



2005-2006
Annual Report



ACTT

The Accreditation Council
of Trinidad and Tobago

OUR VISION

A quality higher education sector in which ACTT, through collaboration with the diverse, dynamic, educational community and other stakeholders, provides assurance to the general public that all institutions meet local, regional and international standards.

OUR MISSION

To assure the quality and integrity of higher education through the recognition, registration and accreditation of institutions and programmes for the improvement of the educational sector and the advancement of society.

OUR CORE VALUES

Honesty – straightforwardness of conduct, adherence to facts and the truth.

Excellence – outstanding performance and achievement.

Integrity – honesty and transparency in all that we do.

Fairness – displaying consistency of equity and fair play.

Stakeholder Value – respecting the worth of all external and internal customers.

Continuous Learning – cultivating an environment that encourages and facilitates learning.

Innovation – always looking for new approaches/ways of performing and doing things better.

Teamwork – encouraging and facilitating dialogue, information and resource sharing, especially among internal staff.

Customer Focus – putting the customer at the centre of all business activities in order to inspire customer-responsive behaviour.

Results Orientation – striving for results that continually move the organisation forward by maximising the use of resources in a timely manner.

Commitment to Quality – (works/products/services) always striving to provide a high standard of excellence in all aspects of the business.

Ethical Principles – guidelines for actions that justify our moral judgements.

Professionalism – functioning according to standards, ethics and a high level of expertise.

Openness – fostering an environment that invites communication, trust and objectivity.

Trust – a firm belief in the reliability, truth, ability and strength of each other.

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CHAIRMAN'S REPORT

I am pleased to be writing to you as Chairman of the Board of Directors of the Accreditation Council of Trinidad and Tobago (ACTT) at this the end of a momentous year in ACTT's early life. The year 2005-2006 saw an enormous amount of progress in what was a developmental period, ACTT only truly getting started during this year. Members of the Management Team were appointed only weeks before this reporting period. ACTT's performance was the result of the execution of well thought out and planned strategies combined with the implementation of sound management policies.

ACTT is committed to ensuring the quality and integrity of higher education through the recognition, registration and accreditation of institutions and programmes for the improvement of the educational sector and the advancement of society. In light of this, the Board of Directors stood committed to maximising every opportunity for the realisation of ACTT's mission and as such was able to achieve its set goals for the year 2005-2006.

OPERATIONS OF THE BOARD OF DIRECTORS

The Board of Directors had a full membership of thirteen (13) Members. Section 4 (1) of Act No. 16 of 2004 ("the Act") dictated how the Board must be constituted. Discussions at Board Meetings were rich as members had a wealth of experience in their respective fields. Whilst members represented different aspects of society, their priority was always in ACTT's best interest.

There were five (5) Sub-Committees of the Board which all met and made recommendations to the Board, with the Board having the final decisions.

The Board of Directors exercised leadership and good judgement in directing the Council to achieve its vision and mission as it acted within a framework of prudent and effective controls. Adopting a philosophy that was based on transparency, accountability and responsibility, the Board ensured at all times that its actions were professional, proactive, results oriented, efficient and effective. It also ensured that the Council's obligations to its stakeholders were met and monitored progress towards its goals and revised and altered its direction as the need arose.

THE MINISTRY OF SCIENCE, TECHNOLOGY AND TERTIARY EDUCATION

The line Ministry for ACTT is the Ministry of Science, Technology and Tertiary Education. Section 10 of the Act, allows the Minister to give policy directions as necessary in the public interest. At all times, the Board ensured compliance with the Minister's directions. As required by the Act, Minutes of all the Meetings of the Board of Directors were submitted to the Minister in a timely manner.

RESPONSIBILITIES OF THE BOARD

The mandate given to the Board was clear. It must formulate policies for good corporate governance and monitor the implementation of these policies by the Council. The Act gave the Board certain powers which included the power to acquire and sell or dispose of property and to enter into or coordinate appropriate arrangements with countries and other competent authorities. Notably, ACTT began working towards the development of a memorandum of understanding between ACTT and the National Training Agency in Trinidad and Tobago. ACTT also had discussions with the National Training Board of Bermuda. All of this was done in the interest of quality education in Trinidad and Tobago and the region.



DR. JANET STANLEY-MARCANO

CONCLUSION

On behalf of the Board of Directors, I would like to express my sincerest thanks to the management and staff of ACTT for their unrelenting support during this period. Their commitment to this organisation achieving its goals and objectives as outlined in our mission statement was clear. I also thank ACTT's stakeholders for their loyalty and dedication throughout the year and look forward to an equally fulfilling one ahead of us.

A handwritten signature in black ink, appearing to read 'Janet Stanley-Marcano'.

