



2014 ANNUAL REPORT

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Table of Contents

1	Corporate Information	5
2	Purpose.....	6
3	A Message from the Chairman.....	8
3.1	Current Context.....	8
3.2	Corporate Governance and the Role of the CCGI.....	9
3.3	CCGI Focus in Start-up phase	10
3.4	Corporate Governance.....	12
3.5	Looking ahead.....	13
4	A Message from the CEO	15
4.1	Overview of Financial Performance	15
4.2	The Future	16
5	Milestones & Highlights	18
5.1	Membership.....	19
5.2	Guides & Standards.....	20
5.3	Professional Development.....	21
5.4	Education & Events.....	24
5.5	Corporate Development.....	24
5.5.1	Technology	24
5.6	Leadership & Staffing.....	25
5.7	Sponsorship	25
	Corporate Governance	26
5.8	Board oversight.....	26
5.9	Independence of Directors.....	28
5.10	Statement of Remuneration Philosophy	30
5.11	Meeting of Members.....	30
5.12	Internal Control and Risk Management.....	30
5.13	Auditor Independence.....	31
5.14	Code of ethics	32
5.15	Conflicts of Interest	32
5.16	Nomination and Election of Directors.....	32
5.17	Information and Professional Development.....	36
5.18	Board evaluation	36
5.19	Board Committees	36

5.19.1	Membership Committee.....	36
5.19.2	Audit Committee	37
5.19.3	Nomination & Elections Committee	38
5.20	Board.....	38
5.20.1	Composition.....	38
6	TTCGC Application and CG Disclosure Summary.....	47
	Table 1: Director Competency Matrix.....	35
	Table 2: TTCGC Application Summary.....	47
	Table 3: Corporate Governance Disclosure Summary.....	50

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1 Corporate Information

Directors

Axel Kravatzky (Chairman)
Desiree Gobin-Seecharan (CEO)
Dennis Brown
Sharon Christopher (to December 2004)
Leslie Clarke
Clarence Faulkner
Fe Lopez-Collymore
Arnold Niranjana
Annette Rahael
Marlon Yarde

Corporate Secretary

Fe Lopez-Collymore (up to 8 July 2014)
Desiree Gobin-Seecharan (from 9 July 2014)

Registered Office

14 Alcazar Street
Port of Spain
Trinidad & Tobago

Auditors

BakerTilly, Montano, Ramcharitar
Mecalfab House
92 Queen Street
Port of Spain
Trinidad & Tobago

Bankers

Scotiabank Trinidad and Tobago Limited
Ellerslie Plaza
Maraval
Trinidad & Tobago

CIBC FirstCaribbean International Bank
74 Long Circular Road
Maraval
Trinidad & Tobago

2 Purpose

CCGI's Vision

To be the leading non-profit professional membership organization serving directors and investors in the region individually and collectively, bringing about effective organizations and efficient markets in the Caribbean.

CCGI's Mission

To promote world class transparency and competitiveness for companies in the 20 CARICOM countries through the promotion of leading corporate governance practices, education programs, corporate governance guidelines, networking, linkages with regional and international bodies, and by providing counselling on corporate governance and related matters.

CCGI Objectives

The Caribbean Corporate Governance Institute is a not-for-profit organization dedicated towards advancing principles of corporate governance across the Caribbean. Our objectives are:

1. To pursue world class transparency and competitiveness of public, private and state or municipality owned companies in the Caribbean through the promotion of leading corporate governance practices.
2. To offer corporate governance education programs to board members and officers of public, private and state or municipality owned companies including non-governmental and voluntary organizations in the Caribbean.
3. To develop and maintain corporate governance guidelines for Caribbean companies to promote best international corporate governance practice in the region;
4. To establish and maintain an active network of members;
5. To establish relationships with international bodies active in corporate governance as well as with peer organizations in other countries;
6. To raise national and regional awareness of corporate governance practices adopted in the Caribbean countries; and
7. To provide advice and counseling on corporate governance practices and related matters.

The CCGI aims to develop towards serving the corporate governance needs of Members in the 15 CARICOM member states and the 5 associated member states:

Anguilla
Antigua and Barbuda
The Bahamas
Barbados
Belize
Bermuda
British Virgin Islands
Cayman Islands
Dominica
Grenada

Guyana
Haiti
Jamaica
Montserrat
Saint Kitts and Nevis
Saint Lucia
Saint Vincent and the Grenadines
Suriname
Trinidad and Tobago
Turks & Caicos Islands

3 A Message from the Chairman

3.1 Current Context

On behalf of the Caribbean Corporate Governance Institute (CCGI), I am pleased to make the following statement to our members for the year ended 2014.

To a very large extent global and regional economic conditions have, to a great extent, not changed over the past year.

Since the global financial crisis erupted in 2007/2008 the effects are still being felt in many parts of the world.

Most Caribbean Governments as well as companies across the Caribbean are struggling to adapt and to respond to the changes in national, regional, and global markets.

In addition to having to continue to struggle with large government debts and poorly performing economies that are causing social hardships, protracted and difficult special debt relief or concessional loan negotiations, the fall in oil prices over the past year has resulted in one of the biggest new developments.

Times of change, whether that be due to economic growth or contraction always bring corporate governance to the forefront as organizations and collectively economies and societies are seeking ways to master the associated turbulences and maintain their viability.

In times of slow economic growth or contraction, financial resources are scarce, and some companies and even Governments find it difficult to invest in Corporate Governance improvements even when they know that a system of clear goal setting, risk management, and monitoring would be needed to increase the viability of their organizations.

Since the CCGI's mandate is not limited to working only with the most liquid organizations, this means therefore that there is a continued and even heightened need to innovate and provide the highest quality corporate governance services for its members and the wider public.

Over the past year the pattern of increasing regulatory requirements for firms throughout the Caribbean – many of which are being promoted by jurisdictions and associations outside of the region – has continued. Examples of these are FATCA, Anti-Money Laundering and Prevention of Terrorist Financing, several jurisdictions in the region updating or preparing to update the legislation governing Insurance and Credit Unions, in Trinidad & Tobago also Public Procurement legislation with far reaching consequence for the governance systems of organizations. The Barbados Stock Exchange, a member organization of CCGI, and whose CEO, Marlon Yarde, is a Board member of CCGI, issued their Corporate Governance Guidelines, effective January 2014.

While individual companies are struggling to adapt and industry associations are

individually seeking to lobby for considerations of timing and proportionality to be taken into account, there is also the need to have cross industry and cross jurisdiction conversations about what regulation truly adds to corporate governance, and therefore real benefits to the organizations and their shareholders and stakeholders. This too is present an important challenge for the CCGI to engage with and add value, as its mandate requires it to.

3.2 Corporate Governance and the Role of the CCGI

CCGI is incorporated as a private independent not-for-profit organization governed in accordance with the Companies Act of Trinidad and Tobago. Its directors serve on a voluntary pro-bono basis and I take this opportunity to thank all of them for their time and support.

To achieve its mission the CCGI is bringing together members and stakeholders for educational programmes and towards the development of standards and guides that are appropriate for diverse types of organizations across the Caribbean.

One way of describing CCGI's business model is through its two main areas, or pillars, of service:

- best practice guidance and
- corporate governance education

The organizational design rests of few main values and principles:

- it is a regional membership organizations where members join forces to create benefits that are relevant to members (individually, organizations, markets in which they operate and thereby also societies);
- CCGI is committed to the highest levels of corporate governance, transparency, accountability, teamwork, and world class educational standards that are locally relevant and officially accredited.

As new organization, growth will take place in stages. The primary service achievement in CCGI's first year of operation, 2013, was the leadership and development and publication of the first Trinidad & Tobago Corporate Governance Code (2013), together with its partners, the T&T Chamber of Industry and Commerce and the T&T Stock Exchange.

At the end of the last reporting period, in December 2013, the Board of Directors created the Board Education Committee (BEC) and gave it the mandate to rigorously examine and recommend to the Board what approach to Professional Development and Education the CCGI should take. In April of 2014 the Board decided, in full agreement with the BEC recommendation. CCGI could take one of three primary paths:

- specialize in low cost education focused on abbreviated development programmes that rely on materials from other jurisdictions, and seek volunteer staff locally or

internationally, and offer programmes and certificates that would not meet national accreditation standards and therefore also have limited recognition or

- outsource to a very large extent the provision of an educational programme leading to Chartered Director status to one of the three other leading organizations worldwide that are offering such programmes (the Institute of Directors in London, the Canadian Institute of Corporate Directors, or the Institute of Directors in South Africa), or
- Invest in the development of a regional Gold Standard, a comparable Chartered Director programme that fulfills national accreditation requirements under the leadership of the former Director of Professional Development and Standards who institute the IoD Programme, Dr Chris Pierce.

The Board considered the risks associated with the different options, and chose the slower, more rigorous, more viable Gold Standard route, with an authentic Chartered Director programme that would be comparable in structure to that of the UK and Canada where participants first build the foundation of knowledge (the Certificate), then build out their repertoire of skills (the Diploma), and finally present a documented portfolio of leading practical application of their own work (Chartered Director).

The CCGI complements this comprehensive and integrated programme with short corporate governance awareness sessions (CG Bytes – a name we learned from the Mauritius Institute of Directors), in depth looks at a variety of topics (Master Classes), and in the future also Conferences and other forms of exchange.

During the course of the year, the work on best practice standards continued and with respect to the T&T Corporate Governance Code (TTCGC), the three partner organizations signed an Memorandum of Understanding (MOU), thereby launching Phase 2 of that project which seeks to support the wide adoption of the Code Principles and Recommendations, as well as systematically work with a newly constituted work group to ensure that code maintains is relevance and appropriateness.

Through the CG Bytes that the CCGI conducted on how to report application of the principles and recommendations and disclose the required details with regard to the organizations Corporate Governance practices we learned that many company boards, private, listed, and public bodies are actively working with the Code and have chosen to first bring their Corporate Governance systems closer in line with best practice, before they publicly proclaim adoption of the code, and then disclose and report in accordance with the Code.

3.3 CCGI Focus in Start-up phase

Since we began operations in January of 2013 we have been able to achieve

important milestones and success, in no small measure due to the dedication, commitment, and leadership of our founding CEO, Ms Alex Kjorven. I would like to take this opportunity to thank her, on behalf of the entire board, for all her contributions and for enabling the CCGI to achieve all the successes over the past year.

In the Board's view this has been a high risk year for the CCGI, being still very early in its start-up. Consequently much of the CEO's time was taken up with the establishment of the organizational infrastructure required for members from across the Caribbean to join. In addition to this foundation work, we also undertook the significant task of developing the Trinidad & Tobago Corporate Governance Code in partnership with the Trinidad and Tobago Chamber of Industry and Commerce and the Trinidad and Tobago Stock Exchange. The CCGI was chosen as the Secretariat of the Working Group Chaired by Roger Hamel-Smith, Retired Justice of Appeal of the Supreme Court of T&T, because of our expertise and the fact that such codes and standards are part of our core work.

The T&T Code Project was chosen because in addition to addressing an important corporate governance need, the contributions we received from the Project Partners made it a viable project for the Institute. The project was extended from six to eleven months, and while very successful, it may have impinged (to some extent) on the development of our education programmes. This delay may have reduced the number of educational

events for current and potential members to attend. Fewer events lowered the likelihood that members would join and that in turn reduced available income as well as the potential for mounting income generating events. However, the budget and targets were revised and updated with newly gained market information and by the end of the year we were close to achieving our target membership number of 100.

An additional benefits from this prolonged preparatory stage for the education programme has been a much strengthened foundation. The programme that the CCGI can provide from 2014 onwards is therefore likely to lead to an acceleration in membership, sponsorship, and income growth that is set to last.

Until August of 2013 the Board met on a quarterly basis. This was then revised to meetings every six weeks. Later in the year the Board also constituted a number of additional Board Committees to support the work of the organization.

The Institute, the T&T code project and the events the CCGI organized or helped to organized have been very graciously supported by sponsors, partners, and well-wishers both in cash and in kind. I would like to express the Board's sincere appreciation for all contributions. As expected, the income we generate at present does not yet match our expenses and so we are counting on continued and even increased support by the corporate community across the Caribbean.

3.4 Corporate Governance

While governance practices of boards should always be dynamic and evolve with the context of the organization, over the past year the Board's role evolved so dynamically that I should address in this statement.

In addition to being committed to governing at least in accordance with the principles and recommendation of the TTCGC, the Board is also governing in accordance with Policy Governance ® and Roberts Rules of Order Newly Revised (as mandated in our Bye-Laws).

At the time of our last Annual General Meeting, we apprised members of the upcoming CEO transition as our previous CEO, Alex Kjorven, moved back to Canada at the end of March, we conducted a regional recruitment campaign for a new CEO. The Board also gave operational powers to the Board Education Committee that it had instituted in December of 2013, strengthened its membership, and placed it under the Chairmanship of Rani Lakhan-Narace.

As a result of the transition the CCGI was without a CEO for a period of three months. As a temporary measure, the Board authorized me to work as an Executive Chairman, taking on the operational functions that were not covered by the Board Education Committee.

As soon as the Dr Chris Pierce was hired as a consultant to lead the operational establishment of the Education Programme Board Leadership, the Board Education Committee released its operational functions and was authorized by the Board to take on a governing function for the Education Programme.

As soon as Desiree Gobin-Seecharan came on board on at the beginning of July as CEO, the Board Education Committee prepared to dissolve in order to make way for the requisite governance structure of an education programme can can be officially accredited.

Amongst the key feature that such a governance structure must are properly configured, staffed, and operational quality management systems, as well as a separation of the teaching from the examinations function, and the presence of an external examiner.

For an organization with as few staff as CCGI, this means that the Board itself must take on some roles, members of the Institute who have the experience but who are not exposed to possible conflicts of interest must also get involved in the governance of the programme.

By the end of the year, when the structure and all processes had been prepared, the Board decided to evolve its roles again. At all times, the board functioned with explicit policies and all committees have clear mandates and precise authorization.

The committee system and the reporting relationships are illustrated in the figure on the following page. Full and current governance policies are, as always, readily downloadable on our website.

Audit and Risk, Membership, and Bye-Laws Review committees were also functioning and their mandates and composition are published on the website.

The Corporate Governance & Nominations Committee prepared a Board self-evaluation through customized survey tool, and results and recommendations were shared with the Board for follow-up action and to inform the nominations process for the second AGM on April 17, 2015.

I want to thank all the Board members of the CCGI for their commitment, availability, teamwork and excellent contributions.

Continuous board renewal is mandated in our Bye-Laws.

3.5 Looking ahead

Last year I said that success over the coming three years will hinge on the Institute doing well in four key areas:

1. Education programme.
2. Viable regional network
3. Custom standards and guides
4. Leading by example

Over the past year we have built a very solid and high quality education programme. Over the coming years we will continue expanding the staffing, including also regional staff that graduate from our Train the Trainer programme. By mid 2015 the first cohort will have completed their exams and be ready to start on the Diploma in Corporate Governance. In 2016 we can then expect to have candidates for the Chartered Director qualification.

In the field of corporate governance there is now considerable exchange in the Caribbean. Our aim has been and continues to be to create a movement that includes and evolution of culture and practices related to corporate governance. With increasing success there will be an increase in training providers, participants, engaged stakeholders, regulators who address corporate governance issues. We welcome and promote these developments as they are indicators of success.

The role of the CCGI in the regional network is to be a professional meeting, work, and education space that is not captured by any one single interest group or perspective, that is working for the greater good and not private profit, and that works with the entire corporate governance system and not only directors, regulators, businesses, state bodies, accounting, auditing, corporate secretarial, investment, media, academic, legal or other individual elements of the corporate governance system.

Key to success is the building of trust and new relationships are forged and corporate

governance stakeholders must experience CCGI in the role described above. As more organizations are speaking about corporate governance terms will be used with different understandings. It will be important for CCGI to be effective public communication so as to educate and create a shared language and understanding.

We are committed to working with stakeholders throughout the region on custom standards and best practice guides. CCGI seeks to promote high and aspirational standards and welcomes the contributions by all while reserving the right to seek to influence standards and practice guides so as to ensure they are as meaningful, proportionate, and value adding as possible.

We expect the CCGI membership to be actively involved in this process and that is described in other sections of this report.

On behalf of the Board of CCGI I want to sincerely thank Alex Kjørven and Desiree-

Gobin-Seecharan(our CEOs over the past year) and David Quesnel for having lead the operations with such dedication and energy. The Board feels very confirmed in the choice of Dr Chris Pierce as Director of Education, Not only has Chris proven to be tremendously productive and creating a fully-fledged and world class programme that has impressed the Accreditation Council of Trinidad & Tobago, but the feedback has been receiving for the courses he has been so positive that a superlative quality scale item may well be in order.

Thank you also for the continued support of our sponsors – especially First Citizen, our first Foundation Sponsor.

It has been an honour to serve and I thank you.

Axel Kravatzky, PhDChairman

4 A Message from the CEO

At the beginning of 2014, the primary objectives of the CCGI was to develop its education programme, build the membership base and consolidate and improve on its administrative infrastructure. These areas were seen as key to growing the organisation's capacity and establishing a measure of financial stability. These goals, however, did suffer some setback as the founding CEO left the organisation in March 2014 and was not replaced until July 2014. However, in spite of this much was accomplished due in part to the hard work of the Chairman and other volunteers who stood in the breach and continued to be supportive throughout the year.

The major focus of the Institute was the development and launch of its professional development programmes. Specifically the development of the Chartered Director Qualification including the programmes leading to the qualification i.e. the Diploma and Certificate in Corporate Governance. It was a major accomplishment for the CCGI when the Certificate Programme was launched in July 2014 in Trinidad and Tobago. The Institute was able to hold three of the four modules that comprise the Certificate Programme in 2014 as well as two Corporate Governance Master Classes which are also part of the Professional Development structure. These programmes generated good interest from both members and non-members and was the CCGI's largest revenue earner in 2014.

Initially it was assumed that membership growth would be a natural offshoot of the educational initiatives. This assumption proved to be incorrect. Individuals were appreciative of our work but did not naturally make the decision to become a member as a result of their positive interactions with the CCGI. While membership did increase, more direct strategies will be used in the future to achieve our desired outcomes.

The day to day administration of the organisation throughout 2014 was heavily labour intensive which put much pressure on the limited resources of the Institute. There were also teething issues with our IT platform which I am pleased to say were resolved within the 4th Quarter of 2014. With this accomplishment, many of the administrative functions of the organisation are now automated and require little direct intervention. The membership management software also allows the CCGI to communicate more effectively with our members and manages member activity.

4.1 Overview of Financial Performance

The Institute earned a profit of \$38,556 for 2014 as compared to a loss of -\$2,615 for the prior period¹. Total Income increased by 95.16% to \$1,073,889. The most significant income earner was Seminars and Other Income which accounted for 61.81% of our total income; there was no Seminar and Other Income for the prior period. Events Costs increased by 63.77% to \$238,079. The resulting Gross Surplus for 2014 was

¹ period ending December 31, 2014.

\$835,810, an increase of 106.43% over the prior period.

Expenses totalled \$783,235, an increase of 92.82% over the prior period. Administrative and general expenses were the most significant expense item representing 96.54% of the Expenses. Total Assets increased by 32.37% over the prior period. Cash in hand and at bank is the most significant asset representing 74.02% of Total Assets.

It should be noted that Accounts Receivable decreased by 24.96% even though Income had significantly increased. Management has undertaken an aggressive collection policy in regard to balances due to the Institute.

Total liabilities were \$163,716, an increase of 6.59%. Accruals and other payables increased by 136.10% to \$59,025. It should be noted that our Taxation payable increased 1,073.43% to \$15,325. Taxation for 2014 was \$14,019.

In summary, the Institute closed 2014 on a positive note and efforts will be made to sustain and enhance CCGI's profitability in the current period.

4.2 The Future

The Institute is a Caribbean body and our intention is to engage and offer more, not only to our members in Trinidad and Tobago but also to those within the region. We have already made small steps to reach out to our Caribbean neighbours and will seek to expand on these, mainly in the areas of membership growth and education and awareness building.

CCGI has invested heavily in its Professional Development Programme and will continue to pursue its development and full accreditation so that members who achieve certification will have the assurance of a qualification that is academically sound and recognised.

Membership growth and engagement will be another key area of focus. Working Committees comprised of members will be one of the ways in which the CCGI will engage our members. These committees will serve not only to increase the resources available to achieve the objectives of the organisation but will allow members to contribute to the development of the CCGI, network with their peers and expand their personal and professional development.

The CCGI's mission is to promote world class transparency and competitiveness for companies through quality education, networking, standards and guidance. In 2015 we hope to harness and build upon our resources to create a more enabling environment which will facilitate the growth of both the CCGI and its members.

In closing I wish to thank the Directors and members of the Institute for their support over the past 6 months in my role as Chief Executive Officer.

Desiree Gobin-Seecharan
Chief Executive Officer

5 Milestones & Highlights

Milestones & Highlights

January 2014	The Institute hosts its inaugural Annual General Meeting and elects new Directors to the Board of Directors
May 2014	The Institute hosts its first Corporate Governance Masterclass on Board Dynamics & Decision Making: The Secrets of Successful Boards in Trinidad & Tobago
July 2014	The Professional Education Programme is launched in Trinidad & Tobago with the Gold Standard – the Certificate in Corporate Governance (CCG) – the first step leading to the Chartered Director Qualification
September 2014	Phase 2 of the Trinidad and Tobago Corporate Governance Code (TTCGC) is launched with the establishment of the TTCGC Working Group – Phase 2
October 2014	The Institute hosts its first TTCGC Awareness Building Seminar Part 3 of the Certificate in Corporate Governance is held in Trinidad and Tobago
November 2014	TTCGC Partners: The Institute, the Trinidad and Tobago Stock Exchange, the Trinidad and Tobago Chamber of Industry and Commerce sign the Memorandum of Agreement for Phase 2 of TTCGC The Institute hosts another TTCGC Awareness Building Seminar
December 2014	The Institute submits its Application for Registration to the Accreditation Council of Trinidad and Tobago The Institute hosts its first Members' Christmas Networking Event

5.1 Membership

The Caribbean Corporate Governance Institute (CCGI) began 2014 with a total of 91 members. Thirty (33%) of these Members joined as individuals and the remaining 61 (67%) joined the Institute as part of an organisation.

During the course of 2014 and additional 43 persons joined the CCGI. The Institute now has a total of 134 members, 50 joined as individuals and 84 as part of an organisation. While the institute's membership base continues to span across the Caribbean states of Barbados, British Virgin Islands, Jamaica, St. Lucia and Trinidad and Tobago, the majority of our membership still resides within Trinidad and Tobago.

Total Members	134
Individual Members	50
Organisational Memberships	11

Companies Represented Amongst the Membership

Accreditation Council of Trinidad and
 Tobago (ACTT)
 Agostini's Limited
 American Chamber of Commerce of Trinidad
 and Tobago (AmCham T&T)
 Annette Rahael Consulting
 AVATAR Insurance Company, USA
 Barbados Stock Exchange Inc.
 BCQS International
 BizTactics Limited
 Blue Waters Products Limited
 Caribbean Corporate Clinic Ltd.
 Caribbean Corporate Governance Institute
 Centrica Trinidad and Tobago Limited
 Chaguaramas Development Authority
 Ernst & Young Services Limited
 Famguard Corporation Limited
 Financial Services Regulatory Authority
 First Citizens Bank Ltd
 Government Information Services Limited
 Guardian Holdings Limited
 Inter-American Development Bank
 Intercommercial Bank Limited
 Jamaica Money Market Brokers Limited
 Kee-Chanona Ltd.
 KR Services Limited
 Mair & Company, Attorneys at Law
 Murphy Clarke Financial Limited

National Enterprises Limited
National Library Information System
Authority
Oscar Francois Limited
Pamela Williams & Associates
Pension Management Interactive, Inc.
PricewaterhouseCoopers
Reinsurance Co. of T&T Limited (TRINRE)
Republic Bank Ltd
Savannah Computing Limited
Sterling Insurance Services Limited
Syntegra Change Architects Ltd.
TCL Group
The Beacon Insurance Company Limited
The Energy Chamber of Trinidad and Tobago
The Law Chambers Of Ronnie Bissessar
The Phi Group Limited
The University of the West Indies
The West Indian Tobacco Co. Ltd.
TOSL Engineering Limited
Trinidad and Tobago Chamber of Industry
and Commerce
Unilever Caribbean Limited

5.2 Guides & Standards

As one of the partners in the Trinidad and Tobago Corporate Governance Code (TTCGC) Project and the Secretariat for the TTCGC, the Institute continued to work on building awareness and encouraging adoption of the Code. In this regard, there was a hiatus as the Institute transitioned from one CEO to another, however work began in earnest in September 2014.

Phase 2 of the TTCGC Project was launched in September 2014 with the establishment of the new Working Committee whose mandate is to

- provide practical tools, resources and understanding to potential users of the Code and enable companies to adopt best practices for their organization in a manner most beneficial to them.
- maximize the penetration of TTCGC across companies, sectors, roles and industries.
- create mechanisms for evaluation and for gathering continuous feedback that would inform the timing, direction and content of future revisions to the TTCGC.

To accomplish its objectives the Phase 2 Working Committee established three sub-committees from among its members:

- The *Listed Companies Committee* focuses on encouraging adoption and application of the TTCGC by Listed Companies.

- The *Stakeholder Outreach Committee* focuses on encouraging the adoption and application of the TTCGC by companies not listed on the TTSE and on identifying barriers to the adoption of the Code.
- The *Consultation and Evaluation Committee* mandate is to design and execute consultations (public or group) to obtain feedback on the TTCGC and recommendations for its improvement.

These committees were quite active during the fourth quarter of 2014 and have been able to develop initial action plans as well as in some instances commence implementation of same.

In November 2014, the Code Partners – the Institute, Trinidad and Tobago Chamber of Commerce and Industry and the Trinidad and Tobago Stock Exchange finalised and signed the Memorandum of Understanding which governs how the Partners work together to implement the TTCGC Project.

As a Code Partner, the Institute has a duty to promote the awareness and adoption of the TTCGC. In this regard, the Institute hosted two (2) awareness building seminars entitled “*Practical Guidelines for Disclosing in Accordance with the TTCGC*” in October and November 2014. These corporate governance bytes were very well received by both the public and private sector.

5.3 Professional Development

In April 2014, after months of deliberations and investigations by the Board Education Committee (BEC), the Board of Directors of the Institute approved the recommendations of the BEC to develop and commence a CCGI Education Programme and appoint Dr. Chris Pierce as CCGI’s Director of Education.

Our Director of Education, an international expert in the field of Corporate Governance, developed the Institute’s Professional Development Programme which includes at this time a Chartered Director Qualification, a Diploma and a Certificate in Corporate Governance. The concept of one day advanced modules or Master Classes focused on specialised operational areas was also developed.

Matters progressed very quickly and CCGI’s Professional Education Programme was launched in May 2014 with the first Corporate Governance Master Class which was facilitated by Dr. Pierce. One other Master Class was held in October 2014.

Train the Trainer Programme

In recognition of the scarcity of local and regional trainers in the field of Corporate Governance, the Institute also launched its Train the Trainer Programme in May 2014 with eleven (11) participants. Two (2) additional sessions were held in July and October 2014.

The goal of this programme is to develop the capability of local and regional facilitators to deliver in whole or part the Corporate Governance Programme. Potential trainers are expected to attend at least three (3) one day Train the Trainer Sessions and must then be assessed and approved to facilitate training modules by the Institute’s Examinations and Awards Committee.

Certificate in Corporate Governance ... The Gold Standard

The Certificate in Corporate Governance is designed to meet the development needs of existing, new, aspiring members and advisors to boards of directors. These may include Chairmen, Executive Directors, Non-Executive Directors, Company Secretaries, Legal Counsels and Consultants. The certification is designed and delivered in accordance with globally recognized standards (Global Corporate Governance Forum of the World Bank) and consists of four modules:

- Part 1 – Corporate Governance
- Part 2 – The Board
- Part 3 – Strategy & Risk
- Part 4 – Corporate Reporting

This programme was launched in July 2014 in Trinidad and Tobago; Part 1 was held on July 1 followed by Part 2 on July 3-4. Part 3 was held in October 2014. A total of twenty-nine (29) persons have enrolled in the Certificate Programme, of these 9 (31%) have completed the three (3) modules offered in 2014.

The Professional Development Programmes were the Institute’s primary source of revenue in 2014.

Accreditation

As part of the Institute’s commitment to provide access to an assessment based Corporate Director Certification that enables participants to differentiate themselves through tested and accredited knowledge and skills, the Institute began the process of registering with the Accreditation Council of Trinidad and Tobago (ACTT) in 2014.

Early contact was made with the ACTT to ascertain their requirements and thereafter a significant amount of time was spent developing policies, procedures and other documents required to be submitted with our application. After many long and dedicated hours by both staff and directors the CCGI’s Application for Registration was submitted on 11th December 2014.

May 2014 Corporate Governance Masterclass on *Board Dynamics & Decision Making: The Secrets of Successful Boards* (Trinidad & Tobago)

Train the Trainer Programme

July 2014 Certificate in Corporate Governance (CCG) Part 1 – Corporate Governance (Trinidad & Tobago)

Certificate in Corporate Governance (CCG) Part 2 – The Board (Trinidad & Tobago)

Train the Trainer Programme

October 2014 Certificate in Corporate Governance (CCG) Part 3 – Strategy & Risk (Trinidad & Tobago)

Corporate Governance Master Class on *Overcoming the Most
Challenging Board Dilemmas* (Trinidad & Tobago)

Train the Trainer Programme

5.4 Education & Events

The Institute sought to disseminate knowledge on Corporate Governance issues through presentations, seminars and articles.

September 2014	Presentation: Central Finance Facility Cooperative Society Ltd – Forum on Enhancing Board Performance
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October 2014	CCGI Event: Corporate Governance Byte – Practical Guidelines for Disclosing in Accordance with the TTCGC
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November 2014	Presentation: Barbados Stock Exchange – 2 nd Corporate Governance & Accountability Conference
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Workshop: Institute of Chartered Accountants of Trinidad and Tobago – Corporate Governance Workshop

CCGI Event: Corporate Governance Byte – Practical Guidelines for Disclosing in Accordance with the TTCGC

Code Event: Signing of the MOU amongst the Code Partners

December 2014	Presentation: Caribbean Procurement Institute Limited – 4 th Caribbean Public Procurement Conference
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5.5 Corporate Development

The Institute continued to engage in capacity building initiatives in 2014 to strengthen its ability to achieve its objectives.

5.5.1 Technology

In 2014, it was recognised that there was a need for a more all-inclusive membership management system which minimised the need for intensive hands on intervention and encompassed more than the marketing and event management functions offered by Cvent. After exploring and trying out a number of options, the Institute moved to the Wild Apricot Membership Management System in November 2014. The CCGI website was also upgraded at this time to complement the new Membership Management Platform.

This system allows us to manage events, membership renewals and applications, issue invoices and receipts. It has a private section for members only and members can log on and update their profiles at any time.

Given the Institute’s limited human resources, this new system has greatly reduced the administrative burden of the organisation’s operations.

5.6 Leadership & Staffing

At the Institute’s first annual general meeting in January 2014 the Board of Directors was expanded to nine (9) persons with representatives from Trinidad and Tobago, Barbados, British Virgin Islands and Jamaica. In accordance with the policies of the Institute, Directors did not receive remuneration for their services, nor were they compensated for any external work or representation which they did on behalf of the organisation.

In March 2014, the then Chief Executive Officer of the Institute resigned and the Marketing & Membership Officer was made a full-time employee of the organisation. The Chairman of the Board assumed temporary responsibility for the operations of the Institute and a committee was established to find a new CEO for the CCGI. After three (3) months a new CEO was hired and commenced work on 1st July 2014. In December 2014 the Marketing & Membership Officer left the employ of the organisation to pursue other initiatives.

The accounting function is outsourced and other services are also outsourced as required.

5.7 Sponsorship

Sponsorship was an important source of revenue for the Institute in 2014. We are particularly grateful to our Foundation Sponsor – First Citizens Bank Limited for their support. The breakdown of sponsorship by type is as follows (converted into \$US):

January 2014	4,800	Annual Report Sponsorship
October 2014	29,700	Foundation Sponsorship
Total	\$34,500	USD



First Citizens



AUDIT ■ TAX ■ ADVISORY



Corporate Governance

The CCGI Board of Directors is committed to best in class corporate governance. Our definition of what that means can be found in the Governance Policies (GP's) of our Board Policy Manual. Part of our commitment is to monitor the effectiveness of our governance, to keep abreast with the evolving best practices, continuously improve our corporate governance practices. The latest version of the Policy Manual is always available on our website for downloading.

The Board of Directors understands its legal and governance responsibilities and undertakes these with integrity, probity, accountability, and transparency.

CCGI is a private company (Company Number C7538(95)) without share capital, incorporated as a not-for-profit organization under the laws of Trinidad & Tobago (The Company Act, 1995).

Our corporate governance framework is built on the Policy Governance ® Framework developed by John Carver – a system initially developed particularly for non-profit organizations. For meeting procedures and conduct of the Board we are also guided, as stipulated in our Bye-Laws, by the latest edition of “Robert’s Rules of Order Newly Revised”.

While we are a small membership organization, using the IFRS Small and Medium Sized Company accounting standard, as opposed to the accounting standard for companies with public accountability, we are committed to implementing the principles and recommends of Corporate Governance defined in the Trinidad & Tobago Corporate Governance Code (TTCGC 2013) as far as practicable. An overview of the extent to which are applying the recommendation and guidance of the Code can found in Section 6.

5.8 Board oversight

Once the CCGI became operational and we had engaged a Chief Executive Officer (CEO), the Board started out meeting once per quarter. We increased that frequency to once every six weeks so as to be able to address the increasing workload for the Board and the organization as a whole. In addition to the formal meetings we also decided on matters through unanimous written consent without meeting in person in accordance with the provisions of our Bye-Laws (Section 5.08).

From the date of incorporation, on 26 July 2012 to end of December 2013, the Board met twelve times.

Meetings	BOD13	BOD14	BOD15	BOD16	BOD17	BOD18	BOD19	BOD20	Meetings Attended	max # of Meetings	At
Directors	24-Jan-14	25-Jan-14	11-Mar-14	16-Apr-14	27-May-14	8-Jul-14	27-Aug-14	7-Oct-14			
AK	1	1	1	1	1	1	1	1	8	8	
AR	1	1	1	1	1	0	1	0	6	8	
AN	1	1	0	1	1	0	0	0	4	8	
CF	0	0	1	1	1	1	1	1	6	8	
DB	1	1	1	1	1	1	0	1	7	8	
FLC	1	1	1	1	0	1	1	1	7	8	
LC	1	1	1	0	1	0	0	0	4	8	
MY	1	1	1	1	1	1	1	1	8	8	
SC	1	1	1	0	1	1	0	1	6	8	
In attendance	8	8	8	7	8	6	5	6			
Max # of Directors in attendance	9	9	9	9	9	9	9	9			
% attendance	89%	89%	89%	78%	89%	67%	56%	67%			

All Directors attended the Annual General Meeting held on January 24, 2014 in Port of Spain.

Board members also met frequently informally with the CEO to consider matters of strategic importance and to offer informal and non-binding advice to the CEO.

In the course of the year the Board fulfilled its key functions in accordance with Governance Policy GP-3 in the Board Policy Manual as follows:

1. Creating a systematic linkage between the membership and the operational organization
2. Establishing written governing policies that realistically address the broadest levels of all organizational decisions and situations, in the following categories:
 - A. Ends: organizational products, impacts, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost)

- B. Executive limitations: constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place
 - C. Governance process: specification of how the board conceives, carries out, and monitors its own task
 - D. Board-management delegation: how power is delegated and its proper use; the CEO's role, authority, and accountability
3. Assurance of successful organizational performance on Ends and Executive Limitations.

In the course of this work the board:

- Reviewed and approved CCGI's 2014-2015 operational plan and budget
- Approved the CEO's performance targets and monitored performance
- Monitored CEO performance in the implementation and achievement of the ENDS of CCGI, the agreed strategic objectives, financial performance and condition, as well as compliance with the Executive Limitation Policies specified in the Policy Manual.
- Considered and approved a number of Policies recommended by the CEO and Board Committees.

The CEO is responsible for the execution of the agreed strategy and for all operational matters as specified in the Board Management Delegation Policies presented in the Policy Manual. The policies also include an annual schedule of monitoring activities to be conducted by the board, indicating what aspects will be examined when, by whom, and in what manner (BMD-5). These policies make it explicit that the board can monitor any policy at any time by any method but will ordinarily depend on a routine schedule.

The CCGI did not have a directors' and officers' liability insurance in respect of legal actions against its directors.

5.9 Independence of Directors

CCGI understands the important role that independent directors play in the governance of the Institute. The standard used by the CCGI to determine independence is that agreed upon in the TTCGC:

A director is not considered independent if s/he:

- a) Has been an employee of the company within the last three years;
- b) Has, or has had within the last three years, a relationship, that is material to the director, a material business relationship with the company directly, or in their capacity as a partner,

shareholder, director or senior employee of a company that has had such a relationship with the company;

- c) Receives, or has received remuneration from the company (apart from director's fees), participates in a share option or other performance; related pay program, or is a member of the company's pension program.
- d) Has family ties, as defined by law, with any of the company's directors or employees or major suppliers;
- e) Holds cross-directorships or has significant links with other directors through involvement in other companies or organizations;
- f) a significant shareholder, to be considered as a person who either alone or with one or more affiliates or connected parties is entitled to exercise 20% (or such other percentage as may be determined relevant on a case by case basis) or more of the voting power at any general meeting of the company; or
- g) Has served on the Board of the company for more than nine years from the date of their first election.

All Directors of CCGI are non-executive and independent.

5.10 Statement of Remuneration Philosophy

The board is responsible for reviewing and deciding any changes to the CEO's remuneration. The board reviews and approves the CEO's plans for rewarding employees, in accordance with the policies that it has set out in this regard in the Policy Manual.

The CEO is rewarded for the contribution to the Institute's performance, including the Institute's financial position, and at levels which take into account industry and market benchmarks. The method and process for determining CEO performance is defined in the Policy Manual (BMD-3).

Directors are not and may not be remunerated for serving on the Board (Section 5.10 of Bye-Laws).

5.11 Meeting of Members

CCGI communicates with its members throughout the year. A monthly newsletter has become standard practice, our website has both public and members only access; additional information is made available to members in the members only section. The first Annual Members Meeting was held on January 24, 2014 in Trinidad & Tobago and was attended by 20 members. The agenda, proxy forms, and resolutions were all made available in conformance with the Companies Act and best practice guidance.

A report on the activities and events held during the period is presented in Section 5.4 of this report.

5.12 Internal Control and Risk Management

The board is responsible for ensuring that Risk is managed appropriately both by the Board and the CEO. The board determines its risk appetite by considering the Ends (or results) that it seeks to achieve and the values that it wants the whole organization to maintain and exemplify.

The board managed risk and the achievement of strategic objectives by establishing Executive Limitation Policies under the following headings (see EMD Policies in Policy Manual):

- Global Executive Constraints
- Treatment of Customers

- Treatment of Staff
- Financial Conditions and Activities
- Financial Planning and Budgeting
- Emergency CEO Succession
- Asset Protection
- Compensation and benefits
- Communication and Support to the Board
- Ends Focus of Contracts

These policies are proscriptive in that they articulate all the conditions and risks that the Board would find unacceptable. The policies are also hierarchically related to one-another so as to address all possible unacceptable conditions, processes, or outcomes – in the widest sense and in very specific conditions that the Board would find unacceptable.

The CEO prepared Monitoring Reports for the Board addressing all the policies over an annual cycle articulating, in a concise way, how she interpreted the policies, what evidence there is with regard to the compliance with the policies, and asserting whether or not there was compliance. The Board in turn reviewed and examined the Monitoring Reports, agreed to proposed mitigation and corrective actions where necessary, and updated or revised policies so as to ensure they always reflected best available knowledge and the Boards perspective on the risks faced.

The Directors confirm that Board as a whole and through its committees has reviewed the systems of risk management and internal controls and is satisfied that it is appropriate and enables CCGI to (a) achieve appropriate results for appropriate persons at an appropriate cost (as specified in board Ends policies) and (b) avoid unacceptable actions and situations (as prohibited in board Executive Limitations policies).

5.13 Auditor Independence

The financial conditions and activities were examined by external and independent Auditors, Baker Tilly Montano Ramcharitar. This has been the first year that Baker Tilly Montano Ramcharitar worked with CCGI.

The fees paid to auditor are in financial statement. There was no other work by the auditor with the CCGI. The auditors confirmed their independence in writing stating that based on their own internal due diligence no staff member or partner has any private or business relation with the CCGI, its employees or directors.

5.14 Code of ethics

Integrity in the conduct of all affairs of the Institute is key to the success of the Institute and the board is committed to upholding the highest ethical values.

The Board's Code of Conduct is part of the Policy Manual, GP-7.

The Operations are also proscribed by the board. This commitment is made public and there is a system of implementation, and the CEO is asked systematically to report on compliance with the policies agreed to by the Board.

All members, including the CEO and Directors, also sign a code of conduct as members of the CCGI and this Code is publicly available on our website.

5.15 Conflicts of Interest

In adherence with the Institutes Bye-Laws [Section 5.10] and statutory requirements on disclosure of directors' interests, as well as the Board's own policies, members of the Board who have an interest in proposals or transactions being considered by the Board, including where such interests arise through related parties such as close family members or business partners, are required to declare their interests and excuse themselves from the meeting without deliberating or voting on the proposed transactions. Declarations of interest are reflected in the minutes of all Board and Committee meetings.

Further provisions in relation to conflicts of interest can also be found in the Board Policy Manual under Governance Policies, Section GP-7 Board Members Code of Conduct. Whenever there was an issue where the board had to decide on an issue about which a member has an unavoidable conflict of interest, that member shall absent herself or himself without comment not only from the vote but also from the deliberation. For example, for most of the time period under consideration Murphy Clarke Financial and Syntegra Change Architects donated the space and infrastructure out of which CCGI operated – but in the latter part of the reporting period, when the CCGI had become financially more stable, Murphy Clarke Financial, who holds the lease of the premises offered CCGI to sub-lease. Murphy Clarke Financial Director Clarke, and Syntegra Change Architects Director Kravatzky absented themselves and did not take part in deliberations or vote. The Board was also presented with comparative pricing statistics so as to assure itself that the terms offered to CCGI were lower than average market rates for comparable properties.

5.16 Nomination and Election of Directors

The Board is satisfied that the current board composition has the appropriate skills, experience, and capabilities, to meet the challenges and make use of the opportunities faced by the Institute.

The Board regularly reviews its own composition with respect to size, diversity, professional competencies, and the anticipated needs of the Institute in the coming years (see for example the Table 1: Director Competency Matrix).

In November 2013, the board constituted the Nominations and Elections Committee, to establish the rules and procedures for the nomination and election of Directors in accordance with the Bylaws [Section 4.03].

The Committee was mandated for the purposes of the AGM to consider such or any candidates for election to the board of directors and to make recommendations for any vacancies having regard inter alia to the nominee's competence, experience, diversity, independence and risk exposure. Members are not bound by the recommendations of the Committee.

The Committee members were:

- (a) Reshma Bissessar
- (b) Axel Kravatzky, Chairman
- (c) Marlon Yarde
- (d) Desiree Gobin-Seecharan (in attendance)
- (e) Fe Lopez-Collymore (in attendance)
- (f) Clarence Faulkner (in attendance)

In evaluating nominees for Directorship, the Committee considered, inter alia, the Institute's operations principally with respect to:-

- developing its strategic direction;
- increasing its revenues and the allocation of resources;
- ensuring proper oversight and accountability; and
- increasing its impact in support of its mission.

The Committee also considered the Institute's short and medium term priorities which include:-

- (i) the establishment of its director education programme;
- (ii) the support of its members and the development of chapters in the Caribbean; and
- (iii) membership engagement through committees

In making its recommendation, the Committee used a formal decision analytic process taking into consideration various criteria including:

- board and committee experience;
- understanding of international corporate governance trends;

- experience with corporate governance education and/or director training and certification;
- experience in strategic planning;
- experience in fundraising;
- experience with education and continuing professional development programmes;
- experience with membership organisations and chapter systems;
- working experience in different countries and exposure to different business and organisational cultures;
- knowledge of sector specific corporate governance issues;
- experience with developing and/or contributing to the establishment of corporate governance codes or other codes of practice or industry specific standards, rules or regulations;
- knowledge of financial management;
- knowledge of financial markets;
- experience in accounting and audit; and
- experience in commercial law.

In addition to the competencies listed above, the Committee also considered the following factors:

- diversity being gender balance, diversity of skills and regional representation;
- independence in order to reduce the exposure to conflicts of interest; and
- risk exposure through political or reputation risks.

The Chairman met personally for the purpose of induction with all elected Directors to review topics falling under the following headings:

- Foundations
 - Objectives listed in Articles of Incorporation
 - Bye-Laws – specific items to be aware of
- Approach to our own Governance
 - Policy Governance as developed by John Carver
 - “Robert’s Rules of Order” for Board meeting process
 - Overview of “Board Policy Manual”
- Operations
 - Overview
 - Immediate Challenges
- Board
 - Operations
 - Practicalities
- Next Steps

Table 1: Director Competency Matrix

	Experience on Corporate Boards	Investment (was Fin. Mgt)	Fundraising	International Trends in Corporate Governance	Financial Markets	Caribbean Corporate Law	Accountancy and Audit	Strategic Planning	Caribbean countries (focus is on the 20 Countries that form part of CARICOM)	State Owned Enterprises	Closely Held Companies (including Family Business)	Listed and Regulated Companies	Corporate Governance Education	Corporate Governance Codes and Guidelines	Sector specific Corporate Governance	Chapter system experience	Workshops in Caribbean	working in membership org committees
Dennis Brown	x		x				x				x							
Sharon Christopher	x					x				x		x	x		x			
Leslie Clarke		x	x		x	x	x	x		x	x	x			x		x	
Clarence Faulkner	x	x			x		x	x	x	x	x				x			
Desiree Gobin-Seecharan (CEO)			x					x										x
Axel Kravatzky	x			x				x		x		x	x	x		x	x	x
Fe Lopez-Collymore		x				x						x			x			
Arnold Nirranjan	x		x						x	x	x			x	x			
Annette Rahael	x		x				x	x			x				x	x	x	x
Marlon Yarde	x	x		x	x		x	x			x	x		x				

5.17 Information and Professional Development

In preparation for each regular meeting of the Board, the Directors receive detailed financial and other monitoring reports specified by the board so as to allow them to effectively monitor the performance of the Institute.

At Board meetings the CEO also presented an update on all aspects and operational updates.

The Board's policies are explicit about the importance of professional development of Directors and Board has sought to integrate CG development sessions into regular board meetings as well as more extended sessions. During the year Directors of CCGI also participated in external professional development sessions on corporate governance.

5.18 Board evaluation

The board has made the evaluation of its own performance against its policies and standards a regular agenda item for its meetings during the course of the year. There was no formal evaluation of the Board or its members during the course of the year.

The Nominations and Elections Committee has been charged to develop a recommendation for how to extend the systematic board evaluation process for the coming year, including by independent parties.

5.19 Board Committees

The following Committees were operational during the reporting period. At the Board's twelfth meeting (BOD12) the Board decided to establish a "Board Education Committee" to lead the work with respect to the CCGI Education Programme, but this committee was not staffed and did not become operational during the period that this report covers.

5.19.1 Membership Committee

The Membership Committee is a standing committee established by the Board in accordance with Section 6.09 of the Bye-Laws and had the following mandate:

A. Product: (a) attend to all matters concerning membership of the CCGI, as outlined in the Bye-Laws; (b) review the criteria applicable to the various categories of membership of the CCGI and, when considered appropriate, RECOMMEND changes;

B. Authority: (a) review all incoming applications for membership and DETERMINE whether the applicant will be admitted subject to payment of the applicable fees; (b) RECOMMEND to the Board the annual subscriptions payable by the various grades of membership for the ensuing year; consider nominations received for the election of Fellows of the CCGI and make an appropriate RECOMMENDATION to the Board; determining the appropriate disciplinary actions required, including, but not limited to, suspension or termination of membership for members found to be in violation of the Terms & Conditions of membership

C. Members: Leslie Clarke (Chair), Nigel Romano, Desiree Gobin-Seecheran (CEO and Secretary), and Reshma Bissessar .

The Committee held two (2) meetings during the period. The committee considers and approved applications for membership using electronic means.

5.19.2 Audit Committee

Audit Committee was established at BOD12 and had the following mandate:

A. Product: (a) annual specification of scope of audit prior to outside audit consistent with board monitoring policy; (b) assessment of auditor independence; (c) confirmation of integrity of audit product following completion of audit; choice of auditor for shareholder consideration;

B. Authority: to direct work of outside auditors, to use management time as needed for administrative support, and to direct work of outside counsel hired by the board for matter's related to the audit. For all activities including audit, use of no more than TTD60,000 in direct charges and use of no more than fifty person-hours of staff time per annum.

C. Members: Dennis Brown, Leslie Clarke (Chair), Desiree Gobin-Seecharan (CEO), Marlon Yarde

The committee has met once via conference during the reporting period. The business conducted included:

- develop and recommend to the Board the terms of reference for Audit Committee
- approved RFP for auditor appointment evaluation and selection of auditor
- approved draft financial statements to recommend approval by the Board
- reviewed accounting policies, financial risks and compliance with accounting standards
- liaised with external auditors

The Board adopted the audited financial statements following the unreserved recommendation by the Audit committee to do so.

5.19.3 Nomination & Elections Committee

The Nominations and Elections Committee was established by the board at its eleventh meeting (BOD11) in accordance with the Bylaws [Sections 4.03 and 6.09]. The committee was mandated by the board to establish and oversee the nominations and elections process for the Election of Directors at the Annual General Meeting. The specific functions of the Committee are outlined in the Committee's Terms of Reference.

This committee was chaired by an incumbent director not standing for election in accordance with the Committee's Terms of Reference. The Committee comprised 4 other persons including the Chief Executive Officer, 2 other Directors not standing for election and one Member.

The following persons were nominated for appointment to the Board and subsequently appointed by the Members at the second Annual General Meeting held on April 17, 2015.

- Jaqueline Quamina
- Ronnie Bissessar
- Vincent Hippolyte

Fe Lopez-Collymore was appointed Corporate Secretary on January 24, 2014 at BOD13. Upon the appointed of Desiree Gobin-Seecharan as CEO, Fe Lopez-Collymore resigned as Corporate Secretary and was reappointed Assistant Corporate Secretary. The new CEO, Desiree Gobin-Seecharan was appointed Corporate Secretary. These changes took place on July 8, 2014.

5.20 Board

5.20.1 Composition

The Bye-laws of CCGI state that Directors may serve a maximum of 2 terms of three (3) years each [Section 4.04a].

The Bye-Laws of the Institute also specify [Section 4.04b] that approximately one third of the Directors retire every year with a view to balance and refresh the board, while retaining experience. The Chairman works with the Nominations and Elections committee to evaluate and

monitor the appropriateness of the composition of the board. The retirement schedule of Directors is thoroughly examined in consultation with all Directors individually and collectively.

In accordance with the Institute's Bye-Laws, the CEO is a member of the Board ex officio with no voting rights. The CEO is the only executive member of the Board. All other board members are non-executive and considered independent according to the definition of the TTCGC2013 as none have a material interest in either the CCGI or any of its significant suppliers or customers. The fact that the Directors are members of the CCGI (as the bye-laws stipulate), this is not considered an impediment to independence because individual membership does not confer representation nor can it result in the effective control or significant influence of the board.

The Chairman of the Board is a non-executive, independent Director.

As of the end of 2014, the Board comprised of the following Directors:

Axel Kravatzky - Chairman
Age: 46
Number of years as a Board Member:


Axel is the Principal Consultant at Syntegra Change Architects Limited. He brings a strong multi-disciplinary approach with expertise in Corporate Governance, Change Management, Leadership Development, and Coaching. Axel holds a BSc, MSc. and PhD from the London School of Economics and is certified as a Trainer in Corporate Governance Board Leadership by the Global Corporate Governance Forum (World Bank/International Finance Corporation). He also has extensive training in various areas of Business Ethics and Risk Management, is a member of the International Corporate Governance Network (ICGN), has published in the field of corporate governance and has presented on the topic of Corporate Governance at the local, regional and international level.

Arnold Niranjan – Director
Age:
Number of years as a Board Member:


Arnold is the leader of Ernst & Young Caribbean’s Advisory Services practice with responsibility for the provision of services to clients across the region. Arnold has direct experience in corporate governance structuring, company operations appraisal, institutionalizing processes and procedures, operations and internal auditing, process improvement and corporate strategic planning.

Arnold has conducted engagements for Ernst & Young in a number of countries including the English speaking Caribbean on a variety of engagements involving multinational organizations, government and regional entities.

Leslie Clarke - Director
Age: 43
Number of years as a Board Member:


Leslie is a co-founder of the investment firm Murphy Clarke Financial Ltd where he also serves as the Managing Director. Prior to this, Leslie held senior positions within Trinidad & Tobago’s Financial Sector, including Scotiastart and Merchant Bank, RBC Royal Bank (formerly RBTT) and Sagacor Merchant Limited. He has worked on various pension and segregated plans, including multinationals, Investment Committees and NGO’s and has successfully navigated through financial crises with the use of asset allocation models and active portfolio management. Leslie holds a BComm (Finance) from St. Mary’s University, Halifax, N.S. Canada

Other Directorships: United World Colleges International; UWC Trinidad & Tobago; Techno-Pipe Solutions Limited ; Fieldfare International Ecological Development PLC; MurphyClarke Financial Ltd; Reinsurance Company of Trinidad and Tobago (TRINRE)

Other Directorships: Prestige Past Students' Foundation; Rotary Club of San Fernando South; Senior Council Member of the Law Association of Trinidad and Tobago; Director of Lawgivers Limited; Director of Dental Designs Limited

Other Directorships: The Investment Platform; Stone Services Ltd.; Securities Dealers Association of Trinidad and Tobago; Trinidad Building and Loan Association

Annette Rahael - Director
Age: 60
Number of years as a Board Member:


Annette is a Family Business Advisor and advises families in business on strategies and structures to ensure that their business is meeting the professional standards required to compete successfully. Annette holds an Ed.D from the George Washington University, an Executive MBA from the Institute of Business, UWI (now Lok Jack GSB), a B.Sc. - Education from Florida Atlantic University and a BSc. Biology/ Chemistry from the American University of Beirut, Lebanon. She is also a Fellow of the Family Firm Institute and carries the designation ACFBA-Advanced Certificate in Family Business Advising.

Other Directorships: Aerogas Processors Ltd; Isko Enterprises Ltd.

Dennis Brown - Director
Age: 64
Number of years as a Board Member:


Dennis is a professional accountant and serves as a financial consultant. He serves as a member of the International Standards on Accounting and Reporting (ISAR) Consultative Group of the United Nations Conference on Trade and Development (UNCTAD) and is also a Council member of the Institute of Chartered Accountants of Jamaica (ICAJ) where he serves as Treasurer. He is also a Fellow of the Association of Chartered Certified Accountants (ACCA), and a Fellow of the Institute of Chartered Accountants of Jamaica (ICAJ). Dennis holds an MBA (Finance) from the University of the West Indies.

Other Directorships: N/A

Marlon Yarde - Director
Age: 50
Number of years as a Board Member:


Marlon is the General Manager and Corporate Secretary of the Barbados Stock Exchange Inc. (BSE) and the Barbados Central Securities Depository Inc. (BCSDI). An Accountant by profession, he is a member of the Certified General Accountants Association of Canada and the Caribbean as well as a member of the Institute of Chartered Accountants of Barbados. Mr. Yarde became a Fellow of the Institute of Chartered Accountants of Barbados in October 2006. He became a Fellow of the Certified General Accountants Association of Canada in June 2009 and also holds a LL.B from the University of Huddersfield in the UK.

Other Directorships: N/A

**Fe Lopez-Collymore –
Director**
Age: 57
**Number of years on the
Board:**



Fé Lopez-Collymore is the General Counsel and Corporate Secretary of the GHL Group based in Trinidad and Tobago. Admitted to practice as an attorney-at-law of the Supreme Court of Trinidad and Tobago since 1981, she oversees the provision of corporate secretarial and legal services to the Group in addition to her function as Corporate Secretary. She is a member of the GHL Executive Board.

**Sharon Christopher -
Director**
Age:
**Number of years as a
Board Member: 1**



Sharon is the Deputy Chief Executive Officer – Corporate Administration of the First Citizens Group and has extensive executive management experience in the financial services sector. She received her LLB from the University of the West Indies and her LLM from the London School of Economics and Political Science (University of London). She also holds a Legal Education Certificate Hugh Wooding Law School. Ms. Christopher is also a holder of an accredited director designation issued by Institute of Chartered Secretaries and Administrators, London.

Clarence Faulkner – Director
Age:
Number of years on the Board:



Clarence Faulkner is the Founder and Managing Director of PMI Group of companies providing Consultancy, Management and Administrative services to private and public Pension Plans. He has worked in the Pension and investment arena for over 18 years. In addition Mr. Faulkner is currently the Chairman of the Board of Directors of the National Bank of the Virgin Islands and a Member of the Governments' National Economic Advisory Council.

Mr Faulkner also served as the former Investment Manager of the BVI Social Security Board which involved the establishment of investment policies, strategies and the identification and ongoing due diligence of key services providers to achieve the stated objectives. Fund grew 4 fold to just over \$400 Million. Additionally he is the former Vice-Chairman of the

Other Directorships:

Laevulose Inc Limited;
Commodore Court Limited;
Primrose Place Limited; La
Rive Limited;

Other Directorships: St.

Lucia Electricity Services
Limited; Board of Light and
Power Holdings Limited
(Barbados); Energy Chamber
of Trinidad & Tobago; First
Citizens Trustee Services
Limited; First Citizens (St.
Lucia) Limited; First Citizens
Financial Services (St. Lucia)
Limited ;First Citizens
Investment Services Limited
(FCIS); First Citizens
Brokerage and Advisory
Limited ;First Citizens
Investment Services
(Barbados) Limited; First
Citizens Bank (Barbados)
Limited; First Citizens Costa
Rica SA

International Social Security
Association (ISSA) Technical
commission on Investments, the
former Chairman of a Working
Group of the CARICOM Regional
Social Security Systems to
develop an MOU for pooling
resources for investment outside
of the Caribbean Region and the
recipient of the 2011 Atlantic
Connection “Pathfinder Award”
for his “Contribution to Global
Fiduciary education and Fiscal
Responsibility”

Other Directorships:

Association of Trinidad and
Tobago Insurance Companies
(ATTIC); iGovTT

Desiree Gobin-Seecharan Age:		
 <p>Desiree was appointed CEO of the CCGI in July 2014. Prior to that she was an Executive Director of the American Chamber of Commerce of Trinidad and Tobago from September 2006 to June 2014.</p>		

6 TTCGC Application and CG Disclosure Summary

The following presents a comparison of the UNCTAD/ISAR Disclosure Benchmark with the requirements of T&T Law and those of the Trinidad and Tobago Corporate Governance Code 2013.

The CCGI is committed to transparency as possible in its reporting and it should be, at a minimum, fully compliant with the disclosure items listed in both recommendation and guidance of the TTCGC.”

Table 2: TTCGC Application Summary

	Applied	Partial	Reference	Comment
	Applied	Partial	Reference	Comment
Principle One: Establish a Framework for Effective Governance				
1.1 The Board should establish and make publicly available a clear outline of its roles and responsibilities, including any formal delegations to Management.	x			Policy Manual is public on website
1.2 The chairperson of the Board should be a non-executive Director and preferably an independent Director. Where the chairperson of the Board is not an independent non-executive Director, the Board should appoint a lead independent Director.	x		5.13	Non-executive and independent Chair
1.3 The Board should demonstrate ethical leadership, which includes commitment to high ethical standards and responsible decision-making.	x			Explicit in Policy Manual
1.4 The Board should ensure that it is supplied with information in a timely manner, in a form and of a quality appropriate to enable it to discharge its duties effectively.	x		5.5	Policy Manual establishes the Board standard and requirement
1.5 The Board should take into account the legitimate interests and expectations of all stakeholders. There should be active co-operation between corporations and stakeholders in creating wealth, employment, and the sustainability of financially sound enterprises.	x			Included in Ends statement in Policy Manual
Principle Two: Strengthen the Composition and Performance of Board and Committees				
2.1 The Board should appoint a sufficient number of independent Directors capable of exercising unbiased judgment, particularly in tasks where there is a potential for conflicts of interest.	x		5.13	
2.2 Directors should be selected and appointed through rigorous and formal processes designed to give the Board a balance of independence and diversity of skills, knowledge, experience, perspectives and gender among Directors so that the Board works effectively.	x		5.9	Requisite decision analytic process
2.3 A Committee with a majority of independent non-executive Directors, should lead the Board's nomination process and make recommendations to the Board.	x		5.9	None of the directors who offered themselves for re-

	Applied	Partial	Reference	Comment
	Applied	Partial	Reference	Comment
				election where on committee
2.4 All Directors should receive induction training upon joining the Board and should regularly update and refresh their skills and knowledge.		x	5.9	Induction process is practiced, continues education is informal and non-systematic. Provision is made in Policy Manual to budget for item but finances were too unpredictable to enable agreement thus far.
2.5 The Board should undertake a rigorous, transparent and formal annual evaluation of its own performance and that of its committees and of the individual Directors.		x	5.1	Informal in 2013, formal evaluation conducted in 2014
2.6 The Board should ensure that the remuneration of Directors and senior management is transparent, fair and reasonable.	x		5.3	
Principle Three: Reinforce Loyalty and Independence				
3.1 The Board should undertake an assessment of its independence on an annual basis and disclose in the annual report each non-executive Director it considers to be independent.	x		5.13	
3.2 All Directors should be candidates for re-election, at intervals of no more than three years, subject to continued satisfactory performance.	x		5.9, 5.11 & 5.13	Maximum of two 3-year terms.
3.3 Members of the Board and Senior Management should disclose to the Board whether they, directly or indirectly or on behalf of third parties, have a material interest in any transaction or matter directly affecting the company.	x		5.8	So far only verbal declarations. Written annual declaration system under preparation. Third party related transaction conducted in accordance with GP-7 of Policy Manual.
3.4 Directors should demonstrate the capacity to commit the time needed to be fully effective in their roles.	x		5.1	Meetings and committee attendance are proxy indicators
Principle Four: Foster Accountability				
4.1 The Board should promote accurate, timely and balanced disclosure of all material matters concerning the company.	x		7	
4.2 Directors should state in the annual report their responsibility towards the integrity of the financial reports. This includes a statement from Directors that these reports comply with applicable financial reporting standards and present a true and fair view of the financial affairs of the company.	x		7	

	Applied	Partial	Reference	Comment
	Applied	Partial	Reference	Comment
4.3 The Board should, on an annual basis, report to shareholders and stakeholders on the external auditor's involvement in non-audit work and fees paid to auditors. This disclosure should differentiate between fees for audit work and fees for non-audit work.	x		5.6	
4.4 The Board should, on an annual basis, verify that the company has appropriate processes that identify and manage potential and relevant risks.	x		5.5	
4.5 Each company should establish an Audit Committee of the Board with responsibilities that include, but are not limited to:	x		5.12.2	
a. Recommending the appointment of external auditors;	x			GP-9 in Policy Manual
b. Assessing the suitability and independence of external auditors;	x			GP-9 in Policy Manual
c. Overseeing all aspects of the company-audit firm relationship;	x			GP-9 in Policy Manual
d. Monitoring and reviewing the effectiveness of the internal audit function;		x	5.1; 5.12.2	We have full extensive internal monitoring procedures and do not think that it is necessary make this a responsibility of the Audit Committee in CCGI at this point.
e. Promoting integrity in financial reporting	x			GP-9 in Policy Manual
4.6 Boards should report annually to shareholders on how the company is implementing the Corporate Governance Principles and explain any significant departure from Recommendations supporting each Principle.	x			
Principle Five: Strengthen Relationships with Shareholders				
5.1 The Board should facilitate the exercise of ownership rights by all shareholder groups, including minority or foreign shareholders and institutional investors.	x		5.12.3	We only have members and we encourage participation by all, including remote, through Nominations & Elections Committee
5.2 The Board should ensure that shareholders have the opportunity to engage with the company and participate effectively in annual and special meetings.	x		5.12.3	
5.3 During the annual and special meetings, the Board should facilitate questioning of external auditors and Senior Management by shareholders, as moderated by the chairperson.		x		

Table 3: Corporate Governance Disclosure Summary

UNCTAD / ISAR Disclosure Benchmark Financial Transparency	T&T Laws & Regulations	TTCGC 2013	Comments and/or Section in which disclosure can be found
1. Financial and operating results	CA155; TTSE 600(4), 600(7), 601(2);	R 4.5	4 & 7
2. Critical accounting estimates	-	-	7
3. Impact of alternative accounting decisions	-	-	7
4. Company objectives		R 1.1 G 4.1	1 & 4 for accomplishments & Ends presented in Policy Manual, Section 1.04 of Bye- Laws
5. Nature, type and elements of related-party transactions	CA 93(6)	G 3.3, 4.1	7
6. Board's responsibilities regarding financial communications		R 4.2	5.1, 7
7. Decision making process for approving related- party transactions	-	-	5.8, GP-7 of Policy Manual
8. Rules and procedures governing extraordinary transactions	-	-	There are no explicit provisions for extraordinary transactions such as merger or dissolution at present. The Articles regarding Members' and Directors' meetings in Bye-Laws provide guidance for how to proceed.
Ownership Structure and Exercise of Control Rights		TTCGC	
9. Ownership structure	-	G 4.1	5
10. Availability and accessibility of meeting agenda	CA 113(1)	G 5.2	5.4
11. Changes in shareholdings	-	-	We do not have shareholders but our membership developments are described in 4.1
12. Control structure	-	-	5
13. Control rights	-	G 5.1	All members have an equal vote, Bye-Laws 2.08 & Article III.
14. Process for holding annual general meetings	-	G 5.2	Bye-Laws section 3.01
15. Control and corresponding equity stake	-	-	All members have an equal vote. No organization or sponsor holds any voting power.
16. Rules and procedures governing the acquisition of corporate control in capital markets	-	-	Does not apply
17. Anti-Takeover measures	-	-	Does not apply

Board and Management Structure and Process		TTCGC	
18. Composition of the board of directors		R 3.1	5.13.1
19. Material interests of senior executives and board members	TTSE 601(2)	R 3.1 G 3.3	5.2 and 5.3
20. Checks and balances mechanisms		R 4.1, 4.6 G 1.3	5.1 and described in full in Policy Manual
21. Risk management objectives, system and activities	-	G 4.4	5.5 and described in full in Policy Manual EL & BMD Policies.
22. Governance structures, such as committees and other mechanisms to prevent conflicts of interest		R 1.1, 2.1, 4.6 G 3.3, 2.1, 4.1	5.12 and further elaboration in Policy Manual GP-8 & GP-9
23. Qualifications and biographical information on board members	-	G 3.2, 4.1	5.13
24. Composition and function of governance structures		R 1.1, 4.6 G 4.1	5, Policy Manual GP Policies
25. Duration of directors' contracts	-	G 3.2	5.13
26. Types and number of outside board and management positions	-	G 3.4, 4.1	5.13
27. Role and functions of the board of directors		R 1.1	5.1, Policy Manual GP Policies
28. Existence of succession plan for senior executives and board members	-	-	Policy manual EL-6
29. Independence of the board of directors		R 3.1 G 4.1	5.2, 5.13
30. Existence of procedures for addressing conflicts of interest among board members	-	G 1.3, 3.3	5.8
31. Determination and composition of directors' remuneration		R 2.6 G 4.1	5.3 (No remuneration)
32. Availability of advisorship facility for board members or board committees	-	-	Policy Manual GP-10
33. Performance evaluation process for board members	-	G 2.5	5.11
34. Professional development and training activities for board members	-	-	5.10
35. Compensation policy for senior executives departing the firm as a result of a merger or acquisition	-	-	No applicable
Auditing		TTCGC	
36. Internal control systems	-	G 4.4	5.5
37. Process for appointment of external auditors	-	-	5.12.2
38. Process for interaction with internal auditors	-	-	We do not have internal auditors as we had a staff of 1 or 2 during the year.
39. Scope of work and responsibilities for internal auditors	-	-	Not specified because no internal auditors.
40. Process for interaction with external auditors	-	-	5.12.2
41. Duration of current external auditors	-	-	5.6

42. Board confidence in the independence and integrity of external auditors	-	G 4.3	7
43. Rotation of external auditors	-	-	not yet necessary as in 2 nd year of operation.
44. External auditors' involvement in non-audit work and fees paid to auditors	-	R 4.3	5.6 (none)
Corporate Responsibility and Compliance		TTCGC	
45. Policy and performance in connection with environmental and social responsibility	-	G 1.5	Policy Manual EL1-3.
46. Impact of environmental and social responsibility policies on sustainable development	-	-	Not yet done (particularly with regard to the environment).
47. Mechanisms protecting the rights of other stakeholders	-	G 1.5, 5.2	Policy Manual EL1&2.
48. A Code of Ethics for company employees	-	G 1.3	Only CCGI Member Code of Conduct and Board Code so far.
49. A Code of Ethics for the board and waivers to the ethics code	-	G 1.3	5.7, Policy Manual GP-7
50. Policy on "whistle blower" protection	-	G 1.3	Membership Terms and Condition and Code of Conduct
51. Existence of employee elected director(s) on the board	-	-	Not applicable as not part of the Bye Laws.

R = [Recommendation of T&T Corporate Governance Code 2013 \(TTCGC\)](#)

G = [Guidance of T&T Corporate Governance Code 2013 \(TTCGC\)](#)

CA = [Companies Act Chapter 81:01, No.35 of 1995](#)

TTSE = [Republic of Trinidad & Tobago Stock Exchange Rules](#)

UNCTAD /ISAR Disclosure Benchmark: United Nations Conference on Trade & Development (2006), [Guidance on Good Practices in Corporate Disclosure](#), New York and Geneva.

For a detailed discussion of the [Corporate Governance Disclosure Regime in T&T](#) refer to the case study of the same name by Syntegra Change Architects Ltd of 2011.

Audited Financial Statements

The Board of Directors of the Caribbean Corporate Governance Institute strongly values the duties and responsibilities in accordance with good corporate governance principles. The Board of Directors is responsible for the financial statements of the Company and its subsidiaries including financial information presented in the annual report and the annual financial statements for the year ended December 31, 2014 which are prepared according to IFRS accounting standard.

The Board of Directors has selected and consistently followed an appropriate accounting policy. The aforementioned financial statements are prepared using careful judgment and the best estimation. In addition, important information is adequately disclosed in the Notes to the Financial Statements. The financial statements have been examined by an independent external auditor and the auditor has expressed an unqualified opinion. Therefore, the financial statements accurately and transparently reflect the Company's financial status and operating performance in the past year and can be used for the benefit of shareholders and investors.

The Board of Directors has appointed the Audit Committee, which comprises of independent directors to review the quality of the financial reports and to evaluate the internal control system, risk management system, and various systems to support effective financial documentation to ensure that accounting records are correct, complete, timely and able to prevent fraud or materially irregular operations.

The Audit Committee's opinion is presented in the Audit Committee's Report which is a part of this annual report. The Board of Directors believes that the Institute's overall internal control system is able to create credibility and reliability for the financial statements for the period ended December 2014.

Axel Kravatzky, PhD
Chairman

Leslie Clarke
Director, Chair of Audit Committee