



**MINISTRY OF
FINANCIAL SERVICES,
COMMERCE AND
ENVIRONMENT**
CAYMAN ISLANDS GOVERNMENT

2014/15 Annual Report

CONTENTS

THE MINISTRY'S STRATEGIC FRAMEWORK	I
IMPACT ON THE ECONOMY	II
OVERVIEW OF AGENCIES	V
HUMAN CAPITAL.....	VI
AGENCY SPENDING	VIII
2014/15 ACHIEVEMENTS	XI
LEGISLATION	XI
INTERNATIONAL ENGAGEMENT	XI
REGISTRATION	XII
LICENSING AND ENFORCEMENT	XIV
EXCHANGE OF INFORMATION	XIV
CONSERVATION	XV
<i>Enhanced Marine Parks Proposal</i>	xv
<i>2015 Marine Turtle Nesting statistics</i>	xvi
<i>Sister Islands Rock Iguana (SIRI)</i>	xvii
<i>Invasive Species</i>	xvii
<i>DoE Recycling</i>	xviii
<i>CITES</i>	xviii
<i>Environmental Assessment Services</i>	xix
<i>Planning Reviews and Coastal Works Licences (CWLs):</i>	xix
GOOD GOVERNANCE	XIX
<i>Freedom of Information</i>	XX
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015	1

The Ministry's Strategic Framework

As a Ministry, our purpose is to develop an environment in which trade, investment, and entrepreneurship can flourish, while safeguarding the natural environment and resources of the country, to the benefit of Caymanians now, and for future generations.

In fulfilling our purpose, our vision for the jurisdiction is for a competitive business environment that encourages a vibrant, diversified and sustainable economy in the Cayman Islands.

In order to achieve this vision, our focus is on four goals:

- *To facilitate an internationally competitive financial services industry*
- *To facilitate a business climate conducive to local entrepreneurial activity*
- *To protect, and encourage society to value, our Islands' natural environment and resources*
- *To engender a jurisdictional reputation of excellence*

Our role is therefore to be a Ministry whose services enhance and encourage sustainable economic activity, and in which the administration of these services is compliant with legislation and in line with best practice.

As a Ministry, we recognise that our success is built on a foundation that starts with our employees. Our values of integrity, commitment, and vision, are therefore important guides to our interactions with colleagues within the Ministry and broader Government, as well as to the public, our customers, and stakeholders.

Impact on the Economy

The financial services industry is the key driver of economic activity in the Cayman Islands. In 2014, an estimated 41.2% of Cayman's GDP (see Table 1), as well as 10% of overall employment (see Table 2), was generated by the financial and insurance industries¹. Including the legal and accounting professions, these account for an additional 11% of GDP and roughly 6% of overall employment. In regards to GDP, these are measures of direct impact only, as research has shown that the indirect and induced impacts account for a further 5 – 10% contribution to GDP.² Indirect impacts occur when financial services firms purchase goods and services from suppliers in areas such as real estate, transportation, and the retail trade. Induced impacts arise from the spending by persons employed in the financial services industry and its supply chain.

Table 1: GDP Breakdown for the Financial Services Industry (CI\$000)

	2011	2012	2013	2014
Cayman Islands GDP (at Basic Prices)	2,427,776	2,458,229	2,494,330	2,554,060
<i>Financial and Insurance Activities, of which:</i>				
<i>Banking</i>	562,952	568,838	571,559	577,492
<i>Insurance</i>	206,815	213,422	214,492	220,077
<i>Trust, Securities, Other Financial</i>	253,371	256,188	255,776	255,055
<i>Professional, Scientific & Technical Activities, of which:</i>				
<i>Legal Activities</i>	138,753	140,011	140,492	148,636
<i>Accounting & Auditing Services</i>	111,719	115,428	121,036	125,828
Total <u>direct</u> contribution of financial, legal and accounting services	1,273,610	1,293,887	1,303,356	1,327,088
% contribution	52.5%	52.6%	52.3%	52.0%

The jobs generated by the industry are relatively high paying, and in 2014, 71.5% of financial services jobs were held by Caymanians.

¹ Economics & Statistics Office; Financial services industry: banking, insurance, legal services, estate & trust, company management, fund administration, accountancy, and related regulation and support (including CIMA, the Cayman Stock Exchange, the Cayman Islands Development Bank, and the Cayman Islands National Insurance Company).

² Oxford Economics, *Economic Benefits of the Financial Services Industry in the Cayman Islands*, February 2009.

Table 2: Employment in the Financial Services Industry

Industry	2011	2012	2013	2014
Total Employment	35,267	36,401	36,070	37,723
Financial Services	3,535	3,229	3,536	3,763
<i>% of Total Employment</i>	10.0%	8.9%	9.8%	10.0%
Legal Services	1,144	1,198	1,364	1,409
<i>% of Total Employment</i>	3.2%	3.3%	3.8%	3.7%
Accounting Services	705	739	841	869
<i>% of Total Employment</i>	2.0%	2.0%	2.3%	2.3%
Total Employment in Financial, Legal and Accounting Services	5,384	5,166	5,741	6,041
<i>% of Total Employment</i>	15.3%	14.2%	15.9%	16.0%

Note: Estimates of employment in legal and accounting services were derived from applying the percentage share of legal and accounting services to the industry total from the Census 2010 data, and applying it to the 2014 LFS total employment data for scientific, legal and technical activities.

Direct fees from the financial services sector account for roughly 39% of Government revenue (see Table 3 below). The two main areas of revenue are from regulatory fees collected by the Cayman Islands Monetary Authority and registration fees collected by the General Registry. Additionally, there are licence fees for accounting firms that are collected by the Department of Commerce and Investment. In addition to these revenue areas, a sizeable portion of Immigration-related fees are attributable to financial services employees.

In addition to these direct fees, there are other revenue areas that are influenced by the financial services industry. In particular, a significant proportion of import and stamp duty collection is driven by the consumption of the individuals within this industry. For instance, in 2012, it was estimated that approximately CI\$1.0 million per year in stamp duties was related to financial transactions.

The financial sector also contributes to tourism. An Oxford Economics 2009 study found that more than 31,000 visitors came to the Cayman Islands in 2007 as financial services clients, vendors, or conference participants, staying 100,000 nights and spending CI\$20 million.

Table 3: Financial Services-Related Revenue, 2014/15

	Amount in KYD	Percentage of Total Government Revenue
Regulatory Licences and Fees	102,679,559	15.6%
Legal Entity Registration	138,157,203	20.9%
Trade & Business Licences	1,700,000	0.3%
Immigration Fees from Financial Services	13,096,453	2.0%
Total Financial Services Revenue	255,633,214	38.8%
Total Government Revenue	659,639,000	100%

Note: Amounts are based 2014/15 unaudited figures. Data on Immigration Fees provided by the Immigration Department

The impacts outlined above focus specifically on financial services, however, the wider impact of the activities of the Ministry must also be recognised. For instance, roughly CI\$4.96 million in revenue comes from other business licence activity (see Table 7 for a breakdown of revenue). While tourism accounts for a smaller proportion of Government revenue³, it is important to note that this industry is significantly affected by the natural environment of the Cayman Islands.

³ In 2014/15 an estimated CI\$35 million was derived from the tourism industry through cruise ship departure charges, tourist accommodation charges, and immigration fees.

Overview of Agencies

Financial Services Administration (FSA)	The core administration arm of the Ministry of Financial Services, Commerce and Environment is central to the development, articulation, and the multi-agency coordination of policies and legislation that support Ministry strategies and departmental sub-strategies. On both the Ministerial and departmental levels, these strategies provide the platform for growth, and for the robust practice of international regulatory standards, that characterise Cayman's financial services industry, local commerce, and environmental conservation efforts.
Dept. for Financial Services (DFS)	The Department provides research, policy advice and legislative support to the Ministry on matters relating to competitiveness of the financial services industry and reputation of the jurisdiction. It is the key channel for consultation and interaction with the financial services industry and other key stakeholders.
Dept. of Commerce & Investment (DCI)	Provides business licensing services to specified sectors, and ensures compliance of licenced businesses with local commerce legislation and local and international standards. This includes the administration of the issuance of Trade & Business Licences, Local Company (Control) Licences, Tobacco Permits, Liquor Licences, Public Film Exhibition Premises Licences, and Special Economic Zone Company Licences.
General Registry (REG)	Officially registers and maintains key records of corporate and vital activities and ensures compliance with relevant legislation and policies. Registration activities involve registers for companies, partnerships, trusts, friendly societies, building societies, trade unions, patents, trade marks, births, deaths, marriages, and public records.
Dept. for International Tax Cooperation (DITC)	Enables the jurisdiction to meet international obligations in tax cooperation matters, in accordance with international instruments and standards, through the provision of competent authority services for exchange of tax information, collaboration with domestic and foreign stakeholders, and engagement with relevant supranational bodies.
Department of Environment (DOE)	Promotes and facilitates responsible management and sustainable use of the natural resources and environment of the Cayman Islands. Activities fall within the broad categories of environmental management recommendations; sustainable development and environmental policy advice; environmental research, monitoring and assessment; marine protection services' public education; and secretariat and permitting services for conservation boards and committees.

The Ministry provides policy coordination and support to the following Statutory Authorities and Government-Owned Companies (SAGCs):

- Cayman Islands Monetary Authority
- Maritime Authority of the Cayman Islands
- Auditors Oversight Authority
- Cayman Islands Stock Exchange
- Cayman Islands Development Bank

In addition to the Board for each of the SAGCs above, the Ministry provides support to the following Boards and Committees:

- The Trade & Business Licensing Board
- The Liquor Licensing Board
- The Special Economic Zones Authority
- The Cinematograph Board
- The Marine Conservation Board
- The National Conservation Council

Human Capital

Personal costs in 2014/15 amounted to \$6.8 million or 74% of expenses for the year⁴. A total of 121 posts were established for the Ministry in 2014/15, as shown in Table 4. Of these posts, actual headcount was 111 at the end of the year.

Table 4: Ministry for Financial Services & Commerce – Headcount

	Actual 2011/12	Actual 2012/13	Actual 2013/14	Actual 2014/15
Core Ministry (FSA)	2	8	12	11
Dept. Int'l Tax Cooperation (DITC)	3	3	5	5
Dept. Commerce & Investment (DCI)	15	11	11	11
General Registry (REG)	50	48	45	41
Dept. Financial Services (DFS)	6	4	4	5
Dept. of Environment (DOE)	32	30	35	38
TOTAL	108	104	112	111

⁴ See Note 11 on page 23 of the Financial Statements.

The significant increase in the number of positions was a result of increasing external pressure on the services provided by the Ministry. In particular, the two main drivers were policies to support local commerce and assist small businesses, as well as compliance with international standards in the financial services industry.

Agency Spending

In the 2014/15 financial year, the process of categorising actual expenditure within the Ministry's strategic framework was started. As such, later years will entail reporting of expenditure within this framework.

Table 5 provides a summary of the total recurrent expenditure by agencies under the Ministry⁵.

Table 5: Total Recurrent Expenditure by Agency

	2014/15 Budget	2014/15 Actual
Core Ministry (FSA)	2,435,456	1,647,266
Dept. for Financial Services (DFS)	593,330	382,031
Dept. of Commerce & Investment (DCI)	1,368,197	844,346
General Registry (REG)	3,209,691	2,687,935
Dept. for Int'l Tax Cooperation (DITC)	737,369	877,124
Department of Environment (DOE)	2,814,877	2,714,157
TOTAL RECURRENT EXPENDITURE	11,158,920	9,152,859

Table 6 provides a summary of the total capital expenditure by agencies under the Ministry⁶.

Table 6: Total Capital Expenditure

Description	2014/15 Budget	2014/15 Actual
DITC FATCA, AEOI E-Reporting Software	1,500,000	1,195,598
REG Additions & Upgrades to Online Registration System	35,000	35,870
DOE Computer replacement	5,400	3,248
DOE Vehicle replacement	82,000	66,290
DOE Boat engine replacement	23,000	48,669
DOE Card Reader for licenses	5,000	4,851
DOE 3 Digital Spectrograms for Grouper monitoring research	15,000	13,012
DOE Small Grouper Acoustic Tags	10,000	0
DOE Equipment to support SIRI Conservation Plan for Sister Islands	3,000	3,001
DOE Other Equipment	13,053	6,097
DOE Oil Spill Dispersant	60,000	0
DOE Renovations	0	26,751
EQUITY INJECTION - MINISTRY ENTITY ASSETS	1,751,453	1,403,388

⁵ See the Statement of Financial Performance on page 6 of the Financial Statements for a breakdown of expenses by type.

⁶ See Note 5 on page 18 of the Financial Statements,

Table 7 provides a breakdown of the major revenue items collected by the Ministry as well as revenue collected by the Cayman Islands Monetary Authority (CIMA) on behalf of the Government. Entity revenue⁷ is used to offset the operational costs of the associated agencies, whereas Executive (coercive) revenue goes to the general revenue of the Government. Revenue projections for the annual budget are made by the Revenue Unit of the Ministry of Finance and Economic Development, based on input provided by the relevant agencies.

Table 7: Total Revenue to Central Government

	2013/14 Actual	2014/15 Budget	2014/15 Actual
Entity Revenue	1,447,470	1,429,566	1,729,735
Licensing Admin Fees (DCI)	398,894	351,000	416,028
Private Sector Computing Fees (REG)	910,681	955,746	1,145,716
Other Company Admin Fees (REG)	124,410	122,520	149,275
Miscellaneous Receipts (DCI, REG, DOE)	13,485	300	18,717
Executive Revenue	247,812,195	256,158,150	249,674,953
Business Licences (DCI)	7,191,629	7,192,900	6,662,388
Company Fees (REG)	98,819,255	99,956,003	100,837,021
Partnership Fees (REG)	31,805,926	37,098,898	36,409,262
Trust Registration Fees (REG)	857,281	965,000	910,920
Patents & Trademarks (REG)	1,420,480	2,162,806	1,602,647
Fees relating to Vital Records (REG)	434,142	466,043	477,660
Royalties & Dredging (FSA)	80,782	0	34,283
Environmental Protection Fund Fees (FSA)	304,920	0	47,556
Spear Gun Licences (DOE)	4,951	0	5,061
W.I.Z. Boar Licences (DOE)	19,178	0	8,431
Fisheries Licences (DOE)	425	0	165
Bank & Trust Licences (CIMA)	34,225,423	34,332,000	32,794,573
Insurance Licences (CIMA)	9,105,324	9,698,500	8,774,532
Mutual Fund Administrators (CIMA)	45,139,548	45,491,000	43,138,518
Money Service Licences (CIMA)	73,667	74,000	70,000
Security Investment Business Licences (CIMA)	13,111,076	13,281,000	12,934,496
Local Company & Corporate Mgmt Fees (CIMA)	2,872,958	2,997,000	2,581,536
Money Transfer Fees (CIMA)	2,345,230	2,443,000	2,385,904
Ship Registration Fees (MACI)	124,497	0	41,494
TOTAL REVENUE	249,259,665	257,587,716	251,404,689

⁷ See Note 9 on page 22 of the Financial Statements. Entity Revenue is shown as Fees and Charges as part of the Total Sales of Goods and Services.

Due to the introduction of a small business incentive in August 2013 and extended through to August 2015, revenue from trade and business licensing fees were lower by an estimated \$550,000 for the 2014/15 financial year.

2014/15 Achievements

Legislation

There are roughly 190 legislative items⁸ that are either the responsibility of the Ministry or which have a significant impact on the policy areas under the Ministry. Of these items, 54% relate to financial services, 37% relate to commerce, and the other 9% specifically focused on the environment. For the year ended July 2015, the Ministry successfully dealt with several legislative matters.

- The Tax Information Authority (International Tax Compliance) (United States of America) Regulations, 2014
- The Tax Information Authority (International Tax Compliance) (United Kingdom) Regulations, 2014
- The Auditors Oversight Regulations, 2014
- Proceeds of Crime (Amendment) Law 2014
- International Interests in Mobile Equipment (Cape Town Convention) Law
- Bills of Sale Law (2000 Revision)
- Civil Aviation Authority (Amendment) Law, 2015
- The Mortgaging of Aircraft Regulations, 2015
- The Insurance (Portfolio Insurance Companies) Regulations, 2015
- The Directors Registration and Licensing (Amendment) Law, 2015
- The Copyright (Cayman Islands) Order, 2015
- The Film Exhibition Control Law 2015
- The Sunday Trading Order 2015
- The Mutual Funds Amendment Law, 2015
- The Securities Investment Business Law, 2015
- The Companies (Amendment) Law, 2015
- The Secondhand Dealers Law, 2014
- The Trade and Business Licensing Law, 2014
- The Special Economic Zones (Cayman Enterprise City) (Amendment) Order, 2014
- The Merchant Shipping (Amendment) Bill, 2014
- The Merchant Shipping (Registration Fees) Regulations, 2014
- The Financial (Amendment) Regulations, 2014

International Engagement

The Ministry engaged with the Financial Conduct Authority, HM Treasury and the Foreign and Commonwealth Office regarding the inclusion of the Cayman Islands on the FCA's list of High

⁸ Legislative items refer to laws, regulations, and orders that have an impact on the policy areas of the Ministry. This does not include public sector laws such as those relating to Public Finance, Public Management, FOI, etc.

Risk Countries. As a result the FCA removed the list from its website and confirmed that it did not plan to publish such a list in the future.

After a public consultation period held from 15 November 2013 to 28 February 2014 the Ministry issued its Consultation Report on Maintenance of Legal and Beneficial Ownership Information. The report summarised the responses from local and international companies, individuals, and non-governmental organisations provided during the public consultative period. The report states that Cayman will continue its current method of providing beneficial ownership information to law enforcement, tax and regulatory authorities, as the method adheres to global standards. Recognising the need for continuous improvement, the report also outlines steps to be taken to further strengthen Cayman's framework through enhanced accuracy, access, availability and monitoring/enforcement of ownership information.

The Ministry sent letters to the Foreign and Commonwealth Office and the European Commission regarding the publication the Commission's list of third-country, non-cooperative tax jurisdictions. Our letters reiterated the steps Cayman has taken on tax transparency and sought to secure our removal from such lists in an expeditious manner.

In addition, the Ministry was represented at the following events overseas:

- 4th Annual Private Equity Latin America Forum in New York
- 2nd Annual Cayman Finance Breakfast in New York
- 13th Offshore Alert Conference in Miami
- 137th Annual Meeting of the International Trademark Association

Registration

The General Registry continued to add new transaction types to its online system. In 2014/15 88% of transactions (representing 93% of total revenue collected by the Registry) was conducted online - an increase of 10% over the prior year. The total number of transactions increased by 21%.

In response to the demands of business owners in Cayman Brac, the General Registry extended its services to allow payment of annual fees and the filing of annual returns at the District Administration Office.

While at calendar year-end 2015 there were a total of 98,838 active companies on the Register, there were a total of 11,971 new registrations during the year (see Table 8). For partnerships, there were a total of 17,896 active partnerships on the Register, with a total of 3,299 new registrations in 2014/15 (see Table 9). The increase in new partnerships registration was the result of the commencement of the Exempted Limited Partnership Law in August 2014. This new law introduced some new concepts e.g. transfer by continuation and registration of foreign limited partnerships. With the implementation of this Law the Registry processed an increase of 28% in the number of new registrations over the previous year.

Table 8: New Companies Registered

	2014/15	2013/14	2012/13	2011/12	2010/11
July	981	785	653	706	567
August	897	747	693	767	598
September	995	784	641	764	670
October	962	837	729	706	669
November	909	817	736	755	706
December	794	650	724	544	584
January	1,141	1,141	812	772	841
February	864	864	716	707	669
March	1,161	1,161	724	900	903
April	1,100	1,100	765	933	649
May	994	994	899	720	847
June	1,173	1,173	882	763	915
TOTAL	11,971	11,053	8,974	9,037	8618

Table 9: New Partnerships Registered

	2014/15	2013/14	2012/13	2011/12	2010/11	2009/10
July	246	219	125	164	92	126
August	240	160	158	132	125	77
September	207	196	143	144	125	96
October	311	202	197	153	129	167
November	284	235	196	203	121	133
December	258	232	168	167	191	124
January	231	214	155	156	143	123
February	295	189	154	150	129	124
March	295	239	171	208	158	145
April	303	234	189	215	129	92
May	296	235	197	149	191	111
June	333	231	258	172	185	166
TOTAL	3,299	2,586	2,111	2,013	1,718	1,484

Licensing and Enforcement

During the financial year 2014/15 a number of legislative changes were done to commerce related laws that paved the way for the modernization of the business licensing and enforcement regimes. Efficiencies in licensing times, expedited transactions and increased compliance were at the forefront of the reforms, with an expectation of improved customer service standards. Through the use of technology the Department of Commerce and Investment initiated a project to create systems to improve processes and to meet customer demands while ensuring a robust compliance program.

Table 10: Business Licensing Activity 2014/15

Licence Type	Licences Issued
Cinematograph Exhibition Licence - Renewal	1
Tobacco Registration Certificate Grant	16
Tobacco Registration Certificate Renewal	103
Special Economic Zone Trade Certificate Grant	47
Trade & Business Grant Exempt Company (Offshore only)	17
Trade & Business Renewal Exempt Company (Offshore only)	48
Local Companies(Control) Licence Amendment	1
Local Companies(Control) Licence Grant	29
Trade and Business Licence Grant	1,524
Trade and Business Licence Renewal	3,507
Liquor License Renewals, Grants, Variations, Extensions, Occasional	1,191
TOTAL	6,484

Exchange of Information

On 29th October the Cayman Islands took a significant step against global tax evasion in joining more than 50 countries and jurisdictions in signing the Multilateral Competent Authority Agreement that sets the worldwide standard for automatic exchange of information among tax authorities.

As part of our international engagement, the Cayman Islands was represented on the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes including as Vice

Chair of the Peer Review Group and as Member of the Steering Group. Additionally, Cayman officials participated as expert assessors in peer reviews related to Cyprus, Brunei and Ghana.

By exchanging information for tax purposes, this allows the jurisdiction to constructively engage with foreign governments on issues that affect our financial services industry. Meeting international obligations to treaty partners in the provision of tax information further assist the jurisdiction to avoid sanctions and other restrictions being placed on the conduct of business locally by foreign jurisdictions.

Detailed statistics on the number of requests from our treaty partners are limited due to the confidentiality provisions of the treaties. Of the 15 treaty partners that make requests, the total number of requests received by calendar year has been as follows:

- 2013 = 30 requests
- 2014 = 41 requests
- 2015 (to June) = 26 requests

Conservation

Parts 1 and 2 of the National Conservation Law were commenced and the National Conservation Council (NCC) was appointed on 12th September 2014. The NCC held its first meeting on the 25th September 2014. Parts 3, 4, and 6 of the National Conservation Law commenced on Earth Day, April 2015.

The DOE commenced a Darwin Plus Grant funded project on the Socio-Economic Aspects of Marine Turtles in the Cayman Islands. Surveys to gather data for this project were administered between September 2014 to June 2015, targeting 597 resident households, 174 high school students, 204 international tourists and 39 restaurants.

The DOE also collaborated with the Department of Tourism to commence a joint destination assessment by the Global Sustainable Council.

During the year, the DOE continued to present its research at several international and domestic events. These included presentations at the International Marine Conservation Congress and a workshop funded by the International Coral Reef Initiative.

Enhanced Marine Parks Proposal

In 2014/15 the Department of Environment further developed its proposals for an enhanced system of marine parks for the Cayman Islands, presenting them to the National Conservation Council (NCC) on May 25th 2015 as the first nomination for protected area status under the

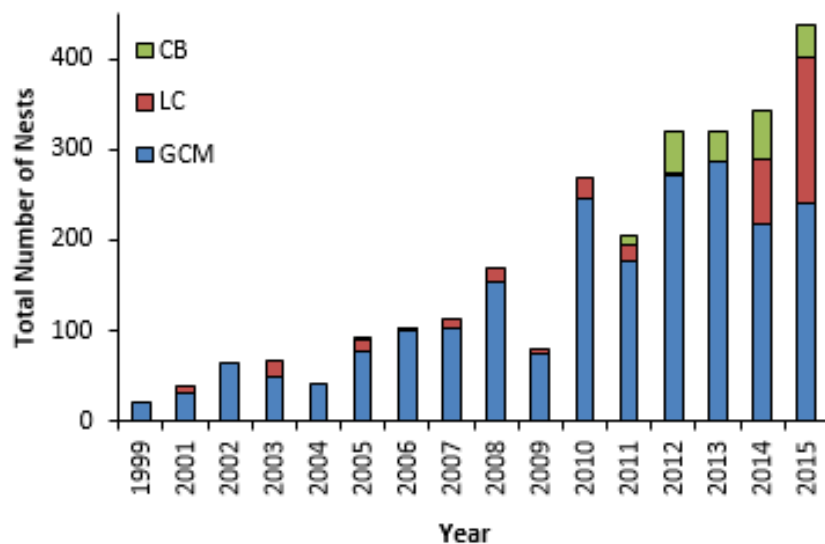
National Conservation Law. After considering the DoE’s nomination the NCC determined that the proposal for the enhanced system of marine parks met all of the criteria under the law and approved the commencement of the public consultation process required for such nominations.

2015 Marine Turtle Nesting statistics

The 2015 nesting season marked the 16th year of annual monitoring of turtle nests carried out by the DoE on the beaches of the three Cayman Islands with the assistance of an army of dedicated volunteers who walk an assigned section of beach twice per week. The data collected by this programme assists the DoE in assessing the effectiveness of current conservation measures for these endangered species in Cayman.

In recent years, the DoE’s results indicate that the Cayman Islands turtle populations have begun to recover from the edge of extinction—increasing from less than 30 nests in 1999 to more than 400 nests in 2015. As shown in Figure 1, a total 437 nests were identified in 2015, 203 of which were from green sea turtles, with 33 observations of nesting female green turtles. It is normal to see an annual fluctuation in nest numbers as a consequence of turtles not nesting every year - turtles typically nest every two to three years.

Figure 1: Marine Turtle Nests



Source: Unpublished data, copyright Cayman Islands Government Department of Environment. Please do not use or reproduce without permission.

Sister Islands Rock Iguana (SIRI)

The Sister Islands Rock Iguana (*Cyclura nubila caymanensis*) is a critically endangered species only found on Cayman Brac and Little Cayman. As such, in addition to another endangered Cayman endemic species, the Cayman Brac Parrot (*Amazona leucocephala hesternus*), it has been the focus of the work of the DoE's Terrestrial Resources Unit on the Sister Islands.

In March 2015 the Department of Environment welcomed Jen Moss, a Biology student in the Ph.D. program at Mississippi State University who is pursuing a project under the guidance of Dr. Mark Welch, whose lab specializes in evolutionary and conservation genetics of endangered Caribbean rock iguanas. The project will take a closer look at the population dynamics of the Sister Islands Rock Iguana (SIRI). This research will provide information which will help the DoE to target critical habitat for protection, eliminate threats to recruitment of the breeding population, and maintain genetically viable stock populations of the SIRIs in the wild.



Jen Moss and Jessica Harvey (Research Officer in the DoE's Terrestrial Resources Unit) on Cayman Brac having caught a female SIRI.

Invasive Species

In December 2014, the Terrestrial Unit of the DoE and a US Fisheries and Wildlife representative, conducted the first island-wide population survey of the invasive green iguana (*Iguana iguana*) on Grand Cayman. The carefully designed survey took into account the chances of actually spotting iguanas and was therefore adjusted to account for iguana behaviour, habitat, time of day, observer and other factors. The estimated population size of juvenile and adults (excluding hatchlings) was about 110,000 with a 95% chance that the "true" number is as low as 68,000 and as high as 152,000.

Green iguanas are highly invasive and have the potential to have devastating effects on local biodiversity. On-going population studies are planned as this information is very important for any control strategy (currently being piloted by the DoE and National Conservation Council) to be effective.



Green Iguana Adult (L) and Hatchlings (R) Photo credit: Mark Orr

DoE Recycling

The Department recycling campaign has been well-supported by staff; the quantities of cans, plastic, glass and cardboard recycled during 2015 are detailed below. Thanks to this fantastic personal effort by DoE staff, over 3,200 pounds of trash was diverted from the George Town landfill in 2015.



CITES

During the fiscal year, the Ministry issued a total of 76 CITES Permits. The vast majority of these permits (75) were for the Export or Re-Export of CITES-listed specimens from the Cayman Islands for a variety of purposes, including household/personal effects, pets, and scientific research.

Environmental Assessment Services

During the 2014/15 financial year the DoE managed the Environmental Impact Assessment (EIA) process for the proposed cruise berthing facility and held a public meeting to present the results of the EIA in June 2015.

Terms of Reference for the EIA for the proposed Ocean Thermal Energy Conversion (OTEC) were developed by firm's consultants and reviewed and agreed by the DoE in December 2014.

Planning Reviews and Coastal Works Licences (CWLs):

In 2014/15 the DoE's Technical Review Committee reviewed 58 planning applications and 25 coastal works applications. These applications ranged from small-scale coastal developments through to large-scale Planned Area Development (PAD) applications. The DoE recommended 88% of coastal works applications for approval and 12% for refusal. Of the 25 applications, the DoE did not recommend any coastal works applications for an EIA.

Almost two thirds of the planning applications reviewed by the DoE were recommended for approval (64%), with 8% recommended for refusal. 24% of the applications were recommended for deferral as the DoE had insufficient information from the applicant to reach an informed view regarding whether to support or object to the proposals. An Environmental Impact Assessment was recommended for 1 application.

Good Governance

The following reports were tabled in the Legislative Assembly:

- Audited Financial Statement of the Cayman Islands Development Bank for the Year Ended 30th June 2013
- Annual Report and Audited Financial Statements of the Maritime Authority of the Cayman Islands for the Year Ended 30th June 2014
- Annual Report and Audited Financial Statements of the Cayman Islands Monetary Authority for the Year Ended 30th June 2014
- Audited Financial Statements of the Ministry of Finance, Tourism and Development - Financial Services for the Year Ended 30th June 2013
- Audited Financial Statements of the Ministry of Financial Services, Commerce and Environment for the Year Ended 30th June 2014
- Annual Report and Audited Financial Statements of the Cayman Islands Stock Exchange Ltd. for the Year Ended 30th June 2014
- Annual Report and Audited Financial Statements of the Cayman islands Development Bank for the Year Ended 30th June 2014

- Annual Report and Audited Financial Statements of the National Trust for the Cayman Islands for the Years Ended 30th June 2014 and 2015
- Annual Report and Audited Financial Statements of the Auditors Oversight Authority for the Year Ended 30th June 2014

Freedom of Information

A total of 39 Freedom of Information Requests were received by the Ministry in 2014/15, as shown in Table 11. Of these requests, 30 were responded to within the 30 day statutory deadline. Requests made to the Department of International Tax Cooperation and the Department for Financial Services are dealt with by the Information Manager for the Ministry, hence they are not reported separately.

Table 11: Freedom of Information Requests

	Actual 2014/15
Ministry (FSA, DITC, DFS)	10
Dept. Commerce & Investment (DCI)	8
General Registry (REG)	5
Dept. of Environment (DOE)	9
TOTAL	32

Financial Statements for the year ended 30 June 2015

Contents

	Page
1. Statement of Responsibility for Financial Statements	2
2. Auditor General's Report	3 - 4
3. Statement of Financial Position	5
4. Statement of Financial Performance	6
5. Statement of Changes in Net Worth	7
6. Statement of Cash Flows	8
7. Notes to the Financial Statements	9 - 29

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Ministry of Financial Services, Commerce and Environment in accordance with the provisions of the Public Management and Finance Law (2013 Revision).

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the Public Management and Finance Law (2013 Revision).

As Chief Officer I am responsible for establishing; and have established and maintain a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly record the financial transactions of the Ministry of Financial Services, Commerce and Environment.

As Chief Officer and Chief Financial Officer we are responsible for the preparation of the Ministry of Financial Services, Commerce and Environment financial statements, representation and judgements made in these statements.

The financial statements fairly present the financial position, financial performance and cash flows of the Ministry of Financial Services, Commerce and Environment for the financial year ended 30 June 2015.

To the best of our knowledge we represent that these financial statements:

- (a) completely and reliably reflect the financial transactions of the Ministry of Financial Services, Commerce and Environment for the year ended 30 June 2015;
- (b) fairly reflect the financial position as at 30 June 2015 and performance for the Year ended 30 June 2015;
- (c) comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board under the responsibility of the International Federation of Accountants. Where guidance is not available, the financial statements comply with International Accounting Standards issued by the International Accounting Standards Committee or accounting practice that is generally accepted in the United Kingdom as appropriate for reporting in the public sector.

The Office of the Auditor General conducts an independent audit and expresses an opinion on the accompanying financial statements. The Office of the Auditor General has been provided access to all the information necessary to conduct an audit in accordance with International Standards on Auditing.



Dax Basdeo
Chief Officer

Date - 30 OCT 2015



Wendy Manzanores
Chief Financial Officer

Date - 30 OCT 2015

AUDITOR GENERAL'S REPORT

To the Members of the Legislative Assembly and the Chief Officer of the Ministry of Financial Services, Commerce and Environment

I have audited the accompanying financial statements of the Ministry of Financial Services, Commerce and Environment, which comprise the statement of financial position as at 30 June 2015 and the statement of financial performance, statement of changes in net worth and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 29 in accordance with the provisions of Section 60(1)(a) of the *Public Management and Finance Law (2013 Revision)*.

Management's Responsibilities for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I 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 control 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 control. 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.

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ministry of Financial Services, Commerce and Environment as at 30 June 2015 and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.



Garnet Harrison, CPA, CA
Acting Auditor General

30 October 2015
Cayman Islands

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

Prior Year Actual \$'000		Note	Current Year Actual \$'000	Original Budget \$'000	Final Budget \$'000	Variance (Original vs Actual) \$'000
Current Assets						
18,859	Cash and cash equivalents	2	22,255	22,146	22,146	(109)
12,246	Trade receivables	3	10,886	941	941	(9,945)
6	Other receivables	3	4	-	-	(4)
75	Prepayments	4	16	-	-	(16)
31,186	Total Current Assets		33,161	23,087	23,087	(10,074)
Non-Current Assets						
906	Property, plant and equipment	5	800	3,104	3,104	2,304
43	Intangible Assets	5a	1,209	-	-	(1,209)
949	Total Non-Current Assets		2,009	3,104	3,104	1,095
32,135	Total Assets		35,170	26,191	26,191	(8,979)
Current Liabilities						
423	Trade payables	6	1,226	228	228	(998)
54	Other payables and accruals	6	56	136	136	80
198	Employee entitlements	7	233	-	-	(233)
105	Unearned revenue	8	233	153	153	(80)
25,210	Repayment of surplus		25,874	-	-	(25,874)
25,990	Total Current Liabilities		27,622	517	517	(27,105)
25,990	Total Liabilities		27,622	517	517	(27,105)
6,145	Net Assets		7,548	25,674	25,674	18,126
Net Worth						
6,145	Contributed capital		7,548	10,367	10,367	2,819
-	Accumulated surpluses		-	15,307	15,307	15,307
6,145	Total Net Worth		7,548	25,674	25,674	18,126

Dax Basdeo
Chief Officer



Date - 30 OCT 2015

Wendy Manzanares
Chief Financial Officer



Date - 30 OCT 2015

The accounting policies and notes on pages 9 to 29 form part of these financial statements.

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2015

Prior Year Actual \$'000		Note	Current Year Actual \$'000	Original Budget \$'000	Final Budget \$'000	Variance (Original vs Actual) \$'000
	Revenue					
9,551	Sale of goods and services	9	9,811	11,648	11,648	1,837
153	Donations	10	166	-	-	(166)
9,704	Total Revenue		9,977	11,648	11,648	1,671
	Expenses					
6,853	Personnel costs	11	6,783	8,092	8,092	1,309
2,113	Supplies and consumables	12	1,902	2,814	2,814	912
-	Legal fees	13	206	-	-	(206)
184	Depreciation	5	179	252	252	73
16	Amortisation of Intangible Assets	5a	60	-	-	(60)
-	Losses on foreign exchange transactions	14	-	-	-	-
-	Losses on disposal/revaluation of property, plant and equipment	14	23	-	-	(23)
9,166	Total Expenses		9,153	11,158	11,158	2,005
538	Surplus for the Period		824	490	490	(334)

The accounting policies and notes on pages 9 to 29 form part of these financial statements.

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 JUNE 2015

	Contributed Capital	Accumulated Surplus	Total Net worth	Original Budget	Final Budget	Variance (Original vs Actual)
Balance at 30 June 2013						
Prior Year Adjustments	-	-	-	-	-	-
Balance at 1 July 2013, as restated	5,350	-	5,350	46,918	46,918	41,568
Changes in net worth for 2013/14						
Equity Investment from Cabinet	961	-	961	334	334	(627)
Capital withdrawal by Cabinet	(166)	-	(166)	-	-	166
Surplus for the period 2013/14	-	538	538	504	504	(34)
Repayment of surplus to Cabinet	-	(538)	(538)	(24,323)	(24,323)	(23,785)
Balance at 30 June 2014	6,145	-	6,145	23,433	23,433	17,288
Prior Year Adjustments	-	-	-	-	-	-
Balance at 1 July 2014, as restated	6,145	-	6,145	23,433	23,433	17,288
Changes in net worth for 2014/15						
Equity Investment from Cabinet	1,403	-	1,403	1,751	1,751	348
Capital withdrawal by Cabinet	-	-	-	-	-	-
Surplus for the period 2014/15	-	824	824	490	490	(334)
Repayment of surplus to Cabinet	-	(824)	(824)	-	-	824
Balance at 30 June 2015	7,548	-	7,548	25,674	25,674	18,126

The accounting policies and notes on pages 9 to 29 form part of these financial statements.

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2015

Prior Year Actual \$'000		Note	Current Year Actual \$'000	Original Budget \$'000	Final Budget \$'000	Variance (Original vs Actual) \$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
	<i>Receipts</i>					
-	Outputs to Cabinet		12,141	10,172	10,172	(1,969)
1,486	Sale of goods and services - third party		449	1,340	1,340	891
253	Donations / Grants		294	-	-	(294)
29,407	Other receipts		26	-	-	(26)
	<i>Payments</i>					
(6,952)	Personnel costs		(6,662)	(8,030)	(8,030)	(1,368)
(2,198)	Supplies and consumables		(2,045)	(2,796)	(2,796)	(751)
-	Other payments		(53)	-	-	53
21,996	Net cash flows from operating activities	15	4,150	686	686	(3,464)
CASH FLOWS FROM INVESTING ACTIVITIES						
(193)	Purchase of property, plant and equipment		(755)	(1,751)	(1,751)	(996)
5	Proceeds from sale of property, plant and equipment		1	-	-	(1)
(188)	Net cash flows used in investing activities		(754)	(1,751)	(1,751)	(997)
CASH FLOWS FROM FINANCING ACTIVITIES						
254	Equity Investment		-	1,751	1,751	1,751
(272)	Capital withdrawal		-	-	-	-
(21,613)	Repayment of Surplus		-	-	-	-
(21,631)	Net cash flows from financing activities		-	1,751	1,751	1,751
177	Net increase/(decrease) in cash and cash equivalents		3,396	686	686	(2,710)
18,682	Cash and cash equivalents at beginning of period		18,859	21,460	21,460	2,601
18,859	Cash and cash equivalents at end of period		22,255	22,146	22,146	(109)

The accounting policies and notes on pages 9 to 29 form part of these financial statements.

**MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Description and Principal Activities

The Ministry of Financial Services, Commerce and Environment ("the Ministry") is a Government owned entity as defined by section 2 of the Public Management and Finance Law (2013 Revision) and it is domiciled in the Cayman Islands.

Its principal activities and operations include all activities carried out in terms of the outputs purchased by the Minister of Financial Services, Commerce and Environment as defined in the Annual Plan and Estimates for the Government of Cayman Islands for the financial year ending 30 June 2015.

Note 1: Significant Accounting Policies

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants and its International Public Sector Accounting Standards Board using the accrual basis of accounting. Where additional guidance is required, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board are used.

There are no known accounting standards that have been adopted by the IPSAS Board for use in future years that will impact these financial statements.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of Preparation

The financial statements are presented in Cayman Islands dollars and are prepared on the accrual basis of accounting, unless otherwise stated. The measurement base applied to these financial statements is the historical cost basis.

Changes in Accounting Policies

When presentation or classification of items in the financial statements is amended or accounting policies are changed, corresponding figures are updated to ensure consistency with the current period unless it is impracticable to do so.

(b) Budget Amounts

The original and final budget amounts for the financial year are as presented in the 2014/2015 Annual Budget Statement and approved by the Legislative Assembly on the 25th June 2014.

**MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Note 1: Significant Accounting Policies (continued)

(c) Judgments and Estimates

The preparation of financial statements in conformity with International Public Sector Accounting Standards requires judgments, estimates, and assumptions affecting the application of policies and reported amounts of assets and liabilities, revenue 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. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the reporting period they are determined and in any future periods that are affected by those revisions.

(d) Changes in Accounting Estimates

There have been no changes to accounting estimates as defined by IPSAS 3.

(e) Revenue

Revenue is recognised in the accounting period in which it is earned. Revenue received but not yet earned at the end of the reporting period is recognised as a liability (unearned revenue).

The Ministry derives its revenue through the provision of services to Cabinet, to other agencies in government and to third parties. Revenue is recognised at fair value of services provided.

(f) Expenses

Expenses are recognised in the accounting period in which they are incurred.

(g) Operating Leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under the operating leases are recognised as expenses on a straight-line basis over the lease term.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in-transit and bank accounts with a maturity of no more than three months at the date of acquisition.

**MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Note 1: Significant Accounting Policies (continued)

(i) Prepayments

The portion of expenditure paid in advance of receiving services has been recognised as a prepayment in these financial statements.

(j) Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation except for buildings which are stated at valuation. Items of property, plant and equipment are initially recorded at cost. Where an asset is acquired for nil or nominal consideration, the asset is recognized initially at fair value, where fair value can be reliably determined, and as revenue in the Statement of Financial Performance in the year in which the asset is acquired.

Effective July 1, 2012 the Government revalued its land and buildings. The impact of this revaluation has been incorporated in the accounts.

In accordance with IPSAS 17, when an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation was eliminated against the gross carrying amount of the asset.

Depreciation is expensed on a straight-line basis at rates stipulated below to allocate the cost or valuation of an item of property, plant and equipment (other than land); less any estimated residual value, over its estimated useful life. Leasehold improvements are depreciated either over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is shorter.

Asset Type

Estimated Useful life

• Buildings and structures	10 – 60 years
• Building fit-out (when accounted for separately)	5 – 25 years
• Leasehold Improvement	Over the unexpired period of lease or the useful life of the improvement
• Computer Equipment	3 – 10 years
• Developed software	4 – 10 years
• Office equipment and furniture	3 – 25 years
• Motor vehicles	3 – 20 years
• Telecommunications	5 – 50 years
• Other equipment	5 – 20 years

**MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Note 1: Significant Accounting Policies (continued)

(j) Property, Plant and Equipment (continued)

Disposals

Gains and losses on disposals of property, plant and equipment are determined by comparing the sale proceeds with the carrying amount of the asset. Gains and losses on disposals during the year are included in the Statement of Financial Performance.

Impairment

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the period end. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value for use in service.

(j-a) Intangible Assets

In accordance with IPSAS 31 (Intangible Assets), computer software is capitalized on the basis of costs incurred to acquire and bring to use the specific software.

The carrying value of an intangible asset with a finite life is amortized on a straight line basis over its useful life. Amortization begins when the asset is available for use and ceases at the date that the asset is derecognized. Amortization charge for each period is recognized in the statement of financial performance.

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Significant Accounting Policies (continued)

(k) Employee Benefits

Employee entitlements to salaries and wages, annual leave, long service leave, retiring leave and other similar benefits are recognised in the Statement of Financial Performance when they are earned by employees. Employee entitlements to be settled within one year following the year-end are reported as current liabilities at the amount expected to be paid.

Pension contributions for employees of the Ministry are paid to the Public Service Pension Fund and administered by the Public Service Pension Board (the "Board"). Contributions of 12.384% - employer 6.192% and employee 6.192% are made to the Fund by the Ministry. (Contributions of 12% are made on acting and/or duty allowance).

Prior to 1 January 2000, the Board operated a defined benefit scheme. With effect from 1 January 2000, the Board continued to operate a defined benefit scheme for existing employees and a defined contribution scheme for all new employees. Obligations for contribution to defined contribution retirement plans are recognised in the Statement of Financial Performance as they are earned by employees. Obligations for defined benefit retirement plans are centralized in the Government and therefore, reported in the Consolidated Financial Statements for the Entire Public Sector of the Cayman Islands Government.

(l) Financial Instruments

The Ministry is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short term deposits, trade and accounts receivables and trade and accounts payable, all of which are recognised in the Statement of Financial Position.

When there is objective evidence that a financial asset or group of financial assets is impaired the losses are recognised as a loss in the Statement of Financial Performance.

Classification

A financial asset is classified as any asset that is cash, a contractual right to receive cash or another financial asset, exchange financial instruments under conditions that are potentially favourable. Financial assets comprise of cash and cash equivalents and receivables.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial instrument or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable. Financial instruments comprise of accounts payable and accrued expenses.

Recognition

The Ministry recognises financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. From this date, any gains and losses arising from changes in fair value of the assets and liabilities are recognised in the Statement of Financial Performance.

**MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Note 1: Significant Accounting Policies (continued)

(l) Financial Instruments (continued)

Measurement

Financial instruments are measured initially at cost which is the fair value of the consideration given or received. Subsequent to initial recognition all financial assets are recorded at historical cost, which is considered to approximate fair value due to the short-term or immediate nature of these instruments.

Financial liabilities are subsequently measured at amortised cost, being the amount at which the liability was initially recognised less any payment plus any accrued interest of the difference between that initial amount and the maturity amount.

De-recognition

A financial asset is de-recognised when the Ministry realises the rights to the benefits specified in the contract or loses control over any right that comprise that asset. A financial liability is derecognised when it is extinguished, that is when the obligation is discharged, cancelled, or expired.

(m) Contingent Liabilities and Assets (including guarantees)

Contingent liabilities and assets are reported at the point the contingency becomes evident. Contingent liabilities are disclosed when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. Contingent assets are disclosed if it is probable that the benefits will be realised.

(n) Foreign Currency

Foreign currency transactions are recorded in Cayman Islands dollars using the exchange rate in effect at the date of the transaction. Foreign currency gains or losses resulting from settlement of such transactions are recognised in the Statement of Financial Performance.

At the end of the reporting period the following exchange rates are to be used to translate foreign currency balances:

- Foreign currency monetary items are to be reported in Cayman Islands dollars using the closing rate at year end date;
- Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported in Cayman Islands dollars using the exchange rate at the date of the transaction; and
- Non-monetary items that are carried at fair value denominated in a foreign currency are reported using the exchange rates that existed when the fair values were determined.

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 1: Significant Accounting Policies (continued)

(o) Comparative Figures

The presentation of the prior year financial statements has been changed to include a comparison of actual amounts with amounts in the original and final budget. Comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

(p) Revenue from Non-Exchange Transactions

The Ministry receives various services from other government entities for which payment is made by the Cayman Islands Government. These services include but are not limited to accommodation in the central government building, computer repairs and software maintenance by the Computer Services department and human resources management by the Portfolio of the Civil Service. The Ministry has designated these non-exchange transactions as Services in-Kind as defined under IPSAS 23 – Revenue from non-exchange Transactions. When fair values of such services can be reliably estimated then the non-exchange transaction is recorded as an expense and an equal amount is recorded in other income as a service in-kind. Where services in-kind offered are directly related to construction or acquisition of a fixed asset, such service in-kind is recognised in the cost of the fixed asset, if fair value can be reliably estimated.

(q) Surplus Repayable

Pursuant to Section 39 (3) (f) of the Public Management and Finance Law (2013 Revision) any net surplus is transferred to surplus repayable.

Note 2: Cash and Cash Equivalents

Cash and cash equivalents include cash on hand; bank accounts in the name of the Ministry of Financial Services, Commerce and Environment maintained at Royal Bank of Canada and short term deposits invested through the Cayman Islands Government Treasury. As at 30 June 2015 the Ministry held no restricted cash balances (30 June 2014: \$0).

Prior Year Actual \$'000	Description	Foreign Currency \$'000	Exchange Rate	Current Year Actual \$'000	Original Budget \$'000	Revised Budget \$'000	Variance (Original vs Actual) \$'000
1	Cash on hand			1	1	1	-
19	Cash in transit			53	-	-	(53)
18,201	CI\$ Operational current account			21,275	21,552	21,552	277
457	US\$ Operational current account	684	0.83	568	440	440	(128)
2	CI\$ Payroll current account			(5)	0	0	5
179	CI\$ Grant account			363	153	153	(210)
18,859	Total	684		22,255	22,146	22,146	(109)

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 3: Trade Receivables and Other Receivables

At year end all overdue receivables have been assessed and appropriate provisions made. The provision for doubtful debts has been calculated based on expected losses for the Ministry and review of specific debtors. Expected losses have been determined based on an analysis of the Ministry losses in previous periods.

Prior Year Actual	Trade Receivables	Current Year Actual	Original Budget	Revised Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
4,137	Sale of goods and services	73	90	90	17
8,103	Outputs to Cabinet	8,081	851	851	(7,230)
91	Entity Revenue Transfer	1,386	-	-	(1,386)
-	Equity Injection funding	1,403	-	-	(1,403)
(85)	Less: provision for doubtful debts	(57)	-	-	57
12,246	Total Trade Receivables	10,886	941	941	(9,945)

Prior Year Actual	Other Receivables	Current Year Actual	Original Budget	Revised Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
2	Advances (salary, official travel, etc)	2	-	-	(2)
1	Dishonoured cheques	1	-	-	(1)
2	Other receivable	1	-	-	(1)
6	Total Other Receivables	4	-	-	(4)

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 3: Trade Receivables and Other Receivables (continued)

As at 30 June 2015 and 30 June 2014, the ageing analysis of trade receivables and other receivables is as follows:

Prior Year Actual \$'000	Receivables	Current	Trade Receivable \$'000	Other Receivable \$'000	Original Budget \$'000	Revised Budget \$'000	Variance (Original vs Actual) \$'000
8,109	Past due 1-30 days		3,855	4	942	942	(2,917)
-	Past due 31-60 days		6,994	-	-	-	(6,994)
-	Past due 61-90 days		-	-	-	-	-
4,137	Past due 90 and above		37	-	-	-	(37)
12,246	Total		10,886	4	942	942	(9,948)

As of 30 June 2015 and 30 June 2014, trade receivables and other receivables are all due within one year from financial position date.

Prior Year Actual \$'000	Provision for doubtful debts	Current Year Actual \$'000	Original Budget \$'000	Revised Budget \$'000	variance (Original vs Actual) \$'000
-	Balance at 1 July	(85)	-	-	85
(85)	Additional provisions made	28	-	-	(28)
(85)	Balance at 30 June	(57)	-	-	57

Note 4: Prepayments

Prior Year Actual \$'000	Description	Current Year Actual \$'000	Original Budget \$'000	Revised Budget \$'000	variance (Original vs Actual) \$'000
75	Accrued prepayments	16	-	-	(16)
-	Prepaid insurance	-	-	-	-
75	Total Prepayments	16	-	-	(16)

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 5: Property, Plant and Equipment

As at 30 June 2015

	Buildings and Other Infrastructure	Motor Vehicles	Marine Vessels	Furniture & Fittings	Computer Hardware	Office Equip.	Other Plant & Equip.	Assets in progress	Total	Original Budget	Revised Budget	Variance (Original vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost												
At 1 July 2014	317	755	902	325	277	60	413	64	3,113	3,826	3,826	713
Additions	4	28	3	-	17	-	16	29	97	1,751	1,751	1,654
Disposals	(35)	-	-	(10)	(9)	-	-	-	(54)	-	-	54
Transfers	-	2	-	-	3	-	-	(3)	2	-	-	(2)
At 30 June 2015	286	785	905	315	288	60	429	90	3,158	5,577	5,577	2,419
Accumulated depreciation												
At 1 July 2014	79	593	636	208	255	54	382	-	2,207	2,221	2,221	14
Depreciation expense	19	61	38	15	33	4	9	-	179	252	252	73
Disposal	(15)	-	-	(6)	(9)	-	-	-	(30)	-	-	30
Transfers	-	2	-	-	-	-	-	-	2	-	-	(2)
At 30 June 2015	83	656	674	217	279	58	391	-	2,358	2,473	2,473	115
Carrying value at 30 June 2015	203	129	231	98	9	2	38	90	800	3,104	3,104	2,304

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 5: Property, Plant and Equipment (continued)

As at 30 June 2014

	Buildings and Other Infrastructure	Motor Vehicles	Marine Vessels	Furniture & Fittings	Computer Hardware	Office Equip.	Other Plant & Equip.	Assets in progress	Total	Original Budget	Revised Budget	Variance (Original vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cost												
At 1 July 2013	35	16	-	17	165	43	-	68	344	3,399	3,399	3,055
Additions	3	147	-	2	19	-	4	54	229	427	427	198
Disposals	-	(52)	-	-	(31)	(2)	(2)	(4)	(91)	-	-	91
Transfers	279	644	902	306	124	19	411	(54)	2,631	-	-	(2,631)
At 30 June 2014	317	755	902	325	277	60	413	64	3,113	3,826	3,826	713
Accumulated depreciation												
At 1 July 2013	13	16	-	7	147	31	-	-	214	1,987	1,987	1,773
Depreciation expense	20	41	65	22	20	6	10	-	184	234	234	50
Disposal	-	(52)	-	-	(31)	(2)	(2)	-	(87)	-	-	87
Transfers	46	588	571	179	119	19	374	-	1,896	-	-	(1,896)
At 30 June 2014	79	593	636	208	255	54	382	-	2,207	2,221	2,221	14
Carrying value at 30 June 2014	238	162	266	117	22	6	31	64	906	1,605	1,605	699

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 5a: Intangible Assets

	As at 30 June 2015					
	Computer Software \$'000	Assets under construction or development \$'000	Total \$'000	Original Budget \$'000	Revised Budget \$'000	Variance (Original vs Actual) \$'000
<u>Cost</u>						
At 1 July 2014	239	-	239	-	-	(239)
Additions	1,225	-	1,225	-	-	(1,225)
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
At 30 June 2015	1,464	-	1,464	-	-	(1,464)
<u>Accumulated amortisation</u>						
At 1 July 2014	196	-	196	-	-	(196)
Amortisation expense	60	-	60	-	-	(60)
Disposals	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
At 30 June 2015	256	-	256	-	-	(256)
Carrying value at 30 June 2015	1,209	-	1,209	-	-	(1,209)
<u>Cost</u>						
At 1 July 2013	164	-	164	-	-	164
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
Transfers	75	-	75	-	-	75
At 30 June 2014	239	-	239	-	-	239
<u>Accumulated amortisation</u>						
At 1 July 2013	161	-	161	-	-	161
Amortisation expense	16	-	16	-	-	16
Disposals	-	-	-	-	-	-
Transfers	19	-	19	-	-	19
At 30 June 2014	196	-	196	-	-	196
Carrying value at 30 June 2014	43	-	43	-	-	43

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 6: Trade Payables, Other Payables and Accruals

Prior Year Actual	Description	Current Year Actual	Original Budget	Revised Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
43	Creditors	600	228	228	(372)
6	Creditors Ministries / Portfolios	3	-	-	(3)
13	Creditors other government agencies	10	-	-	(10)
134	Accrued expenses	285	-	-	(285)
227	Accrued expenses Ministries /Portfolios	237	-	-	(237)
-	Accrued expenses other government agencies	91	-	-	(91)
423	Trade Payables	1,226	228	228	(998)
1	Other payables	3	-	-	(3)
53	Payroll deductions	53	136	136	83
54	Other payables and accruals	56	136	136	80
477	Total	1,282	364	364	(918)

Trade and other payables are non-interest bearing and are normally settled on 30-day terms.

Note 7: Employee Entitlements

Prior Year Actual	Description	Current Year Actual	Original Budget	Revised Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
12	Comp time	15	-	-	(15)
186	Retirement and annual leave	218	-	-	(218)
198	Total Employee Entitlements	233	-	-	(233)

The retirement and long-service leave entitlements are calculated based on current salary paid to those employees who are eligible for this benefit.

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 8: Unearned Revenue

Prior Year		Current			Variance
Actual	Description	Year	Original	Final	(Original
\$'000		Actual	Budget	Budget	vs Actual)
		\$'000	\$'000	\$'000	\$'000
	Current Portion				
105	Other unearned revenue	233	153	153	(80)
105	Total current portion	233	153	153	(80)
	Non-current Portion				
-	Non-current unearned revenue	-	-	-	-
105	Total unearned revenue	233	153	153	(80)

Unearned revenue represents grant funds received by the Department of Environment from donors to carry out specific activities. Those activities span a number of months which extend beyond June 2015. Revenue is recognised as funds are expended; the remaining unused balance is recorded as unearned revenue.

Note 9: Sales of Goods and Services

Prior Year		Current			Variance
Actual	Revenue type	Year	Original	Final	(Original
\$'000		Actual	Budget	Budget	vs Actual)
		\$'000	\$'000	\$'000	\$'000
8,104	Outputs to Cabinet ¹	8,081	10,218	10,218	2,137
1,447	Fees and charges ²	1,730	1,430	1,430	(300)
9,551	Total Sales of Goods and Services	9,811	11,648	11,648	1,837

¹ Outputs to Cabinet comprises goods delivered to and services performed on behalf of the Cayman Islands Government. These are detailed in the Annual Budget Statement and are covered by the appropriation law.

² Fees and Charges comprise mainly of other administrative fees and user charges levied on the public for the delivery of government services. The respective rates and fee structures are gazetted and governed by the relevant revenue laws.

No revenue concessions were granted during the financial year ended 30 June 2015.

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 10: Donations

Prior Year Actual \$'000	Description	Current Year Actual \$'000	Original Budget \$'000	Revised Budget \$'000	Variance (Original vs Actual) \$'000
153	Other donations	166	-	-	(166)
153	Total donations	166	-	-	(166)

Note 11: Personnel Costs

Prior Year Actual \$'000	Description	Current Year Actual \$'000	Original Budget \$'000	Revised Budget \$'000	Variance (Original vs Actual) \$'000
5,462	Salaries, wages and allowances	5,477	6,409	6,409	932
981	Health care	954	1,301	1,301	347
302	Pension	304	366	366	62
38	Leave	35	-	-	(35)
70	Other personnel related costs	13	16	16	3
6,853	Total Personnel Costs	6,783	8,092	8,092	1,309

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 12: Supplies and Consumables

Prior Year Actual \$'000	Description	Current Year Actual \$'000	Original Budget \$'000	Revised Budget \$'000	Variance (Original vs Actual) \$'000
1,247	Purchase of services	1,157	1,720	1,720	563
113	Lease of property and equipment	110	121	121	11
249	Travel and subsistence	202	409	409	207
187	Supplies and materials	172	200	200	28
75	Utilities	60	73	73	13
85	Interdepartmental expenses	80	75	75	(5)
35	General insurance	95	113	113	18
34	Recruitment and training	54	102	102	48
88	Other	(28)	1	1	29
2,113	Total Supplies and Consumables	1,902	2,814	2,814	912

Note 13: Legal Fees

The Attorney General's Chambers provides litigation services to the Ministry. However during the year ended 30 June 2015 the use of legal services from outside of the Government were authorised by the Attorney General's Office. The costs of these services were \$205,644 in 2015 (2014: \$0).

Note 14: (Gains) / Losses

Prior Year Actual \$'000	Description	Current Year Actual \$'000	Original Budget \$'000	Revised Budget \$'000	Variance (Original vs Actual) \$'000
-	Net loss on disposal of property, plant and equipment	23	-	-	(23)
-	Net loss on foreign exchange transactions	-	-	-	-
-	Total (Gains)/ Losses	23	-	-	(23)

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 15: Reconciliation of Net Cash Flows from Operating Activities to Surplus

Prior Year					Variance
Actual	Description	Current	Original	Revised	(Original
\$'000		Year Actual	Budget	Budget	vs Actual)
		\$'000	\$'000	\$'000	\$'000
538	Surplus for the period	824	490	490	(503)
	Non-cash movements				
200	Depreciation expense	239	253	253	14
85	Provision for doubtful debts	(28)	-	-	28
	Net loss on sale of property plant and				
-	equipment	23	-	-	(23)
-	Capitalised assets	675	-	-	(677)
	Changes in current assets and liabilities:				
21,208	(Increase)/decrease in receivables - Cabinet	(1,273)	(46)	(46)	1,227
99	(Increase)/decrease in other current assets	2,722	(90)	(90)	(2,818)
(317)	Increase/(decrease) in current liabilities	805	79	79	(544)
	Increase in provisions relating to employee				
78	costs	35	-	-	(40)
105	Increase in Unearned revenue	128	-	-	(128)
21,996	Net Cash Flows from Operating Activities	4,150	686	686	(3,464)

Note 16: Revenue from Non-Exchange Transactions

During the year ended 30 June 2015, the Ministry received services in-kind in the form of accommodation in the central government building, computer repairs and software maintenance by the computer services department and human resources management by the Portfolio of the Civil Service. The fair value of these services cannot be reliably determined and therefore no expense has been recognised in these financial statements.

Note 17: Contingent Liabilities and Assets

The Ministry has no contingent assets as at 30 June 2015. There is one potential liability estimated at \$200,000 maximum relating to the Ministry as at 30 June 2015 and this is reported at the consolidated accounts level of the Cayman Islands Government.

**MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Note 18: Commitments

The Ministry has the following operating lease commitments:

Department	One Year or Less \$'000	One to five years \$'000	Over five years \$'000
General Registry	60	300	-
Department of Commerce & Investment	16	82	-
Total Commitments	76	382	-

Note 19: Explanation of Major Variances against Budget

Explanations for major variances for the Ministry's performance against the original budget are as follows:

Statement of financial performance

Cabinet Revenue

Revenue from cabinet was \$1.8 million below budget as the Ministry did not pursue some planned activities leading to reduced expenditure billed amounts to Cabinet.

Personnel Costs

Personnel costs were \$1.3 million below budget due to cost savings arising from Government's overall financial targets and the delayed recruitment of staff to replace those that left.

Supplies and Consumables

Supplies and consumables were \$0.9 million below budget as the Ministry did not pursue some planned activities leading to reduced expenditure.

Statement of financial position

Trade Receivables

Trade receivables were \$9.9 million higher than the original budget because the output funding from Cabinet was not drawn down within the financial year.

Property, Plant and Equipment & Intangible Assets

The balance is \$1 million below budget as the Department of Environment assets which were transferred to the Ministry were initially budgeted to be higher.

**MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Note 19: Explanation of Major Variances against Budget (continued)

Trade Payables

The balance is \$0.9 million higher than budget because credit balances were not settled until after the year end even though they were budgeted for settlement within the financial year.

Repayment of Surplus

The balance is \$26 million was higher than original budget because the surplus for 2013-14 was not paid over during the financial year end 30 June 2015.

Note 20: Related Party and Key Management Personnel Disclosures

Related party disclosure

The Ministry is a wholly owned entity of the government from which it derives a major source of its revenue. The Ministry and its key management personnel transact with other government entities on a regular basis. These transactions were provided free of cost during the financial year ended 30 June 2015 and were consistent with normal operating relationships between entities and were undertaken on terms and conditions that are normal for such transactions.

Key management personnel

Key management personnel, including Ministers of the Government, are also considered to be related parties, and as such received the following remuneration.

Prior Year Actual	Description	Current Year Actual	Original Budget	Revised Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
1,602	Salaries and other short-term employee benefits	1,869	1,991	1,991	122
1,602	Total	1,869	1,991	1,991	122

There were no loans granted to key management personnel and or their close relatives.

Note 21: Events occurring after Reporting Date

There were no events to report.

**MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015**

Note 22: Financial Instrument Risks

The Ministry is party to financial instrument arrangements as part of its everyday operations. These financial instruments include cash and bank balances, advances, accounts receivable, debtor-Cabinet and creditors and other payables. The fair value of financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

Credit risk

In the normal course of its business the Ministry is subject to credit risk from debtors other than the Cabinet. The Ministry does not have significant concentrations of credit risk for its other financial instruments.

Currency and interest rate risk

The Ministry has no significant exposure to currency exchange loss risk and interest rate risk.

Liquidity risk

In meeting its liquidity requirements, the Ministry closely monitors its forecast cash requirements with expected cash drawdowns from Cabinet and receipts from third parties. The Ministry maintains a target level of available cash to meet liquidity requirements.

All of the Ministry financial liabilities (creditors and payables) will be settled in less than six months from the date of these financial statements.

Note 23: Financial instruments – fair values

As at 30 June 2015 and 30 June 2014, the carrying values of cash and cash equivalents, accounts receivable, accounts payable and employee entitlements approximate their fair values due to their relative short-term maturities.

Fair values are determined at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions, economic conditions and other factors could cause significant changes in fair value estimates.

MINISTRY OF FINANCIAL SERVICES, COMMERCE AND ENVIRONMENT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

Note 24: Segment reporting

	Environment		Financial Services		Consolidated	
	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue						
Outputs to Cabinet	2,689	2,661	5,392	5,443	8,081	8,104
Fees and charges	-	1	1,730	1,446	1,730	1,447
Donations	166	153	-	-	166	153
Total Revenue	2,855	2,815	7,122	6,889	9,977	9,704
Expenses						
Personnel costs	2,076	2,066	4,707	4,787	6,783	6,853
Supplies and consumables	504	408	1,398	1,705	1,902	2,113
Legal fees	-	-	206	-	206	-
Other expenses	133	149	129	51	262	200
Total Expenses	2,713	2,623	6,440	6,543	9,153	9,166
Surplus from Operating Activities	142	192	682	346	824	538
Assets						
Current Assets	5	2,664	33,156	28,522	33,161	31,186
Fixed Assets	702	747	1,307	202	2,009	949
Total Assets	707	3,411	34,463	28,724	35,170	32,135
Liabilities						
Current Liabilities	325	181	27,297	25,029	27,622	25,990
Total Liabilities	325	181	27,297	25,029	27,622	25,990
Total Capital Expenses	113	124	1,209	104	1,322	228

The Ministry has two (2) distinct segments of activity, Environment and Financial Services. The Department of Environment is classified under the Environment segment and works to promote and facilitate responsible management and sustainable use of the natural resources and environment of the Cayman Islands through various programmes and strategies.

Under the Financial Services segment, the following departments are classified: Financial Services Administration, General Registry, Department of Commerce and Investment, Department of International Tax Cooperation, Department of Financial Services Policy and Legislation, and Marketing and Communication Unit.