DR. JANET STANLEY-MARCANO
Chairman, ACTT

EXECUTIVE DIRECTOR'S REPORT

The period October 1st 2005 – September 30th 2006 was a period of accelerated growth for the Accreditation Council of Trinidad and Tobago. One of the major undertakings of the newly established Council was a national survey of post secondary and tertiary level educational institutions, initiated in October 2005, which revealed that there were approximately one hundred and sixty-three (163) institutions that were either in operation or seeking to do so. These institutions completed and returned Institutional Data Forms (IDFs) that were published and widely distributed by ACTT in order to collect baseline data on the sector.

LAUNCH OF ACTT

ACTT was officially launched to the national community in November 2005. The launch coincided with the 2nd Annual Conference of the Caribbean Area Network for Quality Assurance in Tertiary Education (CAN-QATE), which was hosted by ACTT, and so the event was also witnessed by members of the regional and international communities. Participants from the Bahamas, Barbados, Belize, Canada, the Cayman Islands, Chile, France, Guyana, Jamaica, St. Lucia, Suriname, the United Kingdom and the United States of America attended the conference and the launch. It was a gala event at which the President of the Republic of Trinidad and Tobago, His Excellency, Professor George Maxwell Richards delivered the feature address. One of the highlights of the launch was the presentation of the Council's logo, tagline, jingle and website. This was a major step forward as we realised the significant factors which would affect ACTT's success in achieving its mandate. These consisted of

the quality and level of marketing, promotion and relationship-building with its stakeholders and the public.

DEVELOPMENT OF THE COUNCIL'S OPERATION

During the period under review, attention was also given to the following aspects of the Council's operations:

- ▲ Development of policies, processes and procedures for ACTT's services
- ▲ Development of rules and regulations for Act No. 16 of 2004 in collaboration with the Office of the Chief Parliamentary Counsel
- ▲ Development of an efficient and effective information technology system
- ▲ Strengthening of the financial and human resource management systems
- ▲ Recruitment and professional development of qualified and competent staff
- ▲ Promotion of media awareness and public education
- ▲ Building stakeholder relationships with Tertiary Level Institutions (TLIs), professional regulatory bodies and professional associations
- ▲ Development of a database of national, regional and international peer evaluators

TOBAGO OPERATIONS

On May 1st 2006, ACTT achieved a major milestone with the official launch of its operations in Tobago. Since March of that year, ACTT had begun operating out of an office at the TLH Building in Scarborough with the assistance and support of the Tobago House of Assembly, Education

Division. This ensured that Tobagonians had easy access to the services provided by ACTT in Port of Spain, Trinidad, as initially the office operated one day per week.

ACTT GIVEN FULL RESPONSIBILITY FOR THE REGISTRATION PROCESS

In June 2006, the Cabinet gave ACTT full responsibility for the registration process. Subsequently, a Quality Assurance Unit was established under the direct supervision of the Executive Director to evaluate and improve organisational efficiency and also to initiate the process for registration of TLI. The priority for the Council was to ensure that institutions recognised the need to register in accordance with Act No. 16 of 2004. To achieve this, a media campaign was undertaken and ACTT hosted several workshops and fora to advise institutions on the criteria and process for registration and to support institutional strengthening which will enable them to attain the required standards.



DR. RUBY S. ALLEYNE

REGIONAL ACCOMPLISHMENTS

On the regional scene, ACTT became a major player as it strengthened its relationship with the University Council of Jamaica (UCJ) and the Barbados Accreditation Council (BAC) and took a lead role in initiating discussions on the need for mutual recognition agreements among the national bodies in the Caribbean region. ACTT also played a pioneering role, as Trinidad and Tobago became the first country among the membership of CANQATE to establish an active CANQATE Core Group (CCG) in August 2006. The CCG brought together a cross-

section of educators, professionals and interested persons to form a 'think-tank' on issues in quality assurance and accreditation that are relevant to the entire region. ACTT also increased its profile and visibility on the regional scene through participation in meetings of the Council on Human and Social Development (COHSOD) of the Caribbean Community (CARICOM) and ongoing collaboration with the other accrediting bodies in the region.

INTERNATIONAL ACHIEVEMENTS

On the international scene, ACTT established a collaborative relationship with the Higher Learning Commission (HLC) of the North Central Association of Colleges and Schools in Chicago, Illinois. ACTT benefited from this relationship by sending staff on attachments to observe and understudy experienced staff of the HLC, as well as through workshops delivered by HLC staff in Trinidad and Tobago, for ACTT staff and representatives of TLIs. ACTT also became a full member of the International Network of Quality Assurance Agencies in Higher Education (INQAAHE) in March 2006.

Evidently, ACTT made significant strides forward during this period and this could not have been achieved without the support of the Government of the Republic of Trinidad and Tobago and the Ministry of Science, Technology and Tertiary Education.

I wish to express my gratitude to the Board of Directors for their commitment to the

organisation. Finally, and most importantly, I express my deepest appreciation to the ACTT family – the members of staff and their families and loved ones who are all an integral part of this ground-breaking development in tertiary education in Trinidad and Tobago. This has been for all of us a life-altering experience as we have had to devote long hours, way beyond the call of duty, to building ACTT into the type of organisation that can lead by example and set the highest standards for quality in all aspects of its operations. To my resourceful, dedicated and extremely competent and innovative staff I say, thank you for your contribution and your continued support as we prepare ourselves for a challenging year ahead.



DR. RUBY S. ALLEYNE
Executive Director, ACTT



His Excellency Prof. George Maxwell Richards, President of the Republic of Trinidad and Tobago flanked by Dr. Ruby S. Alleyne, Executive Director, ACTT (Left) and Dr. Janet Stanley-Marcano, Chairman, ACTT (right) at the official launch of ACTT, Crowne Plaza Hotel, November, 2005.

CORPORATE GOVERNANCE

The Accreditation Council of Trinidad and Tobago (ACTT) was established by the Parliament of the Republic of Trinidad and Tobago as “the principal body in Trinidad and Tobago for conducting and advising on the accreditation and recognition of post secondary and tertiary educational and training institutions, programmes and awards, whether local or foreign, and for the promotion of the quality and standards of post secondary and tertiary education and training in Trinidad and Tobago” (Section 8 (1), Act No. 16 of 2004).

The members of the Board of Directors for the financial year 2005-2006 were:

1. **Dr. Janet Stanley-Marcano**
CHAIRMAN, ACTT, Representative
of the interest of the general public
Education Consultant
2. **Dr. Alvin Ashton**
DEPUTY CHAIRMAN, ACTT
Expert on Accreditation and Quality Assurance
3. **Dr. Ruby S. Alleyne**
EX OFFICIO MEMBER
Executive Director - ACTT
4. **Mrs. Lennon Ballah- Lashley**
COUNCIL MEMBER, Representative
Employers' Consultative Association
5. **Professor Clement Imbert**
COUNCIL MEMBER, Representative
*Association of Professional Engineers
of Trinidad and Tobago*
6. **Mr. Cipriani Davis**
COUNCIL MEMBER, Representative
Tertiary Institution - Metal Industries Co. Ltd.
7. **Mrs. Deborah Maharaj-Newling**
COUNCIL MEMBER, Representative
*Association of Tertiary Institutions
of Trinidad & Tobago*
8. **Ms. Sally Siriram**
COUNCIL MEMBER, Representative
Trinidad & Tobago Unified Teachers' Association
9. **Dr. Donald Peters**
COUNCIL MEMBER, Representative
*Tertiary Institution - College of Science, Technology
& Applied Arts of Trinidad and Tobago*
10. **Mr. Eduardo Ali**
COUNCIL MEMBER, Representative
*Ministry of Science, Technology & Tertiary Education
Education Advisor*
11. **Mrs. Althea Laurence**
COUNCIL MEMBER
Expert on Accreditation and Quality Assurance
12. **Dr. Peter Baggan**
COUNCIL MEMBER, Representative
Medical Board of Trinidad and Tobago
13. **Mr. Peter O'Neil**
COUNCIL MEMBER, Representative
of the interest of the general public
CEO - Ministry of Education



The Board of Directors of the Council met at least once per month in the financial year. The dates of these Meetings were as follows:-

- 11th Meeting – October 13, 2005
- 12th Meeting – December 06, 2005
- 13th Meeting – December 22, 2005
- 14th Meeting – January 26, 2006
- 15th Meeting – February 23 & March 10, 2006
- 16th Meeting – March 23, 2006
- 17th Meeting – April 20, 2006
- 18th Meeting – May 25, 2006
- 19th Meeting – June 29, 2006
- 20th Meeting – July 13, 2006
- 21st Meeting – August 24, 2006
- 22nd Meeting – September 21, 2006

The Board of Directors is comprised of several Sub-Committees. The Sub-Committees of the Board of Directors for the financial year 2005-2006 were:-

1. The Human Resource Sub-Committee
2. The Tenders Sub-Committee
3. The Operations Sub-Committee
4. The Finance Sub-Committee
5. The Governance and Policy Committee

Dr. Janet Stanley-Marcano, Chairman of the Board of Directors by letter dated October 12, 2006 granted approval for the auditing firm KPMG to conduct an audit on the Council's financial operations. The audit began in 2007 and the financial statements with respect to the period October 1st 2005 – September 30th 2006 are detailed in this annual report.

During the period October 1st 2005 – September 30th 2006 changes to the membership of the ACTT Board of Directors included:-

- Dr. Peter Baggan resigned effective February 13, 2006
- Mrs. Althea Laurence resigned effective May 02, 2006.

The Corporate Secretary/Legal Officer who ensured compliance with all relevant laws and regulations for the period was Mrs. Jane Murray.

NEW MANDATORY INSTITUTIONAL REGISTRATION SYSTEM

The initial strategic intent of the Council, which informed its early operations and organisational structure heavily focused on ACTT's role with respect to accreditation and other quality assurance processes outlined in the Act. The Council's functions in the Act included the registration of foreign and local institutions operating in Trinidad and Tobago (Section 8, subsection 2 [a]) however the Act also required the institutions to register with the Ministry of Science, Technology and Tertiary Education (MSTTE) (Section 8, sub-section 3) and gave the Minister responsibility for maintaining a Register (Section 26, sub-section 4). After considerable dialogue between MSTTE and ACTT and, in an effort to streamline the national quality assurance process and ensure no duplication of effort and human resources, Cabinet by Minute No. 1579 of June 29, 2006 gave full responsibility to ACTT to register all post secondary and tertiary institutions in Trinidad and Tobago.

As a matter of priority, and in order to give effect to its expanded mandate, the Council developed an approach that would fully integrate the registration function as outlined in the Act, into the broader quality assurance system for the tertiary education sector. Mandatory registration has now become a pre-accreditation process. This means that it is closely aligned to institutional accreditation and sufficiently rigorous to ensure that should institutions decide not to pursue voluntary accreditation, they would have met

the minimum standards and demonstrated their capacity to offer quality education and training at the post secondary or tertiary level.

On November 13th 2006, a major forum was held by the Council for all post secondary and tertiary institutions. At the event, ACTT outlined in great detail the relationship between registration and accreditation and the rigorous steps that institutions must follow to achieve registered status. Unfortunately, this event took place more than four months after the mandatory registration deadline in the Act had elapsed. It is in this context, that the Parliament was asked to consider an extension of the transitional period for the one hundred and sixty-three (163) institutions that were operating or seeking to begin operations in Trinidad and Tobago. By law, these institutions must all seek to be registered by ACTT.



Cross-section of the audience at one of ACTT's workshops on registration.

ACTT'S NATIONAL ACCREDITATION MODEL

Following extensive examinations of the operations of many premier accrediting agencies in Asia, Australia, New Zealand, North America, South Africa and the United Kingdom, the Council has developed a model adapted from the North Central Association – Higher Learning Commission (NCA-HLC) based in Chicago, Illinois. ACTT's senior management and technical officers undertook a study tour of the NCA-HLC headquarters at the end of 2005 to observe and learn from their operations. NCA-HLC has been involved in accreditation since 1895 and was well positioned to offer significant technical expertise to the ACTT team. Following the tour, an agreement was reached between ACTT and the NCA-HLC which enabled the Council to develop a range of its own processes and procedures based on the NCA-HLC model. The NCA-HLC has provided invaluable support to ACTT to develop its criteria and standards for institutional and programme accreditation and build the capacity of key stakeholders in the local higher education sector for the work of higher education quality assurance and improvement.

ACTT envisages that as the national system penetrates the local higher education sector, stakeholders will come to fully understand and appreciate the importance and urgency

of the task ahead. In the context of a global higher education sector, local institutions must become fully engaged in the national quality assurance system if they are to remain relevant and competitive. Internationally, accreditation has come to be seen as both a status and a process. It is the status awarded to institutions that have met or exceeded established criteria of educational quality. It is also the process used to evaluate the quality of the institution or programme and to assist in continuous quality improvement.

The ACTT model makes accreditation voluntary for institutions. It is premised on the expectation that as the national system matures non-accredited institutions and programmes will not enjoy public confidence, earn an international reputation, or benefit from state funding initiatives. Self evaluation and external evaluation are the key components of accreditation. Self evaluation allows the institutions to plan for improvement; builds institutional memory; and document and report on how the institution fulfils accreditation criteria. Following the institutional self evaluation an external evaluation will be conducted by a team of expert evaluators appointed by ACTT.

BUILDING INSTITUTIONAL CAPACITY

In 2006, ACTT recruited key personnel to provide the technical, management and support competencies to achieve its mandate. In the absence of considerable national human resource capacity in the area of structured external quality assurance and accreditation systems, significant priority was given to training and development opportunities for staff. The Council engaged the services of foreign consultants to provide training to key technical officers involved in the implementation of the new national system. Major training initiatives included workshops on higher education programmes and accreditation practices conducted in May and July by Dr. John Randall (UK Higher Education Consultant and immediate past Chief Executive Officer of the Quality Assurance Agency (QAA), UK) and Drs. Lynn Priddy, Karen Solomon and John Marr

(Higher Education Accreditation Consultants from the North Central Association, Higher Learning Commission (NCA-HLC), Chicago, USA). These training opportunities focused on key processes in the design, and development of evaluation criteria for programme accreditation and on steps involved in external evaluation processes and the conduct of successful site visits by ACTT's External Evaluators. The team of consultants from the North Central Association- Higher Learning Commission (NCA-HLC), Chicago, Illinois, USA also facilitated a training exercise on Peer Evaluation, which focused on the key training competencies required to develop a body of highly skilled external evaluators to conduct comprehensive site-visits on behalf of the Council. It is the intent of the Council to assemble and train a body of over two hundred (200)



Dr. John Randall (UK Higher Education Consultant and immediate past Chief Executive Officer of the Quality Assurance Agency (QAA), UK, centre) at a workshop for institutions on the design and implementation of higher education programmes and accreditation practices, May 2005.

experts in varied fields of endeavour to form evaluation teams as part of the various quality assurance services outlined in ACTT's mandate. The Council also focused its attention on the task of building the capacity of institutions, government ministries/agencies, professional bodies and other stakeholders which provide training at the tertiary or post secondary levels. International consultants were also invited to facilitate a series of public fora on key issues related to the implementation of the new national quality assur-

ance system. These public events focused on planning and implementing internal quality assurance systems and preparation for site-visits by teams of external evaluators. The response by these stakeholders to the new requirements of the national quality assurance system for higher education has been very encouraging and the Council looks forward to working with them to improve the quality of the local higher education sector.

QUALIFICATIONS AND RECOGNITION

One of the major functions of the Council is its responsibility as the principal authority to advise on the recognition of local and foreign post secondary and tertiary institutions, qualifications and awards, including foreign programmes delivered in partnership with local institutions. The Council has moved to establish standards and criteria for the award of tertiary qualifications in the context of a broader National Qualifications Framework (NQF) that will be underpinned by a credit accumulation and transfer system that facilitates a seamless education system and increased intra and extra-regional mobility of students. The Tertiary Qualifications Framework (TQF) will facilitate assessment of existing and emerging qualifications; establish a system for recognition of prior learning; and create a framework to determine the equivalency of foreign qualifications.

The Terms of Reference for three projects related to the design of a Tertiary Qualifications Framework for Trinidad and Tobago, have been developed and will focus on:

- Research on international benchmarks for qualifications
- A survey of local qualifications
- To design a framework to position post secondary and tertiary qualifications

ACTT now offers a recognition service to members of the public through applications for 'Statements on Recognition' of programmes and institutions (a service formerly offered by the Committee on the Recognition of Degrees (CORD)/NIHERST). In 2006, over seven hundred 'Statements on Recognition' were issued to members of the



Consultant Margit A. Schatzman (centre in pink) with staff members of ACTT at an in-house training workshop on Determining Equivalences.

public. Major applicants included prospective students interested in the quality of institutions and qualifications available abroad, recent graduates of foreign institutions, and employers seeking to ensure that their employees graduated from recognised institutions. Government ministries and other state agencies are increasingly accessing this service.

ACTT also rolled out its 'Equivalency Assessment' service to members of the public in March 2006. The service provides authoritative statements on the equivalence

(comparability) of foreign qualifications with local qualifications. This is particularly beneficial to nationals who have studied abroad and wish to demonstrate the comparability of their qualifications for purposes of employment or further study at local institutions. Employers who hire foreign nationals have also benefited from the service which assures that foreign employees are suitably qualified for positions within their areas of specialty. ACTT's equivalence assessment service is benchmarked against international standards and comparable to similar services offered in the U.S.A., Canada and the U.K.

CREATING COLLABORATIONS

During this developmental period the Accreditation Council established linkages with national, regional and international partners to obtain technical support and collaborate on issues of higher education quality assurance. ACTT now maintains collaborative relationships with many organisations including:

- American Society for Quality (ASQ)
 - National Recognition Information Centre for the UK (NARIC)
- The Medical Board of Trinidad and Tobago
 - The Pharmacy Board of Trinidad and Tobago
 - The Nursing Council of Trinidad and Tobago
 - Civil Aviation Authority of Trinidad and Tobago
 - Barbados Accreditation Council (BAC)
 - University Council of Jamaica (UCJ)
 - Association of Caribbean Tertiary Institutions (ACTI)
 - International Network of Quality Assurance Agencies in Higher Education (INQAAHE)
 - North Central Association- Higher Learning Commission, Chicago, USA
 - NAFSA: Association of International Educators
 - European Association for International Education (EAIE)
 - Caribbean Area Network for Quality Assurance in Tertiary Education (CANQATE)
 - Association of Caribbean Higher Education Administrators (ACHEA)
 - Council for Adult and Experiential Learning (CAEL)

Additionally, ACTT participated in a number of regional initiatives geared to facilitating the free movement of skilled labour throughout the region, as it embraced its critical role in the establishment of a regional higher education quality assurance mechanism. In conjunction with the Ministry of Science, Technology and Tertiary Education, the Council developed a proposal on the Caribbean Accreditation Agency for Education and Training which has been forwarded to CARICOM for consideration. ACTT also serves on the Skills Recognition Committee of the Ministry of Foreign Affairs to review credentials for issuing CARICOM skills certificates to nationals seeking to work throughout the region.



Dr. Ruby S. Alleyne, Executive Director, ACTT meets with representatives of the National Training Board of Bermuda.

PUBLIC OUTREACH AND AWARENESS INITIATIVES

The local higher education sector has expanded significantly over the past decade in the absence of any robust regulatory mechanism. One of the challenges of the Council in its early development was the need to bring greater awareness among key stakeholders and the national community on the new role of the Council and the importance of higher education quality assurance for national development.

To this end, the Accreditation Council of Trinidad and Tobago began a major public awareness campaign. The on-going campaign is intended to present ACTT's services to the public, build strong non-adversarial relationships with higher education institutions, reinforce the need for higher education quality assurance and

develop a quality culture in the local higher education sector.

The campaign targeted post secondary and tertiary institutions, professional bodies, students, employers and the general public. It included public sensitisation through the press, electronic media and ACTT's website; promotional activities involving corporate token giveaways, student activities; and public education initiatives such as workshops, seminars and distribution of informational literature to stakeholders nationwide. These activities were conducted in both Trinidad and Tobago on a continuous basis and are expected to yield significant support from ACTT's stakeholders for the work of higher education quality assurance.



Assessment Officer, Sharon Delochan, interacts with students at one of ACTT's public awareness campaigns.

FINANCIAL STATEMENTS



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Auditors' Report to the members of The Accreditation Council of Trinidad and Tobago

We have audited the financial statements of Accreditation Council of Trinidad and Tobago (the Council) at September 30, 2006 and the statements of revenue and expenditure, changes in accumulated fund and cash flows set out on pages 2 to 15 for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and consistently applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements, which have been prepared in accordance with International Financial Reporting Standards present fairly, in all material respects, the financial position of the Company as at September 30, 2006 and of its financial performance, changes in equity and cash flows for the year then ended.

Chartered Accountants

Port of Spain
Trinidad and Tobago, W.I.
October 2, 2008

BALANCE SHEET

September 30, 2006

(with comparative figures for the fifteen months ended September 30, 2005)

	Notes	2006	2005
Assets			
Non-current assets			
Net fixed assets	1	\$ 1,676,518	1,389,775
Current assets			
Accounts receivable		62,383	–
Prepayments		133,860	133,860
Cash on hand and at bank	2	871,151	1,153,960
Total current assets		<u>1,067,394</u>	<u>1,287,820</u>
Total assets		<u>\$ 2,743,912</u>	<u>2,677,595</u>
Accumulated Fund and Liabilities			
Accumulated fund		\$ 1,813,317	2,060,962
Non-current liabilities			
Deferred income	3	707,719	310,206
Current liabilities			
Accounts payable and accrued liabilities		<u>222,876</u>	<u>306,427</u>
Total accumulated fund and liabilities		<u>\$ 2,743,912</u>	<u>2,677,595</u>

See accompanying notes to financial statements.

On behalf of the Board


 _____ Director
DR. JANET STANLEY-MARCANO
 CHAIRMAN
 ACCREDITATION COUNCIL OF TRINIDAD & TOBAGO


 _____ Director
MR. CIPRIANI DAVIS
 BOARD MEMBER
 ACCREDITATION COUNCIL OF TRINIDAD & TOBAGO

STATEMENT OF REVENUE AND EXPENDITURE

For the year ended September 30, 2006

(with comparative figures for the fifteen months ended September 30, 2005)

	Notes	2006	2005
Revenue	4	\$ 8,413,427	5,031,194
Other (expenses) income			
Administrative expenses - (Schedule 1)		(8,910,181)	(3,000,383)
Interest income		10,807	4,491
Other income		238,302	25,660
Total other (expenses) income		<u>(8,661,072)</u>	<u>(2,970,232)</u>
Surplus of revenue over expenditure for the year/period		<u>\$ (247,645)</u>	<u>2,060,962</u>

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN ACCUMULATED FUND

For the year ended September 30, 2006

(with comparative figures for the fifteen months ended September 30, 2005)

Period ended September 30, 2005

Opening balance	\$	-
Surplus of revenue over expenditure for the period		<u>2,060,962</u>
Balance as at September 30, 2005	\$	<u>2,060,962</u>

Year ended September 30, 2006

Balance as at October 1, 2005	\$	2,060,962
(Deficit) of revenue over expenditure for the year		<u>(247,645)</u>
Balance as at September 30, 2006	\$	<u>1,813,317</u>

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

For the year ended September 30, 2006

(with comparative figures for the fifteen months ended September 30, 2005)

	2006	2005
Cash Flows from Operating Activities		
(Deficit) surplus of revenue over expenditure for the year/period	\$ (247,645)	2,060,962
Adjustments to reconcile the surplus of revenue over expenditure for the year to net cash (used in) from operating activities:		
Depreciation	518,249	99,027
Amortisation of deferred income	(807,490)	(89,794)
Accounts receivable	(62,383)	—
Prepayments	—	(133,860)
Accounts payable and accrued liabilities	(83,551)	306,427
Net cash (used in) from operating activities	<u>(682,820)</u>	<u>2,242,762</u>
Cash Flows from Investing Activities		
Purchase of fixed assets	(804,992)	(1,488,802)
Net cash used in investing activities	<u>(804,992)</u>	<u>(1,488,802)</u>
Cash Flows from Financing Activities		
Proceeds from government grants	<u>1,205,003</u>	<u>400,000</u>
Net cash from financing activities	<u>1,205,003</u>	<u>400,000</u>
Net (decrease) increase and cash and cash equivalents for the year/period	(282,809)	1,153,960
Cash and cash equivalents at the beginning of the year/period	<u>1,153,960</u>	<u>—</u>
Cash and cash equivalents at the end of the year/period	<u>\$ 871,151</u>	<u>1,153,960</u>
Analysis of cash and cash equivalents		
Cash on hand and at bank	<u>\$ 871,151</u>	<u>1,153,960</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

September 30, 2006

Limitation of liability and principal activity

The Accreditation Council of Trinidad and Tobago (the Council) was established in the Republic of Trinidad and Tobago in June 2004, by an Act of Parliament #16. The Council commenced commercial operations on June 14, 2004. The principal activity of the organisation is to ensure quality in higher education in T&T through the following five major activities:

- a) registration of Tertiary Level Institutions.
- b) accreditation of Tertiary Level Institutions.
- c) accreditation of specialised programmes.
- d) recognition of foreign Tertiary Level Institutions and their programmes and awards.
- e) conferment of title on Tertiary Level Institutions

These financial statements were approved for issue by the directors on October 2, 2008.

Significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with the International Financial Reporting Standards and its interpretations issued and adopted by the International Accounting Standards Board (IASB).

(b) Basis of preparation

These financial statements have been prepared on the historical cost basis.

(c) Functional and reporting currency

The financial statements are presented in Trinidad and Tobago dollars which is the Council's functional currency.

(d) Use of estimates

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

NOTES TO FINANCIAL STATEMENTS

September 30, 2006

Significant accounting policies (continued)

(d) Use of estimates (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

(e) Fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses. The Council recognizes in the carrying amount of an item of fixed assets, the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Council and the cost of the item can be measured reliably.

All other costs are recognised in the income statement as an expense as incurred.

When parts of an item of fixed assets have different useful lives, those components are accounted for as separate items of fixed assets.

Depreciation is charged using the reducing balance basis at the following rates which are designed to write off the cost of the assets over their estimated useful lives:

Motor vehicle	25%
Computer equipment	33.3%
Furniture and fittings	25%
Equipment	25%

(f) Trade accounts receivable

Trade accounts receivable is stated net of any specific provision established to recognise anticipated losses for bad and doubtful debts. Bad debts are written off during the year in which they are identified.

(g) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash at hand and in bank.

(h) Trade and other payables

Trade and other payables are stated at cost.

NOTES TO FINANCIAL STATEMENTS

September 30, 2006

Significant accounting policies (continued)

(i) Revenue recognition

Unconditional grants related to the ongoing operations of the Council are recognised in the statement of revenue and expenditure as revenue when the grant becomes receivable.

Grants that compensate the Council for the cost of an asset are recognised in the statement of revenue and expenditure as revenue on a systematic basis over the life of the asset.

Other revenue related to the Council includes revenue earned from the issuance of statements of recognition and equivalencies. This revenue is recorded on an accruals basis.

(j) Provisions

A provision is recognised in the balance sheet when the Council has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments at the time value of money and, where appropriate, the risks specific to the liability.

(k) Operating leases

Payments made under operating leases are recognised in the income statement on a straightline basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

(l) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments or a financial liability designated as a hedge of the net investment in a foreign operation.

NOTES TO FINANCIAL STATEMENTS

September 30, 2006

Significant accounting policies (continued)

(m) Impairment

The carrying amounts of the Council's assets, other than fixed assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) Taxation

Section 20 of the Act indicates that the Council should be exempt from the stamp duties, corporation taxes, custom duties, value added taxes, motor vehicle taxes and all other taxes.

NOTES TO FINANCIAL STATEMENTS

September 30, 2006

I. Net Fixed assets

	Motor Vehicles	Computer Equipment	Furniture and fittings	Equipment	Total
Cost					
Balance at October 1, 2005	\$ 425,540	221,448	755,200	86,614	1,488,802
Additions for the year	—	529,930	84,201	190,861	804,992
Balance at September 30, 2006	\$ 425,540	751,378	839,401	277,475	2,293,794
Accumulated depreciation					
Balance at October 1, 2005	\$ 28,473	14,765	51,907	3,882	99,027
Charge for the year	99,267	175,885	184,563	58,534	518,249
Balance at September 30, 2006	\$ 127,740	190,650	236,470	62,416	617,276
Net book value					
Balance at September 30, 2006	\$ 297,800	560,728	602,931	215,059	1,676,518
Balance at September 30, 2005	\$ 397,067	206,683	703,293	82,732	1,389,775

2. Cash on hand and at bank

	2006	2005
Chequing account	\$ 869,531	1,139,273
Cash on hand	620	13,687
Petty cash	1,000	1,000
Balance at September 30, 2006	\$ 871,151	1,153,960

NOTES TO FINANCIAL STATEMENTS

September 30, 2006

3. Deferred Income

		2006	2005
Balance at October 1, 2005	\$	310,206	—
Grant received		1,205,003	400,000
Amortisation of deferred income		(807,490)	(89,794)
Balance at September 30, 2006	\$	<u>707,719</u>	<u>310,206</u>

The deferred income relates to a grant to purchase fixed assets under the Public Sector Investment Programme from the Ministry of Science, Technology and Tertiary Education.

4. Revenue

Government of the Republic of Trinidad and Tobago - Recurrent expenditure subvention	\$	7,524,577	4,912,000
Amortisation of deferred income		807,490	89,794
Issuance of recognition/equivalence statements		<u>81,360</u>	<u>29,400</u>
	\$	<u>8,413,427</u>	<u>5,031,194</u>

5. Related parties

Key management personnel

Key management personnel receive compensation in the form of short-term, employee benefits and post-employment benefits.

Key management personnel received compensation of \$1,504,559 for the year. Total remuneration is included in salaries and wages.

NOTES TO FINANCIAL STATEMENTS

September 30, 2006

6. Operating leases

	2006	2005
Leases as lessee		
Non cancellable operating lease rentals are payable as follows:		
Less than one year	\$ 803,160	803,160
Between one and five years	1,445,688	2,248,848
	<u>\$ 2,248,848</u>	<u>3,052,008</u>

During the year, \$950,244 (2005 - \$717,025) was recognised as an expense in the income statement in respect of operating leases.

7. Outstanding purchase orders

At the balance sheet date, the Council issued purchase orders to suppliers for the acquisition of materials, supplies and services which had not yet been fulfilled. The cost of these outstanding purchase orders has not been included in these financial statements and they do not constitute contingent liabilities. The value of these outstanding purchase orders was \$232,080.

8. Financial instruments

The following summarises the major methods and assumptions used in estimating the fair values of financial instruments.

Market risk

Market risk arises in the normal course of business and encompasses the risk to earnings that arises from changes in equity prices.

Credit risk

Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. At the balance sheet date, there is a significant concentration of credit risk in the trade receivables portfolio. The maximum exposure to credit risk is represented by the carrying amount of the financial asset in the balance sheet.

NOTES TO FINANCIAL STATEMENTS

September 30, 2006

8. Financial instruments (continued)

Foreign currency risk

The Council does not incur significant foreign currency risk on purchases that are denominated in a currency other than the Trinidad and Tobago dollar.

Accounts and other payables

For payables with a remaining life of less than one year, the notional amount is deemed to reflect the fair value. All other payables are discounted to determine the fair value.

9. IFRS not yet effective

At the date of authorisation of the financial statements, there were certain standards and interpretations which were in issue but were not yet effective. The effective dates of those standards and interpretations are as follows:

IFRS 6	Exploration for Evaluating of Mineral Resources	January 1, 2006
IFRS 7	Financial Instruments: Disclosure	January 1, 2007
IFRS 8	Operating Segments	January 1, 2009
IFRIC 4	Determining whether an Arrangement Contains a Lease	January 1, 2006
IFRIC 5	Rights to Interest Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	January 1, 2006
IFRIC 6	Liabilities arising from Participating in a Specific Market - Waste, Electrical and Electronic Equipment	December 1, 2005
IFRIC 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyper-Inflationary Economies	March 1, 2006
IFRIC 8	Scope of IFRS 2	May 1, 2006
IFRIC 9	Reassessment of Embedded Derivatives	June 1, 2006
IFRIC 10	Interim Financial Reporting and Impairment	November 1, 2006
IFRIC 11	Group and Treasury Share Transactions	March 1, 2007

NOTES TO FINANCIAL STATEMENTS

September 30, 2006

9. IFRS not yet effective (continued)

IFRIC 12	Service Concession Arrangement	January 1, 2008
IAS 1	Amendment: Presentation of Financial Statements Capital Disclosures	January 1, 2007
IAS 23	Amendment: Borrowing Costs - Capitalisation of Borrowing Costs	January 1, 2009
IAS 19	Amendment: Actuarial Gains & Losses, Group Plans and Disclosures	January 1, 2006
IAS 39	Amendment: The Fair Value Option	January 1, 2006
IAS 39	Amendment: Financial Guarantee Contracts	January 1, 2006

The adoption of IFRS 7 is expected to result in additional disclosures for financial instruments and the defined benefit scheme. Except for these additional disclosures, the adoption of these standards and interpretations are not expected to have a material impact on the financial statements.

SCHEDULE OF ADMINISTRATIVE EXPENSES

September 30, 2006

(with comparative figures for the fifteen months ended September 30, 2005)

	2006	2005
Advertising and promotions	\$ 892,630	132,026
Office expenses	921,059	311,399
Insurance	46,633	16,232
Other expenses	117,017	25,865
Repairs and maintenance	266,578	152,370
Salaries and wages	4,022,167	1,175,351
Depreciation	518,249	99,026
Rent	976,800	513,323
Travel	196,130	209,757
Training	515,117	260,307
Fees	236,354	—
Utilities	201,447	104,727
	\$ 8,910,181	3,000,383

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