



ANNUAL REPORT



NATIONAL ROADS AUTHORITY OF CAYMAN ISLANDS

WWW.CAYMANROADS.COM

2015-2016

National Roads Authority

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Foreword

This Annual Report is for the National Roads Authority of the Cayman Islands (the 'NRA'). The report outlines the NRA's performance during the 2015-16 fiscal year and compares it to the budgeted performance for the corresponding period.

The requirement for an Annual Report is prescribed under section 52 of the Public Management and Finance Law (2013 Revision) (PMFL). Section 52 states:

“(1) In respect of each financial year, each statutory authority and government company shall prepare an annual report.

(2) An annual report shall report the performance of the authority or company and compare it with that proposed in the ownership agreement for that financial year and shall include -

(a) a summary of the **nature and scope of the activities** of the authority or company during that financial year;

(b) a summary of the extent to which the **strategic goals and objectives** of the authority or company described in the annual ownership agreement were achieved;

(c) a summary of the extent to which the **ownership performance targets** set out in the authority's or company's annual ownership agreement for that financial year have been achieved in that financial year;

(d) for the financial years -

(i) 2004/5 to 2007/8, unaudited financial statements; or

(ii) 2008/9 and onwards, **audited financial statements**, which shall be prepared on a basis consistent with the forecast financial statements in the authority's or company's annual ownership agreement for that financial year and contain the statements and information set out in Schedule 4.

(e) the amount of any **equity investment** made by the Governor in Cabinet in the authority or company during the financial year;

(f) the amount of any **capital withdrawals** made by the Governor in Cabinet from the authority or company during the financial year;

(g) the amount of any **dividends or profit distributions** paid by the authority or company during the financial year;

(h) the amount of any **loans** to the authority or company by the Governor in Cabinet during the financial year; and

(i) details of any **guarantees** relating to the authority or company made by the Governor in Cabinet during the financial year.

(3) The financial statements referred to in subsection (2)(d) shall be prepared within two months of the end of the financial year.

(3A) The financial statements referred to in subsection (2)(d)(ii) shall be submitted to the Auditor General for auditing, and the Auditor General shall express an opinion within two months of receipt of the financial statements.

(4) The annual report shall be presented to the Governor in Cabinet by the relevant minister or official member no later than four months after the end of the financial year.”

This annual report complies with the requirements of the PMFL and covers three main areas:

- Service Delivery;
- Financial performance; and
- Governance.

The service delivery section outlines the contributions made by the NRA in furtherance of the Government's policy outcome goals. It also provides commentary which explains

material variances in performance when compared to budget.

The financial performance section shows the financial resources the NRA was afforded in the 2015-16 budget and the inputs purchased to provide services. The financial performance is presented in the form of financial statements prepared in accordance with International Financial Reporting Standards

and the supporting notes to those financial statements.

The report also includes a section on Governance which outlines the NRA's efforts in the areas of risk management, and compliance with various statutory requirements.



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Message from the Minister

The NRA is a key policy instrument of this administration's goal to build modern smart infrastructure. I am therefore pleased to present this 2015-16 annual report which outlines the Authority's achievements during the year; and provide an account for its use of public funds.

Through amendments to the NRA Law, the Government galvanized its commitment to continued investment in our transportation network by earmarking some \$50 million in revenue over 5 years for road maintenance and development.

As part of this commitment, I agreed a 5-year Corporate Strategic Plan ("CSP") with the NRA to address the maintenance and expansion needs of the road network between 2015 and 2020.

2015-16 was the first year under this agreement and I am very pleased with the outcomes that have been achieved.

Infrastructure investments which facilitate trade and interconnectivity is a key component of a thriving economy; indeed, the role of the road network as the backbone of commerce is more evident in the Cayman Islands than in many other countries.

Our roads connect our children to schools; workers to their jobs; and efficiently moves goods and services across the Island. It facilitates our power, water and telecommunication infrastructures while providing hundreds of jobs through its continual maintenance and expansion.

Through road infrastructure investment, opportunities are created for new communities, economic development, a more efficient workforce and a greater sense of well-being among the Islands' population.



The road network is the single largest, and most valuable man-made asset owned by the people of the Cayman Islands.

It therefore gives me great comfort to have a team of highly skilled, committed and capable individuals at the helm managing this important asset and delivering this important work.

Through our policy framework, the Government will continue to support the creation of modern, smart infrastructure as a key to future growth and prosperity.

Yours sincerely,

Hon D Kurt Tibbetts OBE JP

Minister for Planning, Lands, Agriculture,
Housing & Infrastructure
First Elected Member of George Town

Message from the Chairman

2015-16 was a successful year for the NRA. The Board's main focus during the period was to ensure stability, focus, and direction as the organization delivered on its legislative mandate while supporting the Government's policy outcome goals.

Through a robust recruitment process, we identified and appointed Mr. Paul Parchment as the new Managing Director to provide stable leadership for the foreseeable future.

Working with management and staff, the Board also supported the development of a CSP which sets out the governance arrangements and expectations of the organization between 2015 and 2020. This was a tangible means of focusing the organization while demonstrating its readiness to effectively manage and account for public resources.

The Board was also pleased to support a capital investment plan which will modernize the fleet, heavy equipment and tools of the NRA over a five-year period. The asset replacement programme will invest in modern and efficient equipment which will enhance the organization's service delivery capabilities and operational efficiency.

We firmly endorse the NRA's proactive strategy for the management of the road network. Whilst several of the projects carried out in 2015-16 may not appear to have immediate impacts in expanding or enhancing the road network, the organization is pursuing targeted, strategic investments which will reduce future road maintenance costs by proactively repairing key sections of the network before they reach the point of critical failure.



This strategy allows for effective work planning, long term sustainability, reliability, and a safe and efficient transportation network.

The Board is grateful to our private sector partners and to the management and staff of the NRA for the excellent work carried out in 2015-16 which made possible the achievements highlighted in this report.

We would also like to recognize the support of the Government in providing the policy framework and resources necessary to do our work; and of the general public for their patience and understanding as we maintain, expand and enhance the road network.

The Board remains committed to the continued development of the NRA, and reaffirms its support for the organization and its efforts to deliver the best transportation infrastructure to the people of the Cayman Islands.

Yours sincerely,

Donovan Ebanks
Chairman

Message from the Managing Director

I am pleased to present the National Roads Authority (NRA) Annual Report 2015-2016. Our first ten years in operation, since being established in 2004, have been very successful. By adding additional road capacity, we have significantly contributed to the overall economic stability of the country by opening new avenues of competitive regions for growth and development.

Given the pace of change going on around us, we have, during this fiscal year 2015-16, taken the time to review our strategy through the establishment of the Corporate Strategic Plan 2015-2020 to ensure alignment with our new business model, the expectations of our Parent Ministry, the Cayman Islands Government, and the needs of the people of the Cayman Islands.

The Corporate Strategic Plan 2015-2020 is structured upon our core business areas: Maintain, Manage Trips, Build, and Enable. Everything we do contributes to our core business. Our budget allocations are channelled to the highest priorities, to ensure that we remain focused on achieving our vision. Improving the trips and journeys that our customers - the road users - take is a key priority area for us.

We intend to focus more acutely on customer satisfaction by optimizing the experience of their daily travel on the road network. As we deliver on these commitments, we will keep all vested parties engaged by creating a service charter which specifies our commitment to our customers. We will endeavour to create a Customer Action Plan to fulfil these



commitments and keep the community informed on our progress through regular public reports demonstrating our performance. I look forward to working with my colleagues and stakeholder partners to deliver these commitments for the people of the Cayman Islands.

Your sincerely,

Paul Parchment
Managing Director

General Information



2015-16 At a Glance

Financial Performance Measures	2015-16 Actual	2015-16 Target
Revenue from Cabinet	3,989,484	3,792,464
Revenue from others	10,213,506	10,074,140
Total Revenue	14,202,990	13,866,604
Expenses	19,072,157	6,542,458
Deficit	(4,869,167)	-

Net-Worth	2015-16 Actual	2015-16 Target
Total Assets	7,277,206	6,180,818
Total Liabilities	19,440,044	2,039,762
Net Worth	(12,162,838)	4,141,056

Cash Performance	2015-16 Actual	2015-16 Target
Cash Flows from Operating activities	683,508	568,143
Cash Flows from Investing activities	(850,376)	-
Cash Flows from Financing activities	-	-
Change in cash balances	(166,868)	568,143

Financial Performance Ratios	2015-16 Actual	2015-16 Target
Current Assets: Current Liabilities	1.26	2.05
Total Assets: Total Liabilities	0.37	3.03

Human Capital Measures	2015-16 Actual	2015-16 Target
Total Full Time Equivalent Staff Employed	88	81
Average length of service (Number of Years)		
Senior management	15.33 (3)	14.33 (3)
Professional staff	15.71 (28)	14.71 (28)
Administrative staff	14.00 (57)	13.22 (50)
Significant changes to personnel management system	None	None

Physical Capital Measures	2015-16 Actual	2015-16 Target
Value of total assets	4,473,287	5,128,688
Asset replacements: total assets	897,826	1,063,750
Book value: initial cost	1,734,336	1,564,852
Depreciation: cash flow on asset purchases	439,416	402,144

Nature & Scope of Activities

Nature of Activities

The general nature of activities of the NRA involves the management and development of public roads and related infrastructure in accordance with the National Roads Authority Law.

