisfied.

Subsequently, the member resigned from the Institute.

Matter from Previous Year

The matter previously considered by the Disciplinary Committee, commenced during the year ended 31 March 2020, regarding a member in public practice sanctioned by the Public Accountancy Board (PAB) was not resolved as the member resigned from the Institute.

LEGISLATION REVIEW COMMITTEE



Eric Scott

The Committee continued to monitor legislative amendments implemented by the government which affect the accountancy profession.

The Committee reviewed and submitted recommendations to the Financial Services Commission on the Consultation Paper dealing with the *Trust and Corporate Services Providers Act*.



COUNCIL MEMBERS

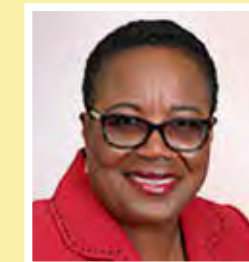
EQUIPPING THE PROFESSION FOR A CHANGING WORLD



ERIC SCOTT
Vice President
Chairman - Bye-Laws &
Handbook and Legislation
Review Committees



ALLISON PEART
President



SHARON DONALDSON-LEVINE
Treasurer
Chairman - Professional
Accountants in Business
Committee



ELAINE ROBINSON
Honorary Secretary
Chairman - Membership
Committee



SIXTO COY
Immediate Past President
Chairman - Student affairs
Committee



RAYMOND CAMPBELL
Chairman - Future of the
Profession and Property
Development Committees



NIGEL CHAMBERS
Chairman - Audit
Practice Committee



GARFIELD REECE
Chairman - Accounting
Standards Committee



JANET MORRISON PLUMMER
Chairman - Public
Sector Committee



ELIZABETH MCGREGOR
Chairman - Information
and Communications
Technology Committee



ERIC MARDNER
Chairman - Taxation
Committee



GAIL MOORE
Chairman - Continuing
Professional Development
Committee



SHARON HARVEY-WILSON
Chairman - Public
Relations and Marketing
Committee



SECRETARIAT SUPPORT TEAM

EQUIPPING THE PROFESSION FOR A CHANGING WORLD



SOPHIA DORMAN
Accountant



ROSEMARIE HEAVEN
Executive Director



MAXINE FRANCIS
Public Relations Officer



LEEKIA LINDO
Executive Assistant



NORDIA COLLINS
Senior Services Officer



JUDITH ALLEN
Project Officer



SHADAE JAMES
Accounting Officer



SHANIQUE ALLMAN
Public Relations Assistant



MATTHEW MCINTOSH
Training Assistant



OSHA NE FRAZER
Receptionist



LORRINE WHYTE-GARDNER
Office Attendant





COMMITTEES FOR THE YEAR 2022-2023

EQUIPPING THE PROFESSION FOR A CHANGING WORLD

ACCOUNTING STANDARDS

Garfield Reece - Chairman
Donald Brown
Yvonne Clarke
Linval Freeman
Cynthia Lawrence
Karis Lewin
Andrew Messado
Gail Moore
Recardo Nathan
Kerry-Ann Richards
Wilbert Spence
Allison Wynter

AUDIT PRACTICE

Nigel Chambers - Chairman
Emile Lafayette - Vice Chairman
Aneica Boyd
Carlene Ferguson
Errol Green
Jason Gordon
Raphael Gordon
C. Patricia Hayle
Jennifer Hibbert
Marlon McAdam
Leighton McKnight
Nicola Reid
George Roper
Kayann Sudlow

BYE-LAWS & HANDBOOK

Eric Scott - Chairman
Donald Brown
Archibald Campbell
Effie Crooks
Audrey Malcolm
Leighton McKnight
Karen Ragoobirsingh
Prunella Vassell
Blondel Wilson-Henry

CONTINUING PROFESSIONAL DEVELOPMENT

Gail Moore - Chairman
Kenneth Adams
Paul Campbell
Carlene Chin
Cadine Davis
Shelly-Ann Jackson
Gladstone Johnson
Deveret Malcolm
Jacqueline Scott-Crossley
Andrew Shaw
Joan Sicard

DISCIPLINARY

Stephen Holland – Chairman
Michelle Chevannes
Caryl Fenton
Georgia Hamilton
Everton McDonald
Pamela Monroe Ellis
Philmore Ogle

FINANCE

Sharon Donaldson-Levine - Chairman
Allison Peart
Eric Scott
Elaine Robinson

FUTURE OF THE PROFESSION

Raymond Campbell - Chairman
Caydion Campbell
Gail Chen
Shatorna Davis
Trevor Francis
Keith Luck
Phiona Martin
Stefan Miller
Hugh Reid
Jacqueline Scott-Crossley
Beverley Williamson

INFORMATION AND COMMUNICATIONS TECHNOLOGY

Elizabeth McGregor - Chairman
Muriel Bailey - Vice-Chairman
Ghilene Ayoub
Joan Brown
Caydion Campbell
Leighton Chambers
Andrei James
Ruel Nelson
Gordon Webster
Blondell Wilson-Henry

INVESTIGATIONS

Dennis Brown - Chairman
Archibald Campbell
Yvonne Clarke
Carey Metz
Justice Seymour Panton
Ann Marie Rhoden

LEGISLATION REVIEW

Eric Scott - Chairman
Sharon Donaldson-Levine
Janette Lodge
Donald Reynolds
Kenneth Wilson

MEMBERSHIP

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Kenneth Adams
Phillip Anderson
Sandra Barnett
Peta-Gaye Bartley
Atasha Bernard
Trishana Davis
Shani Douglas
Sheryl Gooden-Cole
Raphael Gordon
Horace Gyles
Ivy Lawrence
Shavon Leslie
Cecilia Lewis
Marlene McIntosh
Ouida Nesbeth-Dunn
Kevin Powell
Elaine Walters

PAIB

Sharon Donaldson-Levine -Chairman
Ingrid Christian-Baker - Vice Chairman
Raymond Campbell
Dennis Cohen
Andrea Coy
Trecia Elliott

Sharon Harvey-Wilson
Jacqueline Mighty
Clover Moodie
Lorna Reynolds-Minott
Elaine Robinson
C. Earl Samuels
Bruce Scott
Zenobia Taylor
Mukisa Wilson Ricketts

PUBLIC RELATIONS & MARKETING

Sharon Harvey-Wilson - Chairman
Kareen Thompson - Vice- Chairman
Latoya Edwards
Yasmin Gibson
Horace Gyles
Nastassia Hedge-Whyte
Roxiana Malcolm Tyrell
Marlene McIntosh
Hugh Reid
Janet Plummer

PUBLIC SECTOR

Janet Morrison Plummer - Chairman
Sheila Wong - Vice-Chairman
Oneeka Brown
Allan Campbell
Ann Marie Cummings
Tricia Elliot
Errol Green
Gordon Jason
Hillet Martin-McFarlane
Marlon McAdam
Jason McPherson
Nicola Reid
Rakar Williams
Wilton Williams

STUDENT AFFAIRS

Sixto Coy - Chairman
Dwight Bailey
Vintoria Bernard
Terrence Clarke
Effie Crooks
Sharon Donaldson-Levine
Sandra Edwards
Kamau Francis
Martin Gooden
Nyssa Johnson
Errol Jones
Marlene McIntosh
Sonia McPherson
Andrew Thomas
Prunella Vassell
Carolyn Wisdon-Bell

TAXATION

Eric Mardner – Chairman
Kimblian Batson
Patricia Bowen
Juliette Brown
Everald Dewar
C. Patricia Hayle
Kimberley Nugent McFarlane
Charles O'Connor
Donna Thompson-Watt
Prunella Vassell
Norman Washington

FINANCIAL HIGHLIGHTS AND OUTLOOK

Financial Performance

We are pleased to report a very positive financial performance of the Institute for yet another year. As reflected in the audited financial statements for the year ended March 31, 2023, we attained a surplus after tax of \$11.4m, an increase of 18.6% over prior year. The outcome also exceeded the surplus of \$449,000 budgeted for the 2022/23 period.

A comparison of actual performance with our budget, highlights the main factors contributing to the favourable variances (Table 3):

•Surplus from self-financing activities \$3.7 million

While we continue to receive support from our members and students, we are grateful for the increased support from non-members who demonstrated increased interest in the opportunities offered for professional development, through our seminars, workshops and presentations. It is our strategy to respond to the concerns of our stakeholders and to continue to tailor presentations to address their needs.

•Advertising and sponsorship \$(1.1 million)

The Institute continuously seeks ways of diversifying its revenue streams. The support for advertising and corporate sponsorship has been commendable and we continue to monitor and improve our offerings.

•Salaries and staff costs \$4.2 million

As a result of the delay in the execution of the Human Resource Project, the budget allocation was not fully utilised. These expenses, however, are expected to be incurred in the next financial year.

•Office operating and other expenses \$4.6 million

This saving was due to the delay in the execution of other initiatives pertaining to marketing and public relations, student affairs and foreign travel. These activities are expected to be implemented in the next financial year.

Financial Position (Table 2)

Bank and short-term deposits

The Institute's management placed special emphasis on reviewing the investment policy with the aim of diversifying the portfolio and maximising returns. Based on the healthy state of cash resources, it was considered prudent to repay the mortgage loan in full. We also established separate investment accounts to segregate and manage third-party funds, entrusted to the Institute for a specified purpose (restricted funds).

The general liquidity position remained strong. At the end of the reporting period, 30.6% (2022: 24.6%) of the total deposits pertained to restricted funds.

Membership dues and other receivables

Continued efforts have been made to successfully manage our receivables. The balance of \$1.5 million at year end represents a 47.2% reduction when compared with the previous year. Although a general reduction was identified, we continue to encourage the students to make payment as the level of expected credit losses remains high.

Accumulated surplus

Accumulated surplus increased from \$18 million in 2018/19 to \$62.7 million in 2022/23, a growth of \$44.7 million or 240% over the last five years.

Capital expenditure

We continue to ensure that suitable and adequate resources are available to enable us to better serve our membership. During the year, capital expenditure was undertaken to upgrade and maintain the Institute's physical plant, as well as its Information and Communications Technology (ICT) infrastructure. In furtherance of the Institute's strategic priorities, there

will be continued efforts in this regard for the year 2023/24. Special emphasis will be placed on health, safety and security features.

Outlook for 2023/24

Continued focus will be placed on the execution of the Institute's strategic initiatives, with particular emphasis on expanding our member benefits and strengthening our human capital. While we focus on retaining our existing members and students, special projects will be geared towards increasing the overall membership base and income from other sources.

The Institute will continue to pursue activities to enhance the visibility of the profession, and the image and marketability of its members whilst balancing this objective with cost-containment measures. Delivering optimally, to our members and students, requires the best people, tools, systems and processes.

Management is committed to ensuring continued sound financial management of the affairs of the Institute. Table 3 shows our budgeted revenue, expenses and resulting surplus for the year (before tax) of \$470,000.

Acknowledgements

We owe our success over the years to the support of our members, students, sponsors, and other participants at the many events hosted by the Institute. We therefore express our sincere appreciation for your support, with the expectation that we shall continue to count on your assistance in transforming our plans into reality.

TABLE 1 | FIVE YEAR STATISTICS

	2022/2023	2021/2022	2020/2021	2019/2020	2018/2019
	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE					
Members' subscription and admission fees	38,506	33,885	31,780	29,949	27,879
Graduates' subscription	-	6	12	6	12
Students' subscription and registration fees	9,316	8,853	9,626	9,341	11,194
Surplus from self-financing activities	32,866	23,783	20,978	26,954	22,451
Interest and dividends	1,309	1,024	429	510	444
Subvention for students	2,590	3,256	2,287	2,067	2,330
Advertising & sponsorship	3,921	4,902	2,455	1,020	695
Miscellaneous	(2)	1,327	2,047	804	207
	<u>88,506</u>	<u>77,036</u>	<u>69,614</u>	<u>70,651</u>	<u>65,212</u>
EXPENSES					
Salaries and staff costs	26,043	25,773	23,918	25,414	23,463
Office operating expenses	41,632	32,417	27,416	29,263	31,101
Mortgage loan interest and bank charges	3,468	3,631	3,262	3,287	3,249
Depreciation and amortisation	5,526	5,230	4,038	3,798	3,058
	<u>76,669</u>	<u>67,051</u>	<u>58,634</u>	<u>61,762</u>	<u>60,871</u>
Surplus for the year before taxation	11,837	9,985	10,980	8,889	4,341
Taxation	(481)	(409)	(258)	(31)	(69)
Surplus for the year	11,356	9,576	10,722	8,858	4,272

TABLE 2 | OTHER RELEVANT FINANCIAL DATA

	2022/2023	2021/2022	2020/2021	2019/2020	2018/2019
	\$'000	\$'000	\$'000	\$'000	\$'000
Bank & short term deposits- general purpose	40,706	46,884	39,661	24,376	15,077
Bank & short term deposits- restricted funds	17,950	15,320	14,490	10,140	9,968
Membership dues and other receivables	1,530	2,898	2,108	4,839	7,537
Loan balance	-	15,165	16,058	16,857	17,577
Payables	15,989	17,652	15,892	12,435	14,486
Accumulated surplus	62,685	50,914	40,745	28,472	18,063
Percentage (decrease)/increase in general-purpose cash resources over prior year	(13.2%)	18.2%	62.7%	61.7%	19.2%
Percentage of restricted funds/ total cash resources	30.6%	24.6%	26.8%	29.4%	39.8%
Percentage (decrease)/increase in membership dues and other receivables over prior year	(47.2%)	37.5%	(56.4%)	(35.8%)	24.8%
Percentage increase/(decrease) in accumulated surplus over prior year	23.5%	25%	43.1%	57.6%	(18.3%)

TABLE 3 | COMPARATIVE DATA

	2023/2024	2022/2023	2022/2023	2022/2023
	\$'000	\$'000	\$'000	\$'000
	Budget	Actual	Budget	Variance
REVENUE				
Members' subscription and admission fees	41,897	38,506	38,306	200
Students' subscription and registration fees	9,492	9,316	9,270	46
Surplus from self-financing activities	33,238	32,866	29,201	3,665
Interest and dividends	2,201	1,309	935	374
Subvention for students	3,406	2,590	2,988	(398)
Advertising & sponsorship	3,500	3,921	5,000	(1,079)
Miscellaneous	205	(2)	205	(207)
	<u>93,939</u>	<u>88,506</u>	<u>85,905</u>	<u>2,601</u>
EXPENSES				
Salaries and staff costs	34,898	26,043	30,239	4,196
Office operating expenses	50,367	41,632	45,543	3,911
Mortgage loan interest and bank charges	2,266	3,468	3,284	(184)
Depreciation and amortisation	5,938	5,526	6,390	864
	<u>93,469</u>	<u>76,669</u>	<u>85,456</u>	<u>8,787</u>
Surplus for the year before taxation	470	11,837	449	11,388



Financial Statements

Institute of Chartered Accountants of Jamaica

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INDEPENDENT AUDITOR'S REPORT

JENNIFER HIBBERT, FCA, FCCA
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 (876) 926-4421, jennifer.hibbert@bdo.com.jm

To the Members of
 Institute of Chartered Accountants of Jamaica

Opinion

I have audited the financial statements of Institute of Chartered Accountants of Jamaica which comprise the statement of financial position as at 31 March 2023, and the statements of comprehensive income, changes in reserves and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31 March 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS).

Basis for Opinion

I conducted the audit in accordance with International Standards on Auditing (ISA). 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 International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants, including International Independence Standards, (IESBA Code) and I have fulfilled my other ethical responsibilities in accordance with the IESBA Code.

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

Other information

Management is responsible for the other information. The other information comprises the President's, Treasurer's and other reports included in the annual report but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the Annual Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance.

To the Members of
Institute of Chartered Accountants of Jamaica

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS 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 ISA 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 ISA, I exercise professional judgment and maintain professional scepticism 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.

To the Members of
Institute of Chartered Accountants of Jamaica

Auditor's Responsibilities for the Audit of the Financial Statements

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

- 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 auditors' report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I have communicated 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 identified during my audit.



Chartered Accountant

30 June 2023

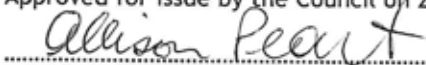
STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH 2023

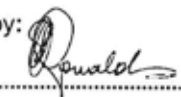
	<u>Note</u>	<u>2023</u> £	<u>2022</u> £
REVENUE:			
Members' subscription and admission fees		38,506,417	33,890,628
Students' subscription and registration fees		9,316,100	8,853,013
Surplus from self-financing activities	5	32,865,790	23,782,859
Finance income	6	1,309,115	1,024,116
Subvention for students		2,589,933	3,256,036
Advertising & sponsorship		3,920,583	4,902,300
Sale of ICAJ history book		<u>140,000</u>	<u>-</u>
		88,647,938	75,708,952
Amounts equivalent to depreciation charge on assets financed by capital grants		205,392	205,392
(Loss)/gain on foreign exchange		<u>(347,863)</u>	<u>1,121,316</u>
		88,505,467	77,035,660
Credit impairment losses	4(d)(ii)	<u>(1,692,992)</u>	<u>(323,018)</u>
Finance costs	6	<u>(1,637,195)</u>	<u>(1,933,543)</u>
Administrative and other operating expenses	7	<u>(70,338,672)</u>	<u>(64,794,236)</u>
SURPLUS FOR THE YEAR BEFORE TRANSFERS		14,836,608	9,984,863
Donation - ICAJ Welfare Fund	22	<u>(3,000,000)</u>	<u>-</u>
SURPLUS FOR THE YEAR BEFORE TAXATION		11,836,608	9,984,863
Taxation	9	<u>(480,682)</u>	<u>(409,016)</u>
SURPLUS FOR THE YEAR		<u>11,355,926</u>	<u>9,575,847</u>
OTHER COMPREHENSIVE LOSS:			
Item that may not be reclassified subsequently to surplus:			
Unrealised losses on investments at fair value through other comprehensive income		<u>(650,304)</u>	<u>(550,656)</u>
TOTAL COMPREHENSIVE INCOME		<u>10,705,622</u>	<u>9,025,191</u>

STATEMENT OF FINANCIAL POSITION
31 MARCH 2023

	<u>Note</u>	<u>2023</u> £	<u>2022</u> £
ASSETS			
NON-CURRENT ASSETS:			
Property, plant and equipment	10	72,068,748	71,554,846
Intangible assets	11	2,168,732	3,351,677
Investments	12	<u>1,469,760</u>	<u>2,120,064</u>
		<u>75,707,240</u>	<u>77,026,587</u>
CURRENT ASSETS:			
Inventories	13	1,571,401	-
Receivables	14	8,124,366	9,907,497
Taxation recoverable	15	2,869,588	3,040,879
Short-term deposits- restricted funds	16	14,050,452	-
Cash and cash equivalents- restricted funds	17	3,899,063	15,320,452
Cash and cash equivalents- general purpose	17	<u>40,705,698</u>	<u>46,884,397</u>
		<u>71,220,568</u>	<u>75,153,225</u>
TOTAL ASSETS		<u>146,927,808</u>	<u>152,179,812</u>
RESERVES AND LIABILITIES			
RESERVES:			
Accumulated surplus		62,685,473	50,914,137
Fair value reserve	18	1,465,040	2,115,344
Capital assets reserve	19	<u>34,581,742</u>	<u>34,997,152</u>
TOTAL RESERVES		<u>98,732,255</u>	<u>88,026,633</u>
NON-CURRENT LIABILITIES:			
Funds -			
Administered funds	20	6,227,902	6,755,692
Capital Assets Fund	21	10,396,666	10,537,330
ICAJ Welfare Fund	22	4,192,378	1,149,978
ICAJ/IDB Project Fund	23	<u>3,157,508</u>	<u>3,107,784</u>
		23,974,454	21,550,784
Deferred income	24	2,464,206	2,930,472
Long-term loan	25	-	14,106,549
Deferred tax liability	26	<u>16,225</u>	<u>45,515</u>
		<u>26,454,885</u>	<u>38,633,320</u>
CURRENT LIABILITIES:			
Payables	27	15,989,380	17,651,600
Current portion of deferred income	24	5,751,288	6,809,692
Current portion of long-term loan	25	-	1,058,567
		<u>21,740,668</u>	<u>25,519,859</u>
TOTAL LIABILITIES		<u>48,195,553</u>	<u>64,153,179</u>
TOTAL RESERVES AND LIABILITIES		<u>146,927,808</u>	<u>152,179,812</u>

Approved for issue by the Council on 29 June 2023 and signed on its behalf by:


Allison Peart President


Sharon Donaldson Treasurer

STATEMENT OF CHANGES IN RESERVES
YEAR ENDED 31 MARCH 2023

	Accumulated Surplus ₤	Fair Value Reserve ₤	Capital Assets Reserve ₤	Total ₤
BALANCE AT 31 MARCH 2021	40,744,872	2,666,000	35,590,570	79,001,442
Surplus for the year	9,575,847	-	-	9,575,847
Other comprehensive loss	-	(550,656)	-	(550,656)
TOTAL COMPREHENSIVE INCOME	9,575,847	(550,656)	-	9,025,191
Transfer to capital assets reserve	(957,585)	-	957,585	-
Transfer from capital assets reserve	1,551,003	-	(1,551,003)	-
	<u>10,169,265</u>	<u>(550,656)</u>	<u>(593,418)</u>	<u>9,025,191</u>
BALANCE AT 31 MARCH 2022	50,914,137	2,115,344	34,997,152	88,026,633
Surplus for the year	11,355,926	-	-	11,355,926
Other comprehensive loss	-	(650,304)	-	(650,304)
TOTAL COMPREHENSIVE INCOME	11,355,926	(650,304)	-	10,705,622
Transfer to capital assets reserve	(1,135,593)	-	1,135,593	-
Transfer from capital assets reserve	1,551,003	-	(1,551,003)	-
	<u>11,771,336</u>	<u>(650,304)</u>	<u>(415,410)</u>	<u>10,705,622</u>
BALANCE AT 31 MARCH 2023	62,685,473	1,465,040	34,581,742	98,732,255

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2023

	Note	2023 ₤	2022 ₤
CASH FLOWS FROM OPERATING ACTIVITIES:			
Surplus for the year before taxation		11,836,608	9,984,863
Adjustments for:			
Depreciation and amortisation	10,11	5,526,087	5,230,246
Transfer to ICAJ Welfare Fund	22	3,000,000	-
Transfer from Capital Assets Fund	21	(205,392)	(205,392)
Interest and dividend income	6	(1,309,115)	(1,024,116)
Interest expense	6	1,637,195	1,933,543
		<u>20,485,383</u>	<u>15,919,144</u>
Changes in operating assets and liabilities:			
Inventories		(1,571,401)	-
Receivables		1,783,131	(3,259,482)
Deferred income		(1,524,670)	(1,374,145)
Payables		(1,662,220)	1,759,746
		<u>17,510,223</u>	<u>13,045,263</u>
Taxation paid		(338,681)	(226,643)
Cash provided by operating activities		<u>17,171,542</u>	<u>12,818,620</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment	10	(4,857,044)	(3,792,958)
Investment in short-term deposits	16	(14,050,452)	-
Interest received		1,309,115	1,014,516
Dividends received		-	9,600
Cash used in investing activities		<u>(17,598,381)</u>	<u>(2,768,842)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Contributions received - administered funds	20	10,000	900,000
Disbursement of awards from administered funds	20	(850,000)	(273,258)
Mortgage loan repayment		(15,165,116)	(892,982)
Interest paid		(1,168,133)	(1,729,955)
Contributions received-ICAJ Welfare Fund	22	-	100
Cash used in financing activities		<u>(17,173,249)</u>	<u>(1,996,095)</u>
Net (decrease)/increase in cash and cash equivalents		(17,600,088)	8,053,683
Cash and cash equivalents at beginning of year		<u>62,204,849</u>	<u>54,151,166</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	17	<u>44,604,761</u>	<u>62,204,849</u>

31 MARCH 2023

1. IDENTIFICATION AND PRINCIPAL ACTIVITY:

- (a) Institute of Chartered Accountants of Jamaica ('the Institute') was constituted on 18 January 1965 and on July 6, 1970 became a body corporate under the Public Accountancy Act. The Institute is domiciled in Jamaica with its registered offices located at 8 Ruthven Road, Kingston 10, Jamaica.
- (b) The principal objectives of the Institute are to:
- (i) Promote and increase the knowledge, skills and proficiency of its members and students.
 - (ii) Regulate the discipline and professional conduct of its members and students.
 - (iii) Promote and protect the welfare and interest of the Institute and the accounting profession, both in Jamaica and abroad.
 - (iv) Make provision for the training, education and examination of persons engaging in or intending to engage in the profession, whether in Jamaica or elsewhere, in public practice or as employees of the Government of Jamaica or by statutory body or industrial or commercial enterprise or any other person who is an accountant not in public practice.

2. SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS). The financial statements have been prepared under the historical cost convention, except for certain financial assets measured at fair value through other comprehensive income.

The financial statements are presented in Jamaica dollars which is the Institute's functional currency.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Institute's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

Standards, interpretations and amendments to published standards effective in the current year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The Institute has assessed the relevance of all such new standards, interpretations and amendments and has concluded that there are no new standards, interpretations and amendments which are relevant to its operations

New standards, amendments and interpretation not yet effective and not early adopted

The following amendments that are not yet effective and have not been adopted early in these financial statements, may have an effect on the Institute's future financial statements:

Amendments to IAS 1, 'Presentation of Financial Statements', effective for accounting periods beginning on or after 1 January 2024, clarify that liabilities are classified as either current or non-current depending on the rights that exist at the reporting date. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The adoption of these amendments is not expected to have a significant impact on the Institute's 2024 financial statements.

Amendments to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' (effective for accounting periods starting not earlier than 1 January 2023). This amendment clarifies the definition of accounting estimates to apply the concept of materiality to accounting policy disclosures. Estimates and Errors clarifies how an entity should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. The Institute will assess the impact of future adoption of this amendment on its financial statements.

The Institute does not expect any other standards, amendments or interpretations issued by the IASB, but not yet effective, to have a material effect on its financial position.

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(b) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions.

Foreign currency transactions are translated into the functional currency of the Institute, using the exchange rates prevailing at the dates of the transactions. Foreign currency balances at the reporting date are translated at the closing rates of exchange. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items at year-end exchange rates are recognised in surplus or deficit.

Non-monetary items measured at historical cost are translated using the exchange rates at the dates of the transactions.

(c) Property, plant and equipment

Property, plant and equipment are measured at cost, less accumulated depreciation and accumulated impairment losses [note 2d]. Land is not depreciated.

Depreciation is calculated on the straight-line (SL), or reducing-balance (RB), basis at annual rates to write down the cost of assets to their estimated residual values over the period of their expected useful lives.

The annual rates of depreciation in use are:

Building (SL)	2.5%
Building extensions and improvements (SL)	4% - 10%
Certain furniture and equipment (RB)	15%
Electronic equipment and other furniture and equipment (SL)	10% - 25%

The expected useful lives and estimated residual values are re-assessed at each reporting date and adjusted, if appropriate. The useful lives and estimated residual values of the buildings were revised in 2015.

Construction-in-progress represents costs incurred to date, including interest on borrowings obtained to finance construction on the building development project. Construction-in-progress is not depreciated until completion.

Costs of repairs and renewals which do not enhance the value of existing assets are written off to surplus or deficit as they are incurred.

Gains or losses on disposal of property, plant and equipment are included in surplus or deficit, when they arise.

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(d) Impairment of non-current assets

Property, plant and equipment and other non-current assets, are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

(e) Financial assets

The Institute classifies its financial assets as amortised cost or fair value through other comprehensive income. The classification depends on the Institute's business model for managing the financial assets and the contractual terms of the cash flows.

Amortised cost

These assets arise principally from the provision of services to members (eg receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows that represent solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest method, less allowance for impairment.

The Institute's financial assets measured at amortised cost comprise receivables, short-term deposits and cash and cash equivalents in the statement of financial position.

Short-term deposits consist of investment in deposits with maturity dates greater than three (3) months and up to twelve (12) months.

Cash and cash equivalents includes cash in hand, deposits held on call with banks, other short term highly liquid investments with original maturity of three months or less.

Impairment allowances for receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. To determine the lifetime expected credit loss for receivables, the probability is multiplied by the amount of the expected loss multiplied by the outstanding receivables balance at year end. Impairment losses are recognised within the statement of comprehensive income. On confirmation that the amounts receivable will not be collectable, the gross carrying value of the asset is written off against the associated allowance.

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(e) Financial assets (cont'd)

Equity instruments

The Institute measures all equity investments at fair value. The Council of the Institute has made an irrevocable election to present fair value gains and losses on equity investments in other comprehensive income (OCI).

There is no subsequent reclassification of fair value gains and losses to surplus or deficit following the derecognition of the investment. Dividends from such investments continue to be recognised in surplus or deficit when the Institute's right to receive payments is established.

(f) Financial liabilities

The Institute's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the reporting date, loans and payables were classified as financial liabilities.

Borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in surplus or deficit over the period of the borrowings using the effective interest method.

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities and recognised initially at fair value and subsequently measured at amortised cost.

(g) Inventories

Inventories are stated at the lower of cost, determined on a first-in, first-out basis, and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Using information available at year-end, the Institute makes judgements based on experience on the level of provision required to account for potential unsaleable inventories.

(h) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Institute and the consideration can be reliably measured. It represents amounts received and receivable for goods and services provided in the normal course of business, net of discounts and General Consumption Tax (GCT).

Rental income

Rental income is recognised over time in the statement of comprehensive income on a straight line basis over the period.

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(h) Revenue recognition (cont'd)

Courses and conference income

Courses and conference income is recognised at a point in time, in the year of the relevant course or event.

Members' and students' subscriptions

Members' and students' subscriptions are recognised over time in the statement of comprehensive income in the accounting period to which the subscriptions relate on a straight line basis. These subscriptions are due each year on 1 April and 1 January, respectively. To the extent that subscriptions are received in advance, they are deferred and recognised in the relevant period.

Members' admission and student's registration fees

Members' admission and students' registration fees are recognised at a point in time (i.e. when invoiced).

Interest and dividend income

Interest income is recognised using the effective interest method. Dividend income is recognised when the right to receive payment is established.

Subvention for students

Subvention for students is recognised when the right to receive payment is established.

Advertising and sponsorship

Advertising and sponsorship income are recognised when earned in accordance with the relevant agreements. The unearned portions, if any, are recognised as deferred income [note 24] and credited to income when earned.

(i) Related parties

A party is related to the Institute where:

- (a) The party is a member of the key management personnel of the Institute.
- (b) The party is a close member of the family of any key management personnel.

A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged. The Institute has a related party relationship with members of Council and the Executive Director referred to as "key management personnel".

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(j) Donations or contributions

Donations or contributions received for the purposes of funding the acquisition, construction and completion of the Institute's capital assets are credited to the Capital Assets Fund and credited to income over the expected useful life of the respective assets in line with the depreciation policy. Donations or contributions received for the acquisition of freehold land or other non-depreciable assets are credited to income in the year upon receipt.

(k) Current and deferred income taxes

Income tax on the results for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable surplus for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is accounted for on temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the basis used in the computation of taxable surplus. In principle, deferred tax liabilities are recognised for taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the assets can be realised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged or credited to surplus or deficit, except when it is related to items credited or charged to other comprehensive income or reserves, in which case the deferred tax is also dealt with in other comprehensive income or reserves.

The Commissioner General of Tax Administration Jamaica has granted the Institute exemption from income tax under the mutuality principle in respect of income derived from transactions with members and students. In consequence, the Institute is only taxable on a proportion of its income after setting-off a proportion of its expenses and capital allowances.

Under the mutuality principle, the proportion of capital allowances which can be claimed varies from year to year. The temporary differences arising from variances between depreciation and capital allowances are considered immaterial.

Deferred tax assets and liabilities are off-set when they arise from the same tax authority and when legal right of set-off exists.

31 MARCH 2023

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(l) Provisions

A provision is recognised when there is a present legal or constructive obligation as a result of past events, it is probable that an out-flow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

(m) Employee benefits

(i) Defined contribution plan

The Institute provides post employment benefits through a defined contribution plan under which the Institute pays fixed contributions into a privately administered fund. The Institute has no legal or constructive obligation after its payment of the fixed contribution.

Contributions to the plan are recognised as an expense in the period that they are due.

(i) Vacation leave benefits

Employees' entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

(iii) Termination benefits

Termination benefits are payable when employment is terminated by the Institute before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

(n) Reserves

Accumulated surplus includes all current and prior retained surpluses.

Fair value reserve comprises gains and losses arising on the revaluation of the investment in equity instruments.

Capital assets reserve includes funds appropriated from accumulated surplus for the purpose of funding the acquisition, construction and completion of the Institute's capital assets. On completion of each phase of capital assets project an amount equivalent to depreciation of the relevant assets will be transferred to accumulated surplus.

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3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY:

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the Institute's accounting policies

There were no critical judgements, apart from those involving estimation, that management has made in the process of applying the Institute's accounting policies that have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimated uncertainty

The estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets are discussed below.

Allowance for impairment losses on receivables

Impairment losses on financial assets, including receivables, are recognised using the expected credit loss (ECL) model for the entire lifetime of such financial assets on initial recognition, and at each subsequent reporting date, even in the absence of a credit event or if a loss has not yet been incurred, considering past events and current conditions, as well as reasonable and supportable forecasts affecting collectability, detail at note 4 (d).

4. FINANCIAL RISK MANAGEMENT:

The Institute is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Other market price, and
- Liquidity risk

This note describes the Institute's objectives, policies and processes for managing those risks to minimise potential adverse effects on the financial performance of the Institute and the methods used to measure them.

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

There have been no substantive changes in the Institute's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

(a) Principal financial instruments

The principal financial instruments used by the Institute, from which financial instrument risk arises, are as follows:

- Investments
- Receivables
- Short-term deposits - restricted funds
- Cash and cash equivalents
- Payables
- Long-term loan

(b) Financial instruments by category

Financial assets

	Amortised Cost		Fair value through Other Comprehensive Income	
	2023 \$	2022 \$	2023 \$	2022 \$
Cash and cash equivalents	44,604,761	62,204,849	-	-
Short-term deposits - restricted funds	14,050,452	-	-	-
Receivables	1,065,883	2,469,637	-	-
Investments (equity)	-	-	1,469,760	2,120,064
Total financial assets	59,721,096	64,674,486	1,469,760	2,120,064

Financial liabilities

	Amortised Cost	
	2023 \$	2022 \$
Payables	8,843,572	12,556,692
Long-term loan	-	15,165,116
Total financial liabilities	8,843,572	27,721,808

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(c) Financial instruments measured at fair value

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's length transaction.

The financial instruments are grouped into level 1 to 3 based on the degree to which the fair values are observable as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities (unadjusted).
- Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, derived from prices).

The fair value hierarchy of financial instruments measured at fair value is provided below:

	Level 1	
	2023	2022
	J\$	J\$
Financial assets		
Investments (equity)	<u>1,469,760</u>	<u>2,120,064</u>

There were no financial assets valued using level 2 or level 3 measurements.

(d) Financial risk factors

The Council has overall responsibility for the determination of the Institute's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Institute's finance function. The Council provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investments of excess liquidity.

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

The overall objective of the Council is to set policies that seek to reduce risk as far as possible without unduly affecting the Institute's effectiveness and flexibility. Council is regularly updated on any significant issues relating to financial risk management.

Further details regarding these policies are set out below:

(i) Market risk

Currency risk

The Institute is exposed to currency risk due to fluctuations in exchange rates on transactions and balances that are denominated in currencies other than the Jamaica dollar. Foreign currency bank accounts are maintained from foreign currency receipts, at levels which will meet foreign currency obligations.

At the end of the reporting period, the Institute had net foreign currency assets, which were subject to foreign exchange rate changes as follows:

	Concentration of currency risk			
	2023		2022	
	USD J\$	£ J\$	USD J\$	£ J\$
Financial assets				
Cash and cash equivalents	<u>9,663,251</u>	<u>1,035,077</u>	<u>13,812,928</u>	<u>1,113,005</u>
Financial liabilities				
Payables	<u>(45,989)</u>	<u>-</u>	<u>(4,421,372)</u>	<u>-</u>
Net foreign currency assets	<u>9,617,262</u>	<u>1,035,077</u>	<u>9,391,556</u>	<u>1,113,005</u>

The above assets/(liabilities) are denominated in Jamaican dollars (JMD) equivalent. Exchange rates applicable at the end of the reporting period are J\$149.96 to US\$1 (2022 - J\$152.83 to US\$1) and J\$184.34 to £1 (2022- J\$198.22 to £1)

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(i) Market risk (cont'd)

Foreign currency sensitivity

The following table indicates the currencies to which the Institute had significant exposure on its monetary assets and liabilities and its forecast cash flows. The change in currency rate below represents management's assessment of a reasonably possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 4% devaluation and 1% revaluation in the value of the Jamaican dollar (JMD) (2022 - 8% devaluation and 2% revaluation). The sensitivity analysis includes cash and cash equivalents and payables.

	% Change in Currency Rate 2023	Effect on Surplus before Taxation 2023 \$	% Change in Currency Rate 2022	Effect on Surplus before Taxation 2022 \$
Currency:				
USD	+1	(96,173)	+2	(187,831)
USD	-4	<u>384,690</u>	-8	<u>751,325</u>
£	+1	(10,351)	+2	(22,260)
£	-4	<u>41,403</u>	-8	<u>89,040</u>

This analysis assumes that all other variables, in particular currency rates, remain constant. The analysis is performed on the same basis as 2022.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Institute's cash and cash equivalents and short term instruments are subject to cash flow interest rate risk. However, the Institute attempts to manage this risk by monitoring its interest-bearing instruments closely and procuring the most advantageous rates under contracts with interest rates that are fixed for the life of the contract, where possible.

Short-term investments, cash and cash equivalents and borrowings are the only interest-bearing assets and liabilities within the Institute.

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(i) Market risk (cont'd)

Interest rate risk (cont'd)

The Institute invests excess cash in short-term deposits and maintains interest-earning bank accounts with licensed financial institutions. Short-term investments are invested for periods of three (3) to twelve (12) 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 market rates [note 16 and 17].

The exposure to interest rate risk arising from deposits are as follows:

	2023		2022	
	\$	Weighted average rate %	\$	Weighted average rate %
JMD				
Cash and cash equivalent				
- general purpose				
short term investment	20,218,223	7.5	41,081,161	1.9
Short term investment	<u>14,050,452</u>	<u>6.0</u>	<u>-</u>	<u>2.2</u>
	<u>34,268,675</u>		<u>41,081,161</u>	
	2023		2022	
	\$	Weighted average rate %	\$	Weighted average rate %
USD				
Cash and cash equivalent				
- general purpose				
short term investment	8,240,522	1.15	11,026,349	1.35
US\$ savings account	<u>193,253</u>	<u>0.05</u>	<u>1,566,364</u>	<u>5</u>
	<u>8,433,775</u>		<u>12,592,713</u>	
	<u>42,702,450</u>		<u>53,673,874</u>	

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(i) Market risk (cont'd)

Interest rate sensitivity (cont'd)

The sensitivity analysis is in relation to interest rate risk for cash and bank balances and short-term investments at the end of the reporting period. Certain assumptions have been made in relation to the underlying factors affecting interest rates.

All factors have been assumed to be constant with the exception of prevailing market conditions.

The following table sets out the effect of the sensitivity analysis assessment of the US\$ account and short-term deposit, on the statement of comprehensive income.

	Effect on Surplus Before taxation	
	2023	2022
	\$	\$
Change in basis points JMD:		
+100 (2022 - +300)	342,687	1,232,435
-50 (2022 - -50)	(171,344)	(205,406)
	<u>171,343</u>	<u>1,027,029</u>
	Effect on Surplus Before taxation	
	2023	2022
	\$	\$
Change in basis points USD:		
+ 100 (2022 - +150)	84,338	188,891
- 50 (2022 - -50)	(42,169)	(62,964)
	<u>42,169</u>	<u>125,927</u>

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(i) Market risk (cont'd)

Price risk (cont'd)

There would have been no significant impact on the statement of comprehensive income.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

The Institute is exposed to equity securities price risk arising from its holding of fair value through comprehensive income investments. The Institute does not have a material exposure and therefore, market price fluctuations are not expected to have a material effect on the net results.

(ii) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Cash and cash equivalents

Credit risk for cash and cash equivalents is managed by maintaining these balances with licensed financial institutions considered to be stable and creditworthy. Savings and current accounts held with commercial banks are insured under the Jamaica Deposit Insurance Scheme (JDIS).

However, for amounts held with commercial banks at the end of the reporting period, a total of \$4,533,560 (2022 - \$4,699,857) is insured under the JDIS.

Receivables

Credit risk for receivables is controlled by activities under the provision of the Bye-Laws of the Institute, where necessary.

The Institute applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss allowance for receivables.

To measure ECL on a collective basis, receivables are grouped based on similar credit risk and aging (i.e members, students, professional associations and events).

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(ii) Credit risk (cont'd)

Receivables (cont'd)

The expected loss rates are based on the Institute's historical credit losses experienced over the two years prior to the reporting date. The historical loss rates are then adjusted for forward-looking information based on macroeconomic factors affecting the ability of the customers, members and students to settle the receivables. The Institute has identified the unemployment rate of the country in which it operates to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor.

The following table provides information about the ECLs for events, membership and student subscription receivables as at 31 March 2023.

	2023		
	Gross Carrying Amount \$	Expected Loss Rate %	ECL Allowance \$
Event receivables	<u>118,876</u>	36.63	<u>43,543</u>
Subscription receivables			
Membership	31,700	84.23	26,700
Student	<u>1,995,917</u>	50.62	<u>1,010,367</u>
	<u>2,027,617</u>		<u>1,037,067</u>
	<u>2,146,493</u>		<u>1,080,610</u>

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(ii) Credit risk (cont'd)

Receivables (cont'd)

The following table provides information about the ECLs for events, membership and student subscription receivables as at 31 March 2023 (cont'd).

	2022		
	Gross Carrying Amount \$	Expected Loss Rate %	ECL Allowance \$
Event receivables	<u>824,137</u>	5.97	<u>49,167</u>
Subscription receivables			
Membership	16,300	100	16,300
Student	<u>1,940,667</u>	12.68	<u>246,000</u>
	<u>1,956,967</u>		<u>262,300</u>
	<u>2,781,104</u>		<u>311,467</u>

Movements in the impairment allowance for receivables are as follows:

	2023 \$	2022 \$
At 1 April	<u>311,467</u>	<u>2,181,203</u>
Increase during the year	1,692,992	323,018
Receivables written off during the year as uncollectable	(<u>923,849</u>)	(<u>2,192,754</u>)
Net increase/(decrease) in impairment allowance during the year	<u>769,143</u>	(<u>1,869,736</u>)
At 31 March	<u>1,080,610</u>	<u>311,467</u>

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4. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(iii) Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in raising funds to meet its commitments associated with financial instruments.

The Institute manages its liquidity risk by maintaining an appropriate level of resources in liquid or near liquid form. The Institute maintains cash and short-term deposits for up to 90-day periods to meet its liquidity requirements.

The maturity profile of the Institute's financial liabilities, based on contractual undiscounted payments, is as follows:

	<u>2023</u>					
	Within 1	Between	Between	Over 5	Contractual	Carrying
	Year	1 and 2	2 and 5	Years	Cash	
	<u>Year</u>	<u>Years</u>	<u>Years</u>	<u>Years</u>	<u>Flow</u>	<u>Amount</u>
	<u>₪</u>	<u>₪</u>	<u>₪</u>	<u>₪</u>	<u>₪</u>	<u>₪</u>
Payables	8,843,572	-	-	-	8,843,572	8,843,572
Total financial liabilities	<u>8,843,572</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,843,572</u>	<u>8,843,572</u>
	<u>2022</u>					
	Within 1	Between	Between	Over 5	Contractual	Carrying
	Year	1 and 2	2 and 5	Years	Cash	
	<u>Year</u>	<u>Years</u>	<u>Years</u>	<u>Years</u>	<u>Flow</u>	<u>Amount</u>
	<u>₪</u>	<u>₪</u>	<u>₪</u>	<u>₪</u>	<u>₪</u>	<u>₪</u>
Payables	12,556,692	-	-	-	12,556,692	12,556,692
Long-term loan	2,380,469	2,380,469	7,141,406	9,684,896	21,587,240	15,165,116
Total financial liabilities	<u>14,937,161</u>	<u>2,380,469</u>	<u>7,141,406</u>	<u>9,684,896</u>	<u>34,143,932</u>	<u>27,721,808</u>

(e) Capital management

The Institute considers its capital to be its accumulated surplus and reserves. The Council's financial objective is to generate a targeted operating surplus, in order to strengthen and provide for the continuity of the Institute, taking into account the various commercial risks. The Council regularly reviews the financial position of the Institute.

The Institute is not subject to any externally imposed capital requirements.

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5. SURPLUS FROM SELF-FINANCING ACTIVITIES:

	<u>Gross</u>	<u>Expenses</u>	<u>Surplus</u>	<u>Surplus</u>
	<u>Income</u>	<u>₪</u>	<u>2023</u>	<u>2022</u>
	<u>₪</u>	<u>₪</u>	<u>₪</u>	<u>₪</u>
Seminars	37,177,598	8,305,522	28,872,076	20,706,447
Rental	3,802,186	448,896	3,353,290	3,076,412
Awards banquet	4,291,304	3,650,880	640,424	-
	<u>45,271,088</u>	<u>12,405,298</u>	<u>32,865,790</u>	<u>23,782,859</u>

6. FINANCE INCOME AND FINANCE COSTS:

Finance income comprises:

	<u>2023</u>	<u>2022</u>
	<u>₪</u>	<u>₪</u>
Interest income, calculated using the effective interest method	1,309,115	1,014,516
Dividend income from investment in equity instruments classified as fair value through other comprehensive income	-	9,600
Finance income for the year	<u>1,309,115</u>	<u>1,024,116</u>

Finance cost comprises:

	<u>2023</u>	<u>2022</u>
	<u>₪</u>	<u>₪</u>
Interest income transferred to Fund accounts:		
Administered Funds (note 20)	312,210	88,947
Capital Assets Fund (note 21)	64,728	55,856
ICAJ Welfare Fund (note 22)	42,400	15,876
ICAJ/IDB Project Fund (note 23)	49,724	42,909
	<u>469,062</u>	<u>203,588</u>
Loan interest expense	1,168,133	1,729,955
Finance cost for the year	<u>1,637,195</u>	<u>1,933,543</u>

NOTES TO THE FINANCIAL STATEMENTS

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7. EXPENSES BY NATURE:

Total administrative and other expenses:

	<u>2023</u> \$	<u>2022</u> \$
Staff costs (note 8)	26,043,288	25,773,469
Depreciation and amortisation (note 10,11)	5,526,087	5,230,246
Advertising and public relations	2,981,711	3,231,815
Legal fees	2,777,101	4,950,260
Professional fees	7,033,333	5,006,410
Property taxes	200,600	133,733
Insurance	1,698,014	881,218
Repairs and maintenance	1,127,379	1,284,280
Student affairs and awards	-	251,878
Travelling and entertainment	278,530	233,200
Subscriptions to professional associations	6,624,079	5,727,864
Information, communication and technology	4,563,296	3,289,894
Utilities	3,095,313	2,631,452
Newsletters and annual report	974,411	857,665
Bank charges	1,830,687	1,697,091
Cost of sales- ICAJ history book	97,667	-
Other expenses (see below)	<u>5,487,176</u>	<u>3,613,761</u>
	<u>70,338,672</u>	<u>64,794,236</u>
Other Expenses:		
Meeting expenses	14,841	-
Audit fees - current year	891,000	810,000
General and office expenses	935,315	531,162
Printing, stationery and computer supplies	704,450	178,285
Postage and delivery	183,443	157,643
Cleaning and sanitation	741,651	685,880
Security services	<u>2,016,476</u>	<u>1,250,791</u>
	<u>5,487,176</u>	<u>3,613,761</u>

NOTES TO THE FINANCIAL STATEMENTS

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8. STAFF COSTS:

	<u>2023</u> \$	<u>2022</u> \$
Salaries and related expenses	23,732,195	23,180,931
Pension (note 28)	809,282	778,509
Health insurance	970,751	1,386,714
Training and other benefits	<u>531,060</u>	<u>427,315</u>
	<u>26,043,288</u>	<u>25,773,469</u>

Included in the staff costs is key management compensation as follows:

	<u>2023</u> \$	<u>2022</u> \$
Salaries and related expenses	6,630,501	6,052,823
Pension	273,702	250,632
Medical and other benefits	<u>1,161,580</u>	<u>1,084,601</u>
	<u>8,065,783</u>	<u>7,388,056</u>

The number of employees at year end was ten (10) (2022 - ten (10)).

9. TAXATION:

(a) The Institute's income, derived from transactions with members and students, is exempt from income tax under the mutuality principle. The Institute is subject to income tax on investment income and on surplus arising from services to the extent that they relate to transactions with non-members.

(b) Income tax is computed at the rate of 25% on non-exempt income, adjusted for tax purposes, and comprises:

	<u>2023</u> \$	<u>2022</u> \$
Current charge	509,972	380,586
Deferred tax (income)/charge (note 26)	<u>(29,290)</u>	<u>28,430</u>
	<u>480,682</u>	<u>409,016</u>

NOTES TO THE FINANCIAL STATEMENTS

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9. TAXATION (CONT'D):

(c) Reconciliation of theoretical tax charge to actual tax charge:

	<u>2023</u> \$	<u>2022</u> \$
Surplus for the year before taxation	11,836,608	9,984,863
Income tax thereon at 25%	2,959,152	2,496,216
Income tax consequence of the following:		
Income not subject to tax	(17,249,286)	(15,137,885)
Deductible expenses not reflected in accounting surplus	(285,180)	(247,411)
Other charges	(29,290)	28,430
Expenses not deducted for tax purposes	15,085,286	13,268,226
Income tax on dividends at 15%	-	1,440
	<u>480,682</u>	<u>409,016</u>

NOTES TO THE FINANCIAL STATEMENTS

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10. PROPERTY, PLANT AND EQUIPMENT:

	<u>Freehold Land and Buildings</u> \$	<u>Construction In Progress</u> \$	<u>Computers, Furniture and Equipment</u> \$	<u>Total</u> \$
Cost				
31 March 2021	89,951,744	-	17,103,045	107,054,789
Additions	-	2,118,125	1,674,833	3,792,958
31 March 2022	89,951,744	2,118,125	18,777,878	110,847,747
Additions	-	2,818,940	2,038,104	4,857,044
Transfers	4,937,065	(4,937,065)	-	-
31 March 2023	94,888,809	-	20,815,982	115,704,791
Depreciation:				
31 March 2021	21,503,049	-	13,742,551	35,245,600
Charge for the year	2,694,784	-	1,352,517	4,047,301
31 March 2022	24,197,833	-	15,095,068	39,292,901
Charge for the year	2,694,784	-	1,648,358	4,343,142
31 March 2023	26,892,617	-	16,743,426	43,636,043
Net Book Value -				
31 March 2023	67,996,192	-	4,072,556	72,068,748
31 March 2022	65,753,911	2,118,125	3,682,810	71,554,846

Cost includes \$13,544,677 (2022 - \$12,367,319), in respect of building, computers, furniture and equipment which are fully depreciated, but are still in use.

NOTES TO THE FINANCIAL STATEMENTS

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11. INTANGIBLE ASSETS:

	\$
Cost:	
31 March 2022 and 2023	<u>4,731,779</u>
Amortisation:	
1 April 2021	197,157
Charge for the year	<u>1,182,945</u>
31 March 2022	1,380,102
Charge for the year	<u>1,182,945</u>
31 March 2023	<u>2,563,047</u>
Net book value:	
31 March 2023	<u>2,168,732</u>
31 March 2022	<u>3,351,677</u>

Intangible assets represent computer software, which is the Institute's Membership Database Management System and Website implemented January 8, 2021. It is deemed to have a finite useful life of four years, and is measured at cost, less accumulated amortisation and accumulated impairment losses, if any.

12. INVESTMENTS:

	Fair value through Other	
	Comprehensive Income	Income
	2023	2022
	\$	\$
Quoted equities:		
National Commercial Bank Jamaica Limited - 19,200 ordinary shares	<u>1,469,760</u>	<u>2,120,064</u>
Historical cost of quoted investment	4,720	4,720
Fair value gains (note 18)	<u>1,465,040</u>	<u>2,115,344</u>
	<u>1,469,760</u>	<u>2,120,064</u>

Fair value has been determined by reference to the quoted bid prices at the end of the reporting date. The method and valuation techniques used to measure fair value are unchanged compared to the previous year.

NOTES TO THE FINANCIAL STATEMENTS

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13. INVENTORIES:

	2023	2022
	\$	\$
ICAJ History Book	<u>1,571,401</u>	<u>-</u>

In 2023, a total of \$97,667 (2022 - \$NIL) of inventories is included as an expense in surplus or deficit.

14. RECEIVABLES:

	2023	2022
	\$	\$
Subscription receivables		
Members' subscription	31,700	16,300
Students' subscription	<u>1,995,917</u>	<u>1,940,667</u>
	<u>2,027,617</u>	<u>1,956,967</u>
Events receivables		
Meeting room rental	93,721	44,143
Banquet and seminars	<u>25,155</u>	<u>779,994</u>
	<u>118,876</u>	<u>824,137</u>
	<u>2,146,493</u>	<u>2,781,104</u>
Less: Allowance for impairment of events receivables	(43,543)	(49,167)
Allowance for impairment of subscription receivables	<u>(1,037,067)</u>	<u>(262,300)</u>
	<u>(1,080,610)</u>	<u>(311,467)</u>
	1,065,883	2,469,637
Professional associations	45,500	-
Deposits	<u>418,354</u>	<u>428,434</u>
	1,529,737	2,898,071
Prepayments	<u>6,594,629</u>	<u>7,009,426</u>
	<u>8,124,366</u>	<u>9,907,497</u>

All membership dues and other receivables are short term and the carrying value is considered a reasonable approximation of fair value.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

15. TAXATION RECOVERABLE:

This represents amounts recoverable from Tax Administration Jamaica, arising from income tax withheld on investment income. During the year, the tax withheld on interest income amounted to \$336,060 (2022: \$225,203)

16. SHORT-TERM DEPOSITS:

	<u>Interest Rate % p.a</u>	<u>2023 \$</u>	<u>2022 \$</u>
J\$ Short-term deposits	6.00	<u>14,050,452</u>	<u>-</u>

Short-term deposits at the end of the reporting period represent amounts invested with a licensed financial institution with maturity dates greater than three (3) months and up to twelve (12) months.

The carrying value of short-term deposits is considered a reasonable approximation of fair value.

A separate investment account was opened for the purpose of segregating and managing third-party funds, entrusted to the Institute for a specified purpose (restricted funds).

The following are classified as restricted funds:

	<u>Note</u>	<u>2023 \$</u>	<u>2022 \$</u>
Administered funds	20	6,227,902	6,755,692
Capital Assets Fund	21	4,371,727	4,306,998
ICAJ Welfare Fund	22	4,192,378	1,149,978
ICAJ/IDB Project Fund	23	<u>3,157,508</u>	<u>3,107,784</u>
		<u>17,949,515</u>	<u>15,320,452</u>

The above balance is represented by:

	<u>Note</u>	<u>2023 \$</u>	<u>2022 \$</u>
Short-term deposits- restricted funds		14,050,452	-
Cash and cash equivalents- restricted funds	17	<u>3,899,063</u>	<u>15,320,452</u>
		<u>17,949,515</u>	<u>15,320,452</u>

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

17. CASH AND CASH EQUIVALENTS:

	<u>Interest Rate % p.a</u>	<u>2023 \$</u>	<u>2022 \$</u>
J\$ Short-term investments	(2.05-7.50)	20,218,223	41,081,161
US\$ short-term investments (US\$54,950 (2022 - US\$71,934))	(1.15-1.35)	8,240,522	11,026,349
Sterling savings account (£5,615 (2022 - £5,615))	-	1,035,077	1,112,961
US\$ savings accounts (US\$9,487 (2022 - US\$18,447))	0.05	1,422,729	2,819,374
J\$ current accounts		13,652,243	6,153,655
Cash in hand		<u>35,967</u>	<u>11,349</u>
		<u>44,604,761</u>	<u>62,204,849</u>

Cash and cash equivalents are as follows:

		<u>2023 \$</u>	<u>2022 \$</u>
Cash and cash equivalents- restricted funds	16	3,899,063	15,320,452
Cash and cash equivalents- general purpose		<u>40,705,698</u>	<u>46,884,397</u>
		<u>44,604,761</u>	<u>62,204,849</u>

(i) Short-term investments at the end of the reporting period represent:

- Amounts invested with licensed financial institutions with maturity dates of three (3) months or less.
- BOJ fixed rate CD, invested for a period of 28 days, maturing on April 14, 2023

Interest receivable on short term investments amounted to \$64,900 (2022- \$182,062).

(ii) The carrying value of cash and cash equivalents is considered a reasonable approximation of fair value.

(iii) Included in cash and cash equivalent - general purpose is an amount of \$2,304,531 (2022: \$1,168,938) for funds available for building development projects (note 19).

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

18. FAIR VALUE RESERVE:

	<u>2023</u> ₤	<u>2022</u> ₤
Balance brought forward	2,115,344	2,666,000
Fair value adjustments during the year	(650,304)	(550,656)
Balance carried forward	<u>1,465,040</u>	<u>2,115,344</u>

This represents the unrealised surplus on revaluation of investments (note 12).

19. CAPITAL ASSETS RESERVE:

The movement on the account during the year is as follows:

	<u>2023</u> ₤	<u>2022</u> ₤
Balance at beginning of year	34,997,152	35,590,570
Transfer from accumulated surplus	1,135,593	957,585
Transfer to accumulated surplus	(1,551,003)	(1,551,003)
	<u>34,581,742</u>	<u>34,997,152</u>

The above balance is represented by:

	<u>2023</u> ₤	<u>2022</u> ₤
Funds utilised on building development projects	32,277,211	33,828,214
Funds available for building development projects (note 17)	<u>2,304,531</u>	<u>1,168,938</u>
	<u>34,581,742</u>	<u>34,997,152</u>

This represents funds appropriated from accumulated surplus to be utilised to finance the Institute's building development project, in accordance with Council's approval. Council is authorised to exercise discretion and transfer an amount not exceeding 10% of surplus for the year to the capital assets reserve. On completion of each phase of the capital assets project, amounts reflecting the annual depreciation charge are transferred to accumulated surplus annually, until such time as the capital asset is fully depreciated.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

20. ADMINISTERED FUNDS:

	<u>2023</u>				<u>Balance at 31 March 2023</u> ₤
	<u>Balance at 1 April 2022</u> ₤	<u>Net interest and f/x gain for the year</u> ₤	<u>Receipts</u> ₤	<u>Disbursements</u> ₤	
Education Fund	1,640,018	21,440	-	(600,000)	1,061,458
Company Law Reform Fund	368,527	5,896	-	-	374,423
Deloitte & Touche Awards Fund	27,284	437	-	-	27,721
Jasper Burnett Award Fund	67,879	1,086	-	-	68,965
Sushil Jain Award Fund	24,790	397	-	-	25,187
Raphael E. Gordon Award Fund	217,994	3,488	-	-	221,482
Library Grant	77,951	1,247	-	-	79,198
Outreach Projects	187,026	3,072	10,000	-	200,098
Kenneth Chung Memorial Bursary	<u>4,144,223</u>	<u>275,147</u>	-	<u>(250,000)</u>	<u>4,169,370</u>
Total	<u>6,755,692</u>	<u>312,210</u>	<u>10,000</u>	<u>(850,000)</u>	<u>6,227,902</u>

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

20. ADMINISTERED FUNDS (CONT'D):

	<u>2022</u>				<u>Balance at 31 March 2022</u> ₤
	<u>Balance at 1 April 2022</u> ₤	<u>Net interest and f/x gain for the year</u> ₤	<u>Receipts</u> ₤	<u>Disbursements</u> ₤	
Education Fund	723,588	16,430	900,000	-	1,640,018
Company Law Reform Fund	363,439	5,088	-	-	368,527
Deloitte & Touche Awards Fund	26,907	377	-	-	27,284
Jasper Burnett Award Fund	66,942	937	-	-	67,879
Sushil Jain Award Fund	47,545	503	-	(23,258)	24,790
Raphael E. Gordon Award Fund	214,984	3,010	-	-	217,994
Library Grant	76,875	1,076	-	-	77,951
Outreach Projects	184,444	2,582	-	-	187,026
Kenneth Chung Memorial Bursary	<u>4,335,279</u>	<u>58,944</u>	<u>-</u>	<u>(250,000)</u>	<u>4,144,223</u>
Total	<u>6,040,003</u>	<u>88,947</u>	<u>900,000</u>	<u>(273,258)</u>	<u>6,755,692</u>

The above funds represent donations received and other funds designated to finance specific activities. An amount of \$312,210 (2022 - \$88,947) was transferred from surplus for the year in respect of net interest earned on cash held for these funds, which are included with the Institute's cash resources (note 16, 17).

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

21. CAPITAL ASSETS FUND:

	<u>2023</u> ₤	<u>2022</u> ₤
Balance at beginning of year	10,537,330	10,686,866
Interest received during the year	64,728	55,856
Transfer to surplus	(205,392)	(205,392)
	<u>10,396,666</u>	<u>10,537,330</u>

The above balance is represented by:

	<u>2023</u> ₤	<u>2022</u> ₤
Short term deposits (note 16)	4,371,727	-
Cash and cash equivalents (note 17)	-	4,306,998
Net funds utilised on building development projects	<u>6,024,939</u>	<u>6,230,332</u>
	<u>10,396,666</u>	<u>10,537,330</u>

Capital Assets Fund represents direct contributions received from members and other donors to finance the Institute's capital assets development project (note 10). On completion of each phase of the capital assets project, amounts reflecting the annual depreciation charge are transferred to surplus annually, until such time as the capital asset is fully depreciated.

22. ICAJ WELFARE FUND:

	<u>2023</u> ₤	<u>2022</u> ₤
Balance at beginning of year	1,149,978	1,134,002
Add: Donation from the Institute during the year	3,000,000	-
Donation from donors during the year	-	100
Interest earned during the year	<u>42,400</u>	<u>15,876</u>
	<u>4,192,378</u>	<u>1,149,978</u>

ICAJ Welfare Fund ('the Fund') was incorporated as a company limited by guarantee and not having share capital. The Fund commenced operation on 11 May 2010, for the purpose of promoting the welfare, including assisting with relief of poverty, distress and illness of all members (past and present) of the Institute of Chartered Accountants of Jamaica.

31 MARCH 2023

22. ICAJ WELFARE FUND (CONT'D):

By resolution on 7 July 2016 the Board of Directors of ICAJ Welfare Fund approved the transfer of all assets and liabilities to the Institute, as a precursor for winding up the Fund. In correspondence dated 22 March 2022, Companies Office of Jamaica notified the Directors that ICAJ Welfare Fund was removed from the Register of Companies on 18 March 2022.

The above balance is held in accounts maintained by the Institute (note 16). Meanwhile, strategies are being developed to fulfill the initial mandate.

By resolution of the members of ICAJ, approved at the Annual General Meeting on 27 July 2011, Council may exercise discretion and transfer an amount, not exceeding 10% of each year's surplus to the Fund before taxation. During the year, the Institute transferred \$3,000,000, in relation to the last three (3) years, 2021-2023.

23. ICAJ/IDB PROJECT FUND:

In March 2003, the Institute signed an Agreement for a grant of US\$665,000 from the Inter-American Development Bank (IDB) to finance the *Improving the Application of and Compliance with International Financial Reporting and Auditing Standards Project*. Under the Agreement, the Institute was required to provide counterpart contributions totaling US\$350,000 in cash and kind over the life of the Project.

The Project was initially for a period of thirty-six (36) months and consisted of four (4) main components:

- (i) Conduct of an independent assessment of accounting and auditing in Jamaica in accordance with the Reports on the Observance of Standards and Codes (ROSC) program;
- (ii) Assistance in the implementation of International Financial Reporting Standards (IFRS);
- (iii) Building adequate mechanisms for the enforcement of IFRS and International Standards on Auditing (ISA); and
- (iv) Establishing systems and processes that sustain the implementation of IFRS and ISA.

The Project activities commenced and the Institute began receiving grant funds from IDB in April 2004. The Project was completed on 24 November 2008. In accordance with the grant agreement, funds remaining at the end of the project will be used by the Institute to support the sustainability of the project.

31 MARCH 2023

23. ICAJ/IDB PROJECT FUND (CONT'D):

Fund balance at the end of the reporting period comprises:

	<u>2023</u> \$	<u>2022</u> \$
Balance at beginning of year	3,107,784	3,064,875
Interest earned during the year	<u>49,724</u>	<u>42,909</u>
	<u>3,157,508</u>	<u>3,107,784</u>

The Fund balance is represented by bank balances maintained by the Institute (note 16).

24. DEFERRED INCOME:

Lifetime membership fees

	<u>2023</u> \$	<u>2022</u> \$
Balance at 1 April	3,396,738	3,863,004
Credited to income during the year	<u>(466,266)</u>	<u>(466,266)</u>
Balance at 31 March	2,930,472	3,396,738
Student subscription fees	5,098,500	5,313,600
Other	<u>186,522</u>	<u>1,029,826</u>
	8,215,494	9,740,164
Less: current portion	<u>(5,751,288)</u>	<u>(6,809,692)</u>
	<u>2,464,206</u>	<u>2,930,472</u>

- a) As of September 2016 the Institute introduced a new status, granting lifetime membership to qualifying members and inducted the first set of members in December 2016. Under the new structure, qualifying members who apply for the status are required to make a lump sum payment of 10-20 years' membership fees, based on age, membership category and the prevailing rates at the time of approval for lifetime membership.

Lifetime membership revenue is recognised over the period used to determine the subscription fees for the eligible members.

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

24. DEFERRED INCOME (CONT'D):

- b) Students' subscriptions are due and payable on 1 January of each year. Deferred income relates to the portion of such subscriptions to be recognized as income in the subsequent financial year.

25. LONG-TERM LOAN:

	Interest rate % p.a	<u>2023</u> ₹	<u>2022</u> ₹
JN Bank	9	-	15,165,116
Less: Current portion		-	(1,058,567)
		<u>-</u>	<u>14,106,549</u>

The loan was collateralised by a mortgage on the Institute's property at 8 Ruthven Road, Kingston 10 [note 11]. The loan was repaid in full on November 24, 2022.

26. DEFERRED TAX LIABILITY:

Deferred income tax is calculated in full on temporary differences under the liability method using a principal tax rate of 25%.

Deferred income tax liability is as follows:

	<u>2023</u> ₹	<u>2022</u> ₹
Deferred tax liability	<u>16,225</u>	<u>45,515</u>

The movement in deferred taxation is as follows:

	<u>2023</u> ₹	<u>2022</u> ₹
Balance at start of year	45,515	17,085
(Income)/charge for the year (note 9)	<u>(29,290)</u>	<u>28,430</u>
Balance at end of year	<u>16,225</u>	<u>45,515</u>

Deferred taxation is due to the following temporary difference:

	<u>2023</u> ₹	<u>2022</u> ₹
Interest receivable	<u>16,225</u>	<u>45,515</u>

NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2023

26. DEFERRED TAX LIABILITY (CONT'D):

No deferred tax assets was recognised on tax losses amounting to \$10.2 million (2022-\$12.2 million) as it is uncertain that future taxable profits will be available against which the temporary differences can be utilised.

27. PAYABLES:

	<u>2023</u> ₹	<u>2022</u> ₹
Subscriptions to professional associations: (US\$NIL (2022 - US\$28,450))	-	4,375,041
Due to contractor- Trend Development	570,470	-
Payables	<u>8,273,102</u>	<u>8,181,651</u>
	8,843,572	12,556,692
Prepaid members' subscriptions	2,963,246	913,959
Accrued vacation	3,049,249	2,878,519
General Consumption Tax (GCT)	12,710	154,438
Payroll taxes	351,830	337,147
Security Deposit	500,000	500,000
Other	<u>268,773</u>	<u>310,845</u>
	<u>15,989,380</u>	<u>17,651,600</u>

All amounts are short-term and the carrying value is considered a reasonable approximation of fair value.

28. PENSION:

The Institute operates a defined-contribution pension plan for its employees, which is administered by a life assurance organisation. The plan was established in the financial year ended 31 March 1999 and is funded by contributions from employees and the Institute. The Institute contributes at a rate of five percent (5%) of pensionable salaries, while employees contribute at a mandatory rate of five percent (5%) but may make voluntary contributions not exceeding an additional ten percent (10%). Pension benefits are based on contributions plus accumulated interest; accordingly, the Institute's liability is restricted to its contributions.

The Institute's contribution to the plan during the year amounted to \$809,282 (2022 - \$778,509) (note 8)).

29. RELATED PARTY TRANSACTIONS:

The members of the Council are volunteers. No member of the Council has received payment in respect of services to the Institute, other than by way of reimbursement of incidental expenses incurred in providing such services. The members of Council and the Executive Director are referred to as "key management personnel" (note 8).

SCHEDULE OF EXPENSES

YEAR ENDED 31 MARCH 2023

	<u>2023</u> ₤	<u>2022</u> ₤
ADMINISTRATIVE AND OTHER EXPENSES:		
Salaries and other staff costs	26,043,288	25,773,469
Water	707,413	668,602
Property taxes	200,600	133,733
Insurance	1,698,014	881,218
Legal fees	2,777,101	4,950,260
Professional fees	7,033,333	5,006,410
Travelling and entertainment	278,530	233,200
Advertising and public relations	2,981,711	3,231,815
Subscriptions to professional associations	6,624,079	5,727,864
Repairs and maintenance	1,127,379	1,284,280
Depreciation: building	2,694,784	2,694,784
Depreciation: computer, furniture and equipment	2,831,303	2,535,462
Information, communication and technology	4,563,296	3,289,894
Electricity	2,387,900	1,962,850
Students affairs and awards	-	251,878
Newsletters and annual report	974,411	857,665
Cost of sales- ICAJ history book	97,667	-
Bank charges	1,830,687	1,697,091
Meeting expenses	14,841	-
Audit fees	891,000	810,000
General and office expenses	935,315	531,162
Printing, stationery and computer supplies	704,450	178,285
Postage and delivery	183,443	157,643
Cleaning and sanitation	741,651	685,880
Security services	<u>2,016,476</u>	<u>1,250,791</u>
	<u>70,338,672</u>	<u>64,794,236</u>

DETAILED STATEMENT OF SURPLUS FROM SELF-FINANCING ACTIVITIES

YEAR ENDED 31 MARCH 2023

	<u>Seminars</u> ₤	<u>Rental</u> ₤	<u>Awards Banquet</u> ₤	<u>Total 2023</u> ₤	<u>Total 2022</u> ₤
Income					
Fees -					
Members	23,897,826	-	1,445,652	25,343,478	15,146,406
Non-members	10,274,522	-	1,202,174	11,476,696	7,128,086
Rental	-	3,802,186	-	3,802,186	3,188,607
Sponsorship	<u>3,005,250</u>	<u>-</u>	<u>1,643,478</u>	<u>4,648,728</u>	<u>2,011,000</u>
Total income	<u>37,177,598</u>	<u>3,802,186</u>	<u>4,291,304</u>	<u>45,271,088</u>	<u>27,474,099</u>
Less: Expenses					
Advertising and public relations	1,076,314	-	1,520,767	2,597,081	926,903
Entertainment	-	-	332,813	332,813	-
Catering charges	895,657	-	1,677,103	2,572,760	221,771
Presenters' expenses	1,234,739	-	-	1,234,739	1,104,904
Professional fees	-	-	-	-	(50,000)
Equipment and facilities rental	2,774,286	410,961	120,197	3,305,444	1,370,407
Share of profit- PAB	2,315,671	-	-	2,315,671	-
Staff travelling and subsistence	8,855	37,935	-	46,790	44,630
Other costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,625</u>
Total expenses	<u>8,305,522</u>	<u>448,896</u>	<u>3,650,880</u>	<u>12,405,298</u>	<u>3,691,240</u>
Surplus for the year (note 5)	<u>28,872,076</u>	<u>3,353,290</u>	<u>640,424</u>	<u>32,865,790</u>	<u>23,782,859</u>

NOTES



EQUIPPING THE PROFESSION FOR A CHANGING WORLD

Bankers:

CIBC FirstCaribbean International Bank Limited
23 Knutsford Boulevard
New Kingston

Auditor:

Mrs. Jennifer Green-Hibbert
Chartered Accountant

Institute of Chartered Accountants of Jamaica

Registered Office: 8 Ruthven Road, Kingston 10

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Lenox Quallo
Garfield Robinson

Concept/Design & Layout:

Loumat Media



INSTITUTE OF CHARTERED ACCOUNTANTS
OF JAMAICA

Annual Report 2022 - 2023

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