Scope of Activities

The scope of activities of the NRA include:

- providing policy advice;
- publication of a National Roads Plan;
- provision of project and construction management services for the delivery of new road-works; and
- the maintenance of the existing road infrastructure on behalf of Cabinet.

Additionally, the National Roads Authority provides support services to:

- Public Works Department to enable that Department to provide an appropriate response to hurricanes and other national emergencies, and
- Planning Department for the review of planning applications involving road related matters and the site inspection of road related constructed applications.

Customers and Location of Activities

Road users are the primary customers of the National Roads Authority. Income is generated by providing engineering, construction, and maintenance services for fund-holding Government Agencies, approved private sector clients, and any other entity that the Authority agrees to provide services to. Services are provided only in the Cayman Islands.

Approved Strategic Goals for 2015-16

- Continue establishment of the Authority, develop and implement effective administrative, financial and information management systems
- Identify and seek approval for strategies for financing future road development
- Continue the Traffic Improvement and Road Development Programmes

VISION

To enhance the quality of life, promote economic prosperity, and improve access and mobility for all stakeholders in the Cayman Islands through customer focus, efficiency, effectiveness, impact and reputation.

MISSION STATEMENT

To provide sustainable transport and promote land development in the Cayman Islands for all stakeholders while having regard to the delivery of the National Roads Plan element of the National Development Plan 1997.

PURPOSE

Enabling safe and efficient road transport journeys throughout Grand Cayman.

Our Board

Donovan Ebanks- Chair

Deputy Chair- Vacant

Financial Secretary Rep

David Arch- Member

Gary Clarke- Member

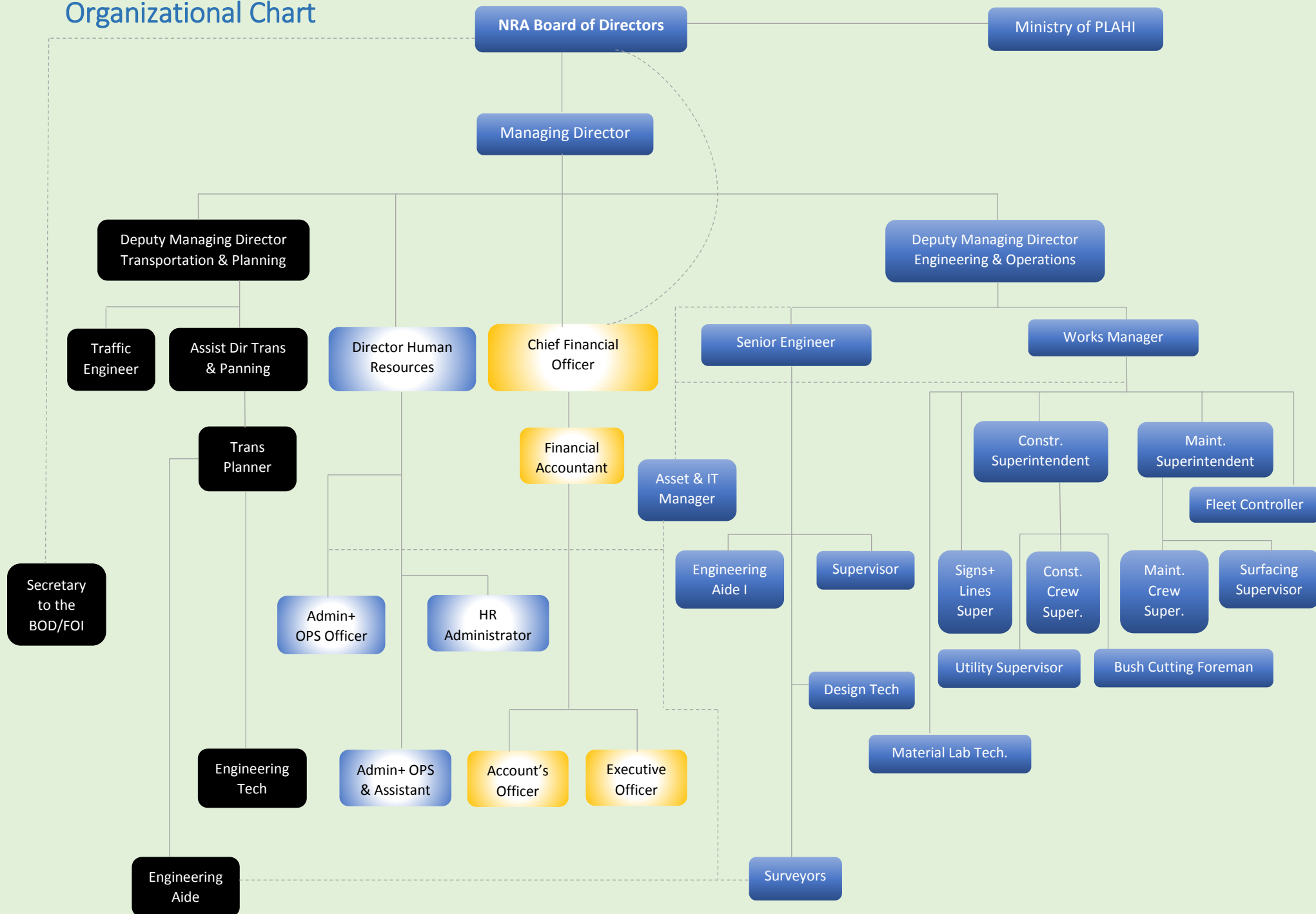
Kenross Connolly- Member

Stanley Panton- Member

Dane Walton- Member

Tristan Hydes- Ministry Rep

Organizational Chart



Meeting our Legislative Mandate

The NRA has responsibility for the administration, management, control, development and maintenance of public roads and related facilities on Grand Cayman.

Shown to the right are 7 key functions carried out by the NRA to effectively discharge its mandate under the National Roads Authority Law 2006:

How we support the Government's Policy Outcome Goals

The NRA shares responsibility for supporting several Government Outcome Goals including:

- Facilitating a strong and thriving economy;
- Creating a more secure community;
- Creating an efficient, accessible and affordable Public Service;
- Supporting a culture of Good Governance; and
- Development of modern, smart infrastructure.

Economic prosperity requires interconnectivity. Those interconnections between businesses, workers, and communities are essential for trade, commerce, and future prosperity.

The government is supporting several key projects in the eastern districts which will assist in distributing economic activity to areas outside the capital.

Given our limited land mass and restrained ability to add major capacity to the network, the NRA supports Government's efforts to lessen the traffic loads heading into and out of George Town during peak periods.

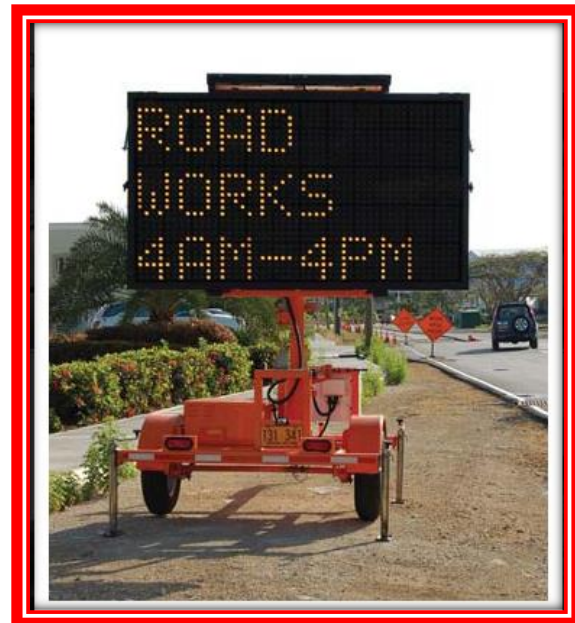


Steps have therefore been taken to ready the network for future expansion and traffic loads at key intersections such as the roundabout in Red Bay. We've also been improving sections of the network in areas like Pease Bay and other localities as part of our medium-term plans.

Safety is always a principal consideration of any project carried out by the NRA. In 2015-16, the NRA undertook several efforts to improve the ability for motorists and pedestrians to safely use the network during all weather conditions and at all times of the day. These efforts include changes in the slope of key roundabouts, better lighting, wider road shoulders and repairs to road surfaces in key sections. Our signs and lines crews have also been busy in ensuring road users are adequately informed of work in progress, the presence of pedestrians and the correct use of the road network.

The NRA is a first responder in the event of a hurricane or other major disaster. Heavy equipment and crews are expected to maintain a constant status of readiness to clear debris, open road arteries, and assist with other restorative efforts as part of our disaster continuity and national security plan. Having the tools to effectively and efficiently respond to such incidences are an important aspect of **keeping our community secure**. The Board's approval in 2015-16 of our asset replacement programme will bolster our efforts to maintain a constant state of readiness to provide assistance following adverse events.

New equipment will also assist the NRA in becoming a **more efficient** public agency. Financial analysis showed that the vast sums spent annually on repairing and maintaining older equipment could be significantly reduced if certain equipment were decommissioned and replaced with newer models.



Beyond the expense associated with repair and maintenance, when a piece of equipment breaks, the worker who operates that equipment is often required to work in other areas which do not constitute optimal use of their time. This leads to lower levels of productivity and inefficient use of resources.

The NRA promotes a culture of openness, transparency and **good governance**. This philosophy permeates throughout our organization and informs the conduct of our staff and how we relate to our customers and shareholders.

Open communication and role clarity are important aspects of a good governance system. In 2015-16 we took steps in several key areas to ensure that our people at all levels of the organization have clear understanding on what the organization expects from their contribution, acceptable behavior standards and how they fit into the larger scheme of achieving better outcomes for the Cayman Islands.

We have also taken steps to improve our fiscal accountability by obtaining actuarial valuations

for our post-retirement health and pension obligations. This information will be useful for financial planning to ensure the NRA will be in a position to meet those obligations when they fall due.

Our recent road network interventions are part of a longer term strategy to **build modern, smart infrastructure**. Whilst there will always be a need for emergency repairs and maintenance to the 300+ miles of road network maintained, these efforts will be carried out in tandem with efforts to ensure the ability of the network to cope with future growth; reduce future maintenance cost; and improve the experience of our users.

This requires careful planning, innovative designs and studies to inform future traffic patterns. A key aspect of our efforts in this area is the mobilization of our Transportation Traffic Model.

By using this model, the NRA will be able to execute future road works with an informed perspective on how much traffic the road will likely carry, where junctions will be best located, how wide it should be, and the most efficient points for entry and exit.

It will also enable improvements to the existing network by advising on interconnectivity to spread traffic load across a wider section of the network thereby reducing the strain on certain sections. An example of this is the recent work carried out on Smith Road and the connection to Elgin Avenue. Users can now save commuting time moving from one area of George Town to the next whilst also reducing load on the CNB roundabout and the 4-way stop by the Cayman Islands Hospital.

Supporting Government's policy for modern, smart infrastructure will improve the efficiency

of transportation infrastructure and deliver several ancillary benefits. An efficient transportation network can improve our citizens' quality of life by shortening commuting times, thereby allowing families to spend more time enjoying other social aspects of life.



The network can also reduce barriers to employment by making it possible for someone living in East End to take a job in West Bay whilst having a reasonable prospect of getting to that job within an efficient manner. It also reduces carbon emissions by lessening the period vehicles are idling in traffic and saves consumers money through lower annual maintenance costs for their vehicles.

We believe these are worthwhile efforts and embrace our role in supporting these outcomes. The next section looks more specifically on some of the performance outcomes the NRA achieved in 2015-16 to support many of the outcomes discussed in this section.

Performance Outcome

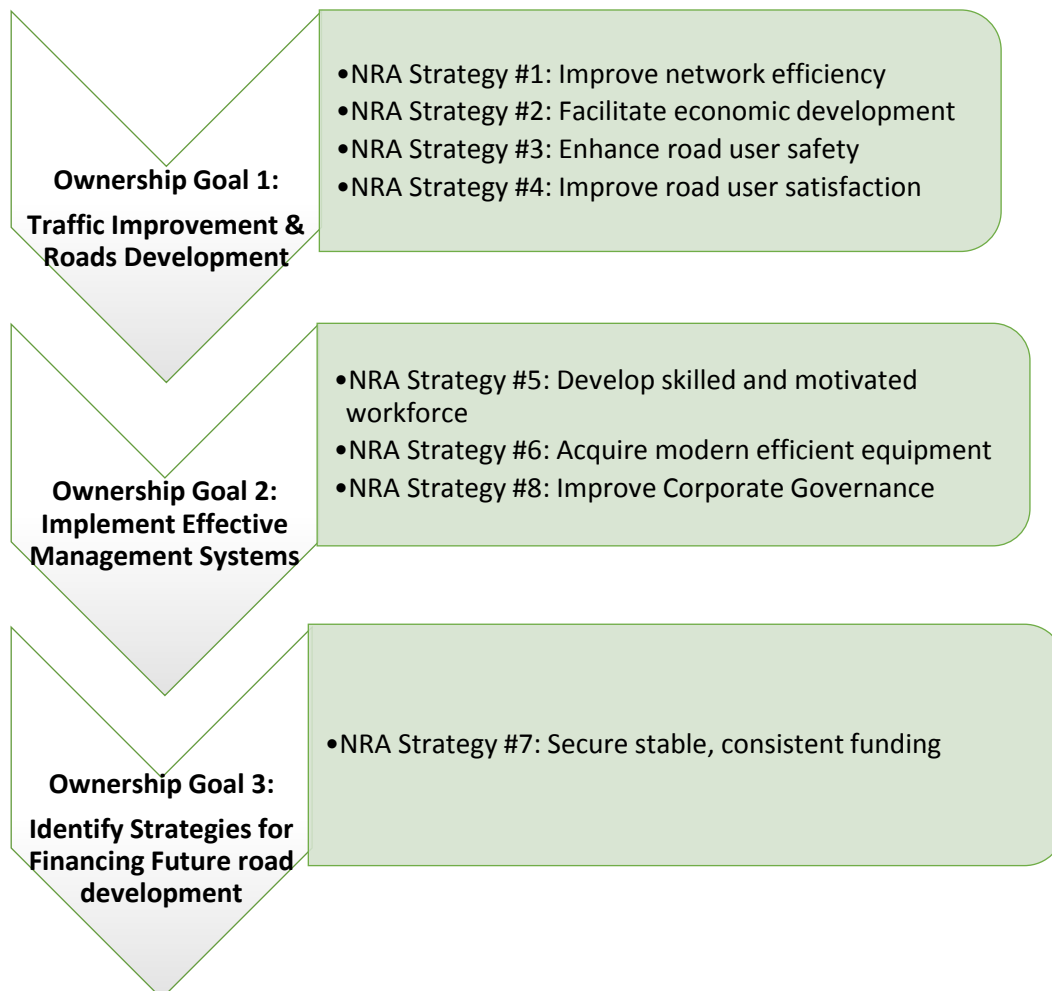


Strategic Overview

In accordance with the Ownership Agreement signed with the Cabinet for the 2015-16 Fiscal Year, the NRA is responsible for the following three key strategic ownership goals:

1. Continue the Traffic Improvement and Roads Development Programme;
2. Continue establishment of the Authority, develop and implement effective administrative, financial and information management systems; and
3. Identify and seek approval for strategies for financing future road development.

The CSP 2015-2020 incorporates the above strategic ownership goals and expands them into 8 specific strategies which collectively work towards meeting Cabinet's expectations.



During the fiscal year 2015-16 the NRA complied with the approved ownership goals by completing three major road surfacing upgrades, two new collector road upgrades as well as preliminary planning and design work for the George Town Revitalization programme.

The largest construction project undertaken by the NRA in 2015-16 was the widening of Smith Road and construction of Humber Lane to connect with Elgin Avenue. Final costs for this project were approximately \$2.1M.

Other noteworthy road projects included remedial works on the Esterley Tibbetts Highway (by the Island Heritage Roundabout), as well as the resurfacing of a badly deteriorated section of highway in Breakers near Midland Acres Development.

NATIONAL ROADS AUTHORITY
EXECUTIVE ASSETS FUNDED BY CABINET
AS AT 30 JUNE 2016

		Fiscal Year Ended 30th June, 2016			2015/16 Budget
		2015-16 Actual	2014-15 Actual	Variance	
MISCELLANEOUS ROAD SURFACE UPGRADES	EA36				1,000,000
EA36GT022/025 Smith Rd/Humber		2,098,646			1,552,262
EA36WB021-ETH remedial works		356,834			
EA36BT010-Midland Acres to BT		321,065			
ASPHALT PAVING IN CAYMAN BRAC- (MINISTRY DAT&T)	EA55	144,950			120,000
NEW COLLECTOR & ARTERIAL ROADS	EA126				-
EA126GT01-Fairbanks Rd Ext.		242,848			
EA126GT02-Sparky Drive		180,823			
GEORGE TOWN REVITALIZATION	EA142				5,300,000
EA142GT-George Town revitalization design work		50,525			
EA142GT01-Snooze Lane paving		31,134			
EA142GT02-South Sound Boardwalk		129,921			
EA142GT03-Hospital parking lot repaving		142,669			
EA142GT04-Linford Pearson Highway widening design		118,659			
TOTAL		3,818,074	-	-	

Cabinet purchased \$3.8 million of services from the National Roads Authority via its Executive Asset allocations for FY2015-16. The most significant of these was the Smith Road/Humber Lane project which began late in FY2015-16. Executive Asset funding is controlled by Cabinet via the Ministry of PLAH&I. Executive asset items typically include items involving land purchase, road surface upgrades, farm roads, special projects, etc. These are separate from the Recurrent road fund budget of approximately \$10M per annum.

Low oil prices reduced annual street lighting costs resulting in a net savings of approximately \$500K under NRA 10 – Government Street Lighting Programme. NRA expects these costs to normalise in the following year as the price of oil stabilizes.

NATIONAL ROADS AUTHORITY
RECURRENT BUDGET
AS AT 30 JUNE 2016

		Fiscal Year Ended 30th June, 2016			2015/16 Budget	Funds Available
	Services to be provided from NRA Road Fund	2015-16 Actual	2014-15 Actual	Variance		
Planning & Development of New Public Roads	NRA 5	601,235			472,360	(128,875)
Grand Cayman District Roads Programme	NRA 6	2,255,496			2,379,300	123,804
Policy Advice on Road Related Matters	NRA 7	21,218			21,218	-
Storm Water Drain Wells	NRA 8	39,118			106,090	66,972
Routine Maintenance of Public Roads	NRA 9	5,008,463			4,667,960	(340,503)
Government Street Lighting Programme	NRA 10	1,142,459			1,658,280	515,821
Pavement Management & Other Asset Mgt. Programmes	NRA 11	91,754			106,090	14,336
Road Safety & Roadside Guard Rail Installation Programme	NRA 12	114,336			185,657	71,321
Explosive & Blasting Management	NRA 13	33,581			53,045	19,464
Arterial Road Surface Rehabilitation	NRA 14	136,229			350,000	213,771
TOTAL		9,443,889	-	-	10,000,000	556,111

Recurrent and Executive Asset revenue combined gave the NRA approximately \$14M in revenue.

Ownership Goal 1: Traffic Improvement and Roads Development

To continue the Traffic Improvement and Roads Development Programme

The NRA employs a small core of transportation engineers and planning professionals who advise on all matters relating to transportation planning, traffic, roads development, and funding.

One of the main tasks of the NRA's transportation unit is to assist in the development of a long term (20-25 year) roads plan. From the long term plan, a short term plan is developed; this short term plan consists of roads and road improvements that are deemed as critical within 3 to 5 years.

Transportation Planning Activities:

- a. Recurrent Activities – Some of the main activities of the transportation unit for FY2015-16 were as follows:
 - In addition to numerous meetings and site inspections with various land developers to advise them on roads and drainage requirements, the transportation unit prepared assessments and provided commentary to the Central Planning Authority on one hundred and ninety-two (192) planning applications;
 - A total of fifty-eight (58) reviews of storm water/drainage applications were carried out and commentary provided to the Central Planning Authority;
 - Forty-seven (47) site inspections were performed for the Building Control Unit for the issuance of Certificates of Occupancy or road inspections for subdivisions.

The following table provides a breakdown of the type of developments assessed or inspected during the 2015-16 Fiscal Year:

Development Type	Plan Reviews	SWM/ Drainage Plan Reviews	Inspections
Commercial	32	10	8
Government	7	2	1
Hotel	1	2	N/A
Industrial	10	2	1
Institutional	9	4	1
Residential	42	24	18
Subdivisions/ Road Base	63	11	18
Miscellaneous	28	3	N/A
Total	192	58	47

- Eighty-one (81) due diligence letters were written in response to enquiries from attorneys and real estate agents dealing with land purchases;
- One (1) complaint investigated following the completion of road works carried and requests resulted in having boundary markers re-instated.

NRA Strategic Goal #1: Improve Network Efficiency

Greater efficiency will be pursued through a combined strategy to expand the network through additional lanes and points of connection where possible, while seeking to reduce future demand through the promotion of mass and public transport use. To make public transport more attractive, we will work with the Public Transport Unit (PTU) to devise strategies and partnerships focused on improving the capacity and reliability of the Islands' bus services while also seeking ways to modify the physical network to favour public transportation.

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
1.1. Increase existing network capacity	✓ Miles of additional lanes added ✓ Approved and executed maintenance programme	✓ Widen Esterley Tibbetts to 4 Lanes by Dec. 2017 ✓ Widen Bobby Thompson way by Dec. 2017 ✓ Widen Linford Pierson to 4 lanes by Dec. 2017	✓ Started and in progress ✓ Started and in progress ✓ Started and in progress
1.2. Improve design for future network additions	✓ Approval of SOP	✓ Manual developed and completed by June 2016	✓ Accomplished
1.3. Ensure strategic access and departure to and from major roadways	✓ Approval and adoption of access management plan ✓ Linear feet of additional medians built	✓ Access management plan to be completed and approved by December 2016 ✓ 1,000 feet of additional medians built by December 2017	✓ Accomplished ✓ Started and in progress
1.4. Measure performance of road network	✓ Road performance surveys done quarterly ✓ Number of deployments for speed measurement devices ✓ Development of traffic forecasting and demand model	✓ Quarterly performance surveys implemented by January 2016 ✓ Average vehicle speed on the Network measured twice annually ✓ Traffic demand and forecast model developed and implemented by December of 2016	✓ Not achieved, planned for 2016-17 ✓ In progress ✓ Achieved in 2015-16

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
1.5. Increase interconnectivity	✓ Miles of additional connecting roads ✓ Reduction in travel time	✓ Connector for Elgin Ave. to Crewe Road at Mango Tee by Dec. 2017 ✓ Connector for Elgin Ave. to Smith Road by Dec. 2018 ✓ Connector for Willie Farrington to Reverend Blackman drive by Dec. 2018 ✓ Connector for Elgin Avenue to Eastern Avenue by Dec. 2018 ✓ Godfrey Nixon extension to Mary St. by Dec. 2018 ✓ Owen Roberts Dr. to North Sound connector by Dec. 2018 ✓ Walkers Rd. to John Gray connector by Dec. 2019 ✓ Water Course Road to NW Point Connector by Dec. 2019	✓ In Progress ✓ Started and in progress ✓ On schedule ✓ On schedule ✓ On schedule ✓ On schedule ✓ On schedule ✓ On schedule
1.6. Reduce load factors on existing road arteries	✓ Number of bypass roads built ✓ Number of CPA meetings attended ✓ Number of media campaigns held ✓ Number of joint initiatives with PTU to promote public transport	✓ Airport bypass by December 2018 ✓ Extension of Anton Bodden West by Dec. 2020 ✓ 100% attendance at CPA meetings ✓ Annual media campaign to encourage car pooling	✓ On schedule ✓ On schedule ✓ Achieved ✓ Planned for 2016
1.7. Reduce peak period congestion	✓ Number of strategy meetings held and policies developed ✓ Number of employer programs	✓ Quarterly meetings ✓ Agreement with employers of 15% of workforce on flexi-time by December 2017	✓ Planned ✓ On schedule

Traffic Data Collection Program - The last comprehensive traffic data count survey was carried out in 1999. Since that time, significant developments and expansion of the arterial and collector road network has occurred on Grand Cayman. Consequently, the NRA in late October 2015, offered a public tender for a comprehensive traffic data collection program for the island of Grand Cayman. The scope of services entailed the following traffic data collection requirements:

- Forty (40) intersections Turning Movement Counts (TMC) for 7-hour duration; and,
- One hundred and fifty-three (153) Automatic Traffic Recorder (ATR) count locations collected continuously for seven (7) continuous days.

The successful bidder was SEMIC S.A. de C.V. for a contract value of approximately \$170K. Project Deliverables for the 2016 Traffic Data Collection program by SEMIC were as follows:

- ✓ Forty-one (41) individual spreadsheet TMC files which summarized turning movements at each leg of the intersections surveyed by vehicle classification at:
 - a) 15-minute and
 - b) 1-hour intervals.
- ✓ Individual spreadsheet files ATR data which consists of:
 - a) Volume and Classification for 153 count stations and
 - b) Volume and Speed for 153 count stations for seven (7) days of collection.

The data was provided in 15-minute and 1-hour interval for each direction and combined as link volumes.

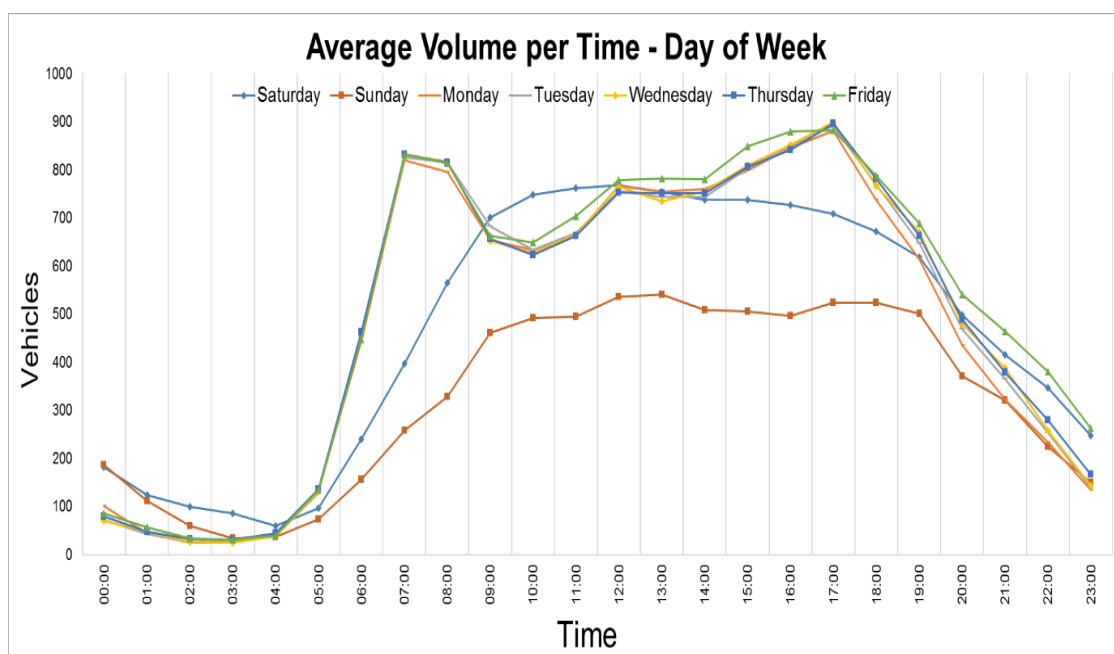
TMC Findings and Summary

- ✓ Six (6) of the forty-one (41) intersections had a total vehicle volume within the range of 16,000 - 24,000 vehicles (corresponding to the sum of the three study periods of the day).
- ✓ Twenty-eight (28) of the forty-one (41) intersections studied showed a vehicular volume in a range of 8,000 - 16,000 vehicles.
- ✓ The seven (7) remaining intersections showed vehicular volumes lower than 8,000 vehicles.
- ✓ At the intersection of North Sound Road and Dorcy Drive / Kentsville Drive, the highest percentage of heavy vehicles (Bus + Trucks) was observed during the study period (7.1%, 851 vehicles).
- ✓ At the intersection of Smith Road and Crewe Road, the highest flow of vehicles turning right (4,397 vehicles, from east to the north) in the study period was observed.
- ✓ At the intersection of Harbour Drive / North Church Street, a total of 3,117 pedestrians were observed during the study period.
- ✓ Approximately 50% of the intersections have a Peak Hour Factor of more than 0.95 indicating high traffic volumes and potentially road capacity problem that will need further assessment.
- ✓ At four (4) intersections (IDs 10, 20, 28 and 34) the highest value of PHF was observed at around 0.98.
- ✓ Approximately 50% of the intersections presented their peak hour condition as being between 07:00 and 09:00 am.

ATR Findings and Summary – Volumes and Classification

- ✓ At 23 of the ATR stations (15% of the total number of stations) the Weekday Average Daily Traffic (WADT) observed was in the range of 20,000 to 37,000 vehicles per day (vpd).
- ✓ At 56 ATR stations (37% of the stations), the WADT observed was in the range of 10,000 - 20,000 vpd.
- ✓ For the remaining 74 ATR stations (or 48% of the stations), the WADT observed was in the range of 500 to 10,000 vpd.
- ✓ The ATR station that presented the highest percentage of trucks (4.4%) was the ID - 309 located on Portland Rd (west of Tortuga Way).
- ✓ The station ID - 714 located at Shamrock Road, west of Selkirk Drive registered the highest WADT, which was about 36,300 vpd.
- ✓ From all 153 ATR stations, the observed traffic flows across the network are classified as follow: 98.5% are cars, 0.4% buses and 1.1% trucks.

Taken from SEMIC final report, the chart below shows the average hourly traffic flows observed for each day throughout the network. It is noted that weekday traffic flows display similar patterns of behaviour from day to day and that weekend patterns are different to those from Monday to Friday. The peak hours on weekdays are generally from 7:00 to 8:00 am for the morning and from 5:00 to 6:00 pm for the afternoon.



ATR Findings and Summary – Speed and Volumes

Following an analysis of the direction with higher value of average speed at each ATR station, the below information was determined:

- ✓ At 56 stations (37% of the total number of stations), the average point speed was in the range of 30 - 55 mph.
- ✓ At 72 stations (47% of the total) the average point speed was in the range of 20 - 30 mph.
- ✓ At 25 stations (16% of the total), the average point speed was below 20 mph.
- ✓ The maximum average point speed 50.91 mph observed is station 114 (ETH south of Willie Farrington Connector). Here, the maximum value of the 85th percentile of the point speed was recorded; this value was of 56.30 mph.
- ✓ At 87 (57% of the total) stations, the 85th percentile point speed was in the range of 30 - 57 mph.
- ✓ At 49 stations (32% of the total), the 85th percentile point speed was in the range of 20 - 30 mph.
- ✓ At 17 stations (11% of the total), the 85th percentile point speed was below 20 mph.



NRA Strategic Goal #2: Facilitate Economic Development

The NRA will contribute to economic growth through infrastructure provisions, enhancements to our tourism product, and increased worker productivity.

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
2.1. Support major public infrastructure projects	✓ Number of meetings attended ✓ Policy directives implemented ✓ Policy and advice given ✓ Road designs developed	✓ Attendance at 100% of meetings when invited ✓ 100% implementation of policy directives ✓ Advice and designs within agreed timeframes ✓ Implement traffic model	✓ Achieved ✓ Achieved ✓ Achieved ✓ Achieved
2.2. Support major private infrastructure projects	✓ Meetings and presentations attended ✓ Number of projects where quality control oversight is provided	✓ 100% Attendance at relevant meetings and presentations when invited ✓ Quality control presence on 100% of private sector led road projects ✓ Airport to Camana Bay connector road by Dec. 2017 ✓ Extension of East West Arterial by Dec. 2019	✓ Achieved ✓ Achieved ✓ In progress ✓ In progress
2.3. Reduce lost productivity	✓ Reduction in time for travel from various points ✓ Number of additional road connection points constructed ✓ Development of policy regarding work on the network by statutory undertakers ✓ Percentage improvement in road construction efficiency	✓ 20% reduction in average travel time from West Bay and all points east of George Town by 2020 ✓ Dorcy Drive to Shedden Rd. connector by Dec. 2018 ✓ Preparation of Statutory undertaker road work policy by Dec 2017. ✓ 10% improvement in efficiency for road construction work by 2018	✓ In progress ✓ In progress ✓ In progress ✓ In progress
2.4. Improve the experience of Tourists and visitors using the network	✓ Provide technical expertise by private sector developer for bypass road ✓ Reduce speed limit on west bay road and enhance pedestrian crossings ✓ Improve signage throughout the Island	✓ Technical expertise provided within agreed timeframe ✓ Pedestrian improvements to West Bay road completed by June 2016 ✓ Signage audit and improvement work completed by December 2016 ✓ Red Gate road extension to Airport by Dec. 2015	✓ Achieved ✓ Achieved ✓ In progress ✓ Achieved

- Smith Road and Humber Lane (started FY 2015-16 with the Humber Lane extension to be finished in FY 2016-17) – Smith Road was widened to a two-lane road with a centre turn lane. An additional crosswalk was put in place by the hospital as well as a mini-roundabout at the junction with Humber Lane and Anthony Drive. Humber Lane, by the Government parking lot, was extended to provide

interconnectivity between Smith Road and Elgin Avenue. Drainage as well as pedestrian facilities were upgraded along both roads.

- Esterley Tibbetts Highway (ETH) Remedial Works – “Dips” along the road surface in the vicinity of the Island Heritage roundabout were remediated by adding to, and re-compacting the base beneath the road surface.
- Sparky Drive – In conjunction with landowners the NRA was able to reconstruct the entire length of Sparky Drive to meet minimal road and drainage standards.
- Fairbanks Road – Road improvements to provide improved access.
- Bodden Town Road Resurfacing (vicinity of Midland Acres) – The road shoulder along this stretch was widened and resurfaced to fifty (50) ft. for compliance with the 1977 gazette of Boundary Plan 9. This was done in order to provide adequate clear zone for a road operating at a speed of 50MPH. The project continues into fiscal year 2016-17.



District Roads Programme - The following district roads were reconstructed and/or resurfaced with surface treatments under this programme. The MicroPAVER pavement management database was used to select the roads to be worked on and what type of work would be performed.

Abbreviations: R&R = Rip and Relay (Reconstruct the Road Base); SC = Spray and Chip (Surface Treatment)

GEORGE TOWN	COST KYD	REPAIR TYPE
BRONZE ROAD	27,466	R&R
ABBAY WAY	64,567	R&R
OUTPOST ST	52,613	R&R
LORD'S WAY	31,526	R&R
FAIRFAX WAY	5,878	S&C
WOODSTOCK RD	14,979	R&R
JASMINE LANE	9,257	R&R
LOGWOOD WAY	67,790	R&R
GRAPE AVE	6,390	S&C
SPOTTS SHOULDER OPPOSITE SPOTTS DOCK	3,803	S&C
OLD PROSPECT RD	6,343	R&R
MCCLENDON DRIVE SHOULDER	3,300	R&R
JUMP LINK	1,834	R&R
OMEGA DR	38,534	R&R
BUCKBOARD CL	1,143	R&R
BAYSIDE CT	4,759	R&R
MAHOE ST	5,806	S&C
CHINABERRY DR	20,156	R&R
GRACE ST	28,476	S&C
DYKEWOOD DR	18,806	R&R
DALLAS LN	3,340	R&R
COCONUT DR	3,709	R&R
HIBISCUS LN	2,467	S&C
WHITEMAN SEYMOUR RD	24,405	R&R
CATERPILLAR LN	13,924	R&R
CRANBROOK DR	23,467	R&R

GEORGE TOWN CONTINUED	COST KYD	REPAIR TYPE
LANATANA WAY	2,478	R&R
CRUZ LN	895	R&R
PARKWAY DR	49,552	R&R
HELEN DR	23,467	R&R
BERNARD DR	13,729	R&R

WEST BAY	Cost KYD	Repair Type
Maliwinas Way	19,353	R&R
Florrie Dell Rd	8,747	R&R
Judes Ln	17,862	R&R
Bahama Cl	9,157	R&R
Bonsal Cres	31,384	R&R
Robert Rivers Cl	10,650	R&R
Blunt Ln	6,903	R&R
Sea Fan Dr	7,600	R&R
Lindys Walk	4,811	R&R
Mona Lisa Way	12,451	R&R
Uncle Joes Way	12,579	R&R
Ruby Ln	23,640	R&R
Guinep Ln	5,354	S&C
Courtyard Dr	16,064	R&R
Wave Cl	3,815	S&C
Australis Dr	11,598	R&R
Top Sail St	7,085	S&C
Aurora Dr	14,805	R&R
Chevy St	1,816	S&C
Boreal St	27,337	R&R

NRA Strategic Goal #3: Enhance Road User Safety

Improved design, an enhanced maintenance program and improved signage will better cater to the needs of drivers and pedestrians. These efforts will be augmented by improved lighting and aesthetics of the network.

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
3.1. Reduce number of accidents attributable to road factors	✓ Number of roundabouts redesigned ✓ Reports and designs reviewed ✓ PCI rating ✓ Safety audit reviewed and report prepared ✓ Implementation of recommendations ✓ Number of hazards identified and actioned	✓ All major roundabouts redesigned by 2019 ✓ RCIPS reports and road designs reviewed at least quarterly ✓ Achieve PCI rating of at least 80 on all primary and secondary road surfaces (subject to funding availability) ✓ Safety recommendations presented by January 2016	✓ In progress ✓ In Progress ✓ In progress ✓ Did not achieve
3.2. Improve safety for pedestrians and cyclists	✓ Miles of dedicated bike lane on the network ✓ Feet of sidewalk constructed ✓ Areas of complete darkness on major roadways ✓ Miles of road shoulders improved ✓ Number of additional pedestrian crossings	✓ Increase percentage of bike lanes available on the network by 20% by 2018 ✓ Add approximately 500 feet of new sidewalk by December 2020 ✓ Less than 5% of major roadways having complete darkness ✓ 5 miles of improved shoulders by December 2020 ✓ 5 new Pedestrian crossings by Dec. 2015	✓ In progress ✓ In progress ✓ In progress ✓ In progress ✓ completed
3.3. Improve education among road users	✓ Number of road user education campaigns ✓ Recommendations for revisions to road code handbooks ✓ Digital and other signs deployed when necessary ✓ Number of meetings attended for Traffic Management Panel	✓ Twice annually campaigns ✓ Review of road code handbook on an annual basis ✓ 95% deployment of appropriate signs when necessary ✓ 100% attendance by suitably qualified individuals at TMP meetings	✓ Planned ✓ In progress ✓ In progress ✓ Achieved
3.4. Improve safety of road design	✓ Road performance audits done quarterly ✓ Completion of review ✓ Improvements in road designs implemented	✓ Quarterly performance surveys implemented by January 2016 ✓ Review completed by June 2016 ✓ Improve intersection of Crewe Rd. and Smith Rd. by Dec. 2017	✓ Did not achieve ✓ In progress ✓ In progress

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
3.5. Reduce drainage time for rainwater	✓ Number of drainage wells installed ✓ Number of times per year drainage wells cleared ✓ Rate of drainage for water on new roads	✓ 250 new drainage wells by December 2020 ✓ Drainage wells cleared at least 3 times per year ✓ Belford Estates drainage improvement by Dec. 2015	✓ In progress ✓ In progress ✓ Completed
3.6. Reduce speed in residential neighborhoods	✓ Number of speed tables installed	✓ Installed speed tables in 75% of areas where they are required by June 2018	✓ In progress

Traffic Calming Programme - The NRA continued the implementation of speed humps in neighborhoods throughout Grand Cayman in the following areas:

Location	Type	Quantity
Marble Drive – GT	New	2
Sparky Drive - GT	New	2
Condor Drive – BT	Modified	2
Scotts Barcadere – GT	Modified	2
Outpost Street – GT	Modified	5

Traffic Management Panel (TMP)

- Pedestrian Crossing by Presbyterian Church in WB October 2015
- Pedestrian Crossing upgrades – BT Primary School; Savannah Primary School; 7th Day Adventist on Walkers Road October 2015
- Pedestrian Crosswalk – St. Matthews October 2015
- Double Yellow Lines on Hawkins Drive in GT November 2015
- Double Yellow Lines on Lawrence Blvd by Heritage House November 2015
- Double Yellow Lines on Ellis Conolly Drive in BT April 2016
- Double Yellow Lines on Homestead Crescent in BT April 2016

Storm Water Management and Drainage Well Drilling Programme -

Well Location	District	Type of Work	No# of Wells	Approximate Cost KYD
Watlers Road	GT	Redrill one 10" dia; New 10"	2	5,200
Butterfly Circle	BT	New 8" dia	1	4,000
Vienna Circle	GT	New 8" dia	1	4,000
Bronze Road	GT	Redrill 8" dia; New 8"	2	5,200
Victory Avenue	GT	Redrill 8" dia.	2	2,400
Party Lane	GT	New 8" dia	2	8,000
Anthony Drive	GT	Redrill 8" dia	6	7,200
Sound Way	GT	New 8" dia	1	4,000
Zeedah Crescent & Coemer Drive	GT	New 8" dia	1	4,000
Redgate Road	GT	New 8" dia	1	4,000
Birch wood Road	GT	New 8" dia	1	4,000
Sound Road	GT	New 8" dia	1	4,000
North Side Road	NS	New 8" dia	1	4,000
Savannah Avenue	BT	New 8" dia	1	4,000
Behind Serv u Well	GT	Redrill 8" dia	1	1,200



NRA Strategic Goal #4: Improve Road User Satisfaction

Achieving a user satisfaction score of 95%, or better within 10 years is our long-term goal; however, over the next five years, through customer surveys, we hope to achieve an average user satisfaction rating of at least 80%. To achieve this, we will embark on a multi-year program to raise the PCI standard across the network and improve safety and aesthetic standards. We will also work collaboratively with other infrastructure providers and private developers to improve user satisfaction by providing advice on access management for major developments while collaborating with local authorities to identify interventions on and off the network.

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
4.1. Reduce network congestion	✓ Miles of additional lanes added ✓ Number of media campaigns on use of public transport and car pooling ✓ Reduction in average travel times ✓ Improvement in average speed during peak hours ✓ Number of PPP partnerships for network expansion ✓ Percentage uptime of traffic signals	✓ Complete Smith Rd. widening project by Dec. 2016 ✓ Esterley Tibbetts – Coralstone roundabout extension by Dec. 2019 ✓ Annual media campaign on carpooling and use of public transport ✓ 20% percent reduction in average travel time by June 2020 ✓ 5-10% improvement in average travel speed during peak hours by June 2018 ✓ 100% support to PPP initiatives in accordance with Government policies ✓ 100% uptime of traffic signals	✓ Completed ✓ In progress ✓ Planned ✓ In progress ✓ In progress ✓ Achieved ✓ In progress
4.2. Improve aesthetics of the network	✓ Signs and lines condition audit ✓ Customer satisfaction surveys ✓ Number of miles maintained ✓ Street lighting audit	✓ 90% or better rating on signs and lines condition audit ✓ 80% or higher customer satisfaction rating ✓ 75 miles of road shoulders maintained quarterly ✓ 98% functioning of all street lights	✓ In progress ✓ In progress ✓ Achieved ✓ In progress
4.3. Improve road surface quality on the network	✓ Miles of road repaired or rehabilitated ✓ Number of PCI surveys ✓ NRA standards for road surface mixes	✓ Road network kept at average PCI rating of 80 or above (subject to funding) ✓ PCI surveys done annually ✓ 100% compliance with NRA specification for road surface design mix ✓ Reconstruct Reverend Blackman road by Dec. 2018 ✓ Upgrade Water Course Rd. by Dec. 2015 ✓ Resurface Fountain Rd. by Dec. 2015 ✓ Resurface Botswain Bay Rd. by Dec. 2015 ✓ HMA Rum Point Dr. by Dec. 2016	✓ In progress ✓ Completed ✓ In progress ✓ In progress ✓ Achieved ✓ Achieved ✓ Achieved ✓ achieved
4.4. Cut and Trim vegetation along the network	✓ Number of miles cut ✓ Revisions to brush cutting schedule ✓ Percentage availability of equipment	✓ 90% of bush cutting sorties carried out on schedule ✓ Bush cutting schedule revised based on changes in network ✓ Equipment maintained to be functioning 95% of the year	✓ Not achieved ✓ Achieved ✓ Not achieved

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
4.5. Increase availability of the network	✓ Number of unscheduled road closures, percentage of time road closures extend beyond period planned ✓ Number of unscheduled roadway interventions by statutory undertakers ✓ Percentage of maintenance work carried out during annual summer break	✓ 20% reduction for unscheduled road closures ✓ 20% reduction for unscheduled road closures annually ✓ 25% of annual road works to be carried out during summer months	✓ In progress ✓ In progress ✓ In progress
4.6. Improved customer focus	✓ Completion of charter and plan ✓ Completion of satisfaction survey ✓ Number of signs erected and media placements ✓ Press releases ahead of all major network intervention efforts	✓ Plan to be completed by March 2016 ✓ Customer satisfaction surveys to be conducted at least once annually ✓ Signs erected in all districts ✓ Media advised ahead of any major intervention work	✓ Achieved ✓ In progress ✓ In progress ✓ Achieved
4.7. Reduce annual vehicle operating cost	✓ Travel efficiency audit ✓ Condition of pavement ✓ Number of accidents with road conditions as a contributing factor	✓ Reduce average travel time by 20% during peak hours ✓ PCI of at least 80 on all primary and secondary roads (subject to funding) ✓ 75% reduction of accidents with road conditions being a contributing factor	✓ In progress ✓ In progress ✓ In progress

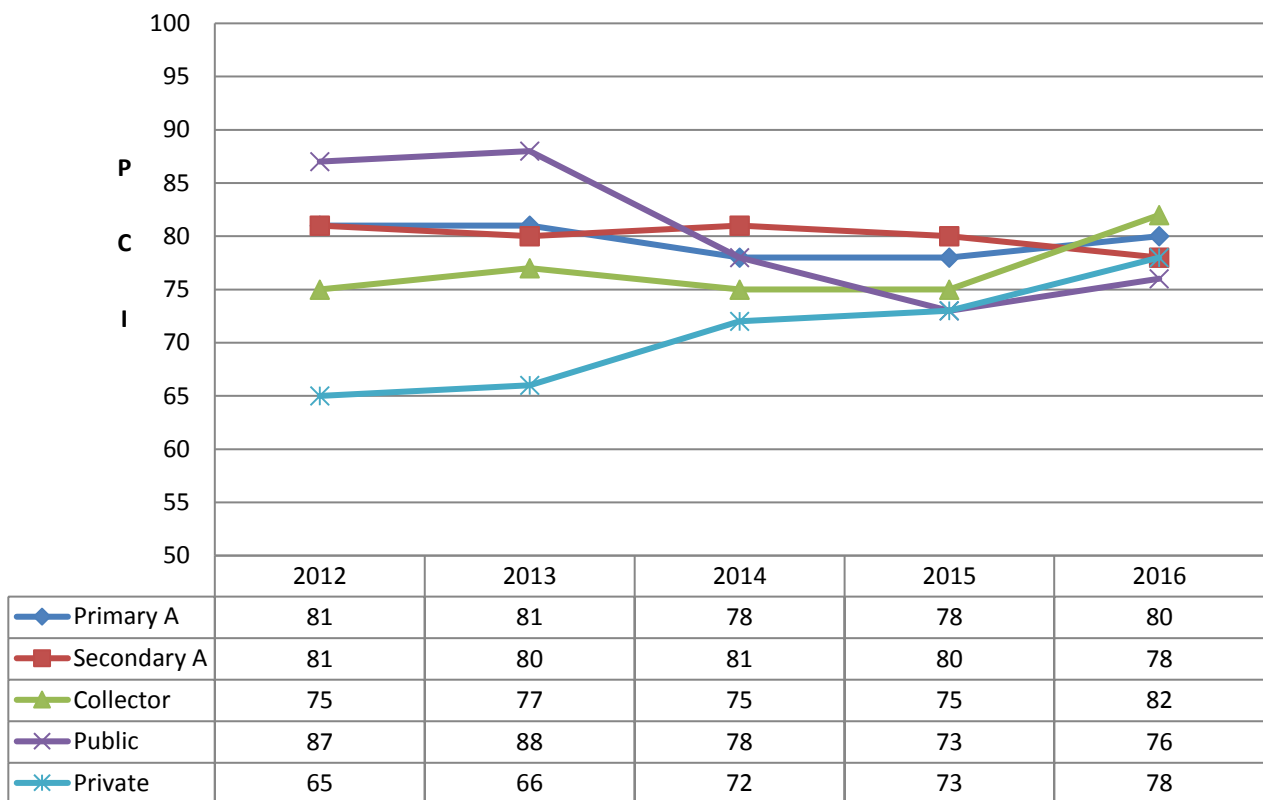
Failure to meet the targeted bush cutting sorties along the network were primarily a result of failure rate among aging equipment. Replacement of these equipment is part of our asset replacement strategy.

Our customer service charter and plan was approved by the Board in our new manual and we conducted orientation training to all supervisory staff and management. We are now conducting orientation training with all field staff.

Pavement Management

The aim of the NRA's pavement management programme is to monitor and to prescribe maintenance strategies to pavements of varying classifications in the Grand Cayman road network. Primary Arterials are those main roads which carry the majority of roadway traffic throughout the island and as such are prescribed a higher maintenance protocol.

Average PCI by Road Classification



The above chart highlights that as of FY 2015-16 all pavement types have an average PCI of 75 and higher. This denotes that overall the pavements on Grand Cayman are in 'good' to 'very good' condition.

Since 2012 the NRA has concentrated on local private roads in an effort to raise the pavement condition index (PCI) from an unsatisfactory level of 65 to above 75 which is representative of 'good' condition. In essence, concentrated effort on subdivision roads has been effective in raising the average PCI level of these roads by 13 points or 20 % in four years, from fair to satisfactory. The term local private road, however, is a bit misleading as under the Roads Law these roads (with the exception of a few) do not involve restriction of access to the public as a right.

The majority of subdivision roads built by private developers in Cayman offer unrestricted public access; however, the official ownership of the developed roadway is often not 'transferred' to the Crown. The NRA prefers to classify these not as private roads but as 'unscheduled public roads'. It is important to add this brief explanation because the distinction between public roads and private roads have been blurred by actions the Government has taken over the years to clean and repair roads, install streetlights, speed humps, and other street furniture without regard to their status. The challenge going forward is to keep the average PCI of private (unscheduled) roads at fair and good levels.

The drop in the pavement condition index shown on the previous page is indicative of areas approaching the critical point where some sort of preventative maintenance is required. Pavement resurfacing and rehabilitation of primary and secondary arterial roadways is typically funded by Cabinet via its Executive Assets allocations. The NRA will continue to advocate for sufficient funding to resurface primary and secondary roads in order to improve the overall index.

Public Relations with Government Information Services - press releases were prepared and circulated within various local media. Some of the more significant press release topics included:

- ETH Road Reconstruction Plans February 2016
- Construction Zone Safety Training February 2016
- Island Wide Traffic Count Study February 2016
- Island Wide Speed Limit Changes March 2016
- Pedestrian Crossings and Crosswalk March 2016
- Hurricane Supplement in Compass May 2016
- Red Bay Roundabout Reconstruction and Billboards June 2016



Ownership Goal 2 – Implement Effective Management Systems

To continue establishment of the Authority, develop and implement effective administrative, financial and information management systems.

NRA Strategic Goal #5: Develop skilled and motivated workforce

The NRA will strive to be an exemplary employer in order to continue skill development and build morale among its employees. Our development policies will include efforts to ensure fair compensation, effective performance management, and an open management culture that encourages the sharing of ideas, dialogue and engagement. We will continue to place workplace safety at the forefront of our organization, invest in training, instill a culture of lifelong learning, and be fair and compassionate while also promoting a culture of pride and ownership at all levels of the organization. We will continually invest in our people as the catalyst for positive change, growth and innovation within our organization.

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
5.1. Improve worker safety standards	✓ Implementation of relevant standards ✓ Areas identified and implemented ✓ Number of sessions conducted ✓ Staff safety inspection results	✓ Relevant OSHA standards to be implemented by June 2016 ✓ Safety audit to be conducted at least twice annually ✓ Training sessions to be conducted quarterly ✓ Random staff safety inspection to yield 90% or above compliance with standards	✓ In progress ✓ In progress ✓ Not formalised ✓ In progress
5.2. Improve competence levels in strategic areas	✓ Number of staff undertaking certification courses ✓ Number of staff support opportunities offered ✓ Number of mentoring programs developed	✓ 10% of staff to undertake project management training by December 2016 ✓ Further Education support opportunities to be offered to minimum 5% of staff during 2016 ✓ Mentorship program to be developed and implemented by June 2016	✓ Not achieved ✓ In progress ✓ In progress
5.3. Foster a culture of training and lifelong learning	✓ Succession plan developed ✓ Percentage of performance agreement in place within 60 days of fiscal year end ✓ Staff incentive programmes in place	✓ Succession plan to be developed by 30th June 2016 ✓ 100% of staff with performance agreement within 60 days of fiscal year end ✓ Training incentive programme to be announced by July 1st, 2016	✓ In progress ✓ In progress ✓ In progress
5.4. Be a fair, caring and compassionate employer	✓ Compensation reviews ✓ Hiring policy ✓ Staff access to Employee Assistance Programme ✓ Forming of social committee	✓ Staff compensation policies reviewed on an annual basis ✓ Equal opportunity hiring policy ✓ Subscription to the Employee Assistance Programme ✓ Social committee in place by January 2016	✓ Completed ✓ Achieved ✓ Achieved ✓ achieved

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
5.5. Instill pride, performance and ownership at all levels	✓ Opportunities to be recognised for good work ✓ Inclusion of front line staff in management decision making ✓ Staff satisfaction survey ✓ Number of monthly management meetings ✓ Number of organizational wide meetings	✓ Policy for staff assessment and recognition ✓ Open participative management framework ✓ 80% or higher score for corporate communication on staff satisfaction surveys ✓ 12 per year ✓ 2 per year	✓ In progress ✓ Achieved ✓ In progress ✓ Not achieved ✓ Not achieved

Human Resources Policies and Procedures:

In the 2015-16 fiscal year, the HR section was involved in the development of a number of NRA policies which included the NRA Strategic Operational Plan and Standard Operations Manual. In addition, the Staff Handbook & Office Policies Manual was completed and work has now begun on the Standard Operating Procedures of each section of the manual in order to facilitate training in future months.

New Performance Agreements have been drafted which are tied directly to that of the MD's and these are currently being revised.

Post-retirement healthcare insurance benefits arrangements are being pursued by laying plans to set aside future resources for employees who are entitled to that benefit. The NRA will be seeking some assistance from the Central Government to fund this inherited liability.



NRA Strategic Goal #6: Acquire modern efficient equipment

Through a rigorous evaluation and assessment strategy, we will seek to replace aging, failure-prone and high maintenance equipment and vehicles in a systematic manner over the next 5 years. Through our asset replacement strategy, we will segregate annual depreciation funds to ensure future means of replacing equipment as they come to the end of their useful lives.

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
6.1. Evaluate condition of existing equipment	✓ Completion of inspection report ✓ Preparation of revised useful life spreadsheet ✓ Preparation of report	✓ Visual and mechanical inspection report by 12/31/15 ✓ Revised useful life report by 10/31/15 ✓ Maintenance cost report by 12/31/15 ✓ Comprehensive fleet status report by 12/31/15	✓ Completed ✓ Completed ✓ Completed ✓ completed
6.2. Assess fitness for purpose against strategy	✓ Completion of report ✓ Presentation of research paper	✓ Equipment evaluation report by 12/31/15 ✓ New Technology report by 12/31/15	✓ Completed ✓ Completed
6.3. Strategically modernize fleet	✓ Completion of plan ✓ Board approval	✓ Fleet modernization plan completed by March 2016 ✓ Board review and approval by March 2016	✓ Completed ✓ Achieved
6.4. Reduce annual maintenance cost	✓ Decommission report and acceptance by Board ✓ Revised procurement policy ✓ Revised equipment policy ✓ Number of annual training programs for mechanics and operators	✓ Decommission report prepared by 01/31/16 ✓ Board review and approval by 02/28/16 ✓ Revised procurement and equipment policy by 02/28/16 ✓ Twice yearly training programs for mechanics and operators	✓ Achieved ✓ Achieved ✓ Achieved ✓ In progress
6.5. Improve efficiency	✓ Vehicle procurement policy ✓ Ratio of annual maintenance cost against industry benchmarks ✓ Number of productivity hours lost due to equipment unavailability	✓ Vehicle procurement policy completed by 02/28/16 ✓ Annual maintenance cost to be in line with or below industry benchmarks ✓ 50% reduction in lost productivity due to equipment breakdown by 12/31/16	✓ Not achieved ✓ In progress ✓ In progress

The Board approved our three phase Procurement Plan and we've already completed phase I of the acquisitions. We also implemented a vehicle assessment scorecard system that is being used to evaluate and prioritize our recommendations.

NRA Strategic Goal #8: Improve Corporate Governance

Improve Corporate Governance: Over the period of this strategic plan, the NRA will undergo efforts to enhance our financial management capabilities, develop an enterprise risk management framework and create policies and procedures which are conducive to good governance.

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
8.1. Formally Establish the Road Fund	✓ Board/Ministry Approval for TOR ✓ Approval of Charter ✓ Approval of Fund Manager	✓ Request for approval presented by 12/31/15 ✓ Charter drafted and presented by 01/31/16 ✓ Fund management in place by 02/28/16	✓ Not achieved ✓ Not achieved ✓ Not achieved
8.2. Practice Sound Financial Management	✓ Road Fund management policy ✓ Audit opinion ✓ Report ✓ Business Case	✓ Road fund management policy developed by 31st December 2015 ✓ Unqualified Audit Opinion and favorable audit reports ✓ Full financial performance reports presented to the Board quarterly ✓ Outline Business case for projects and investments over \$500K	✓ Not achieved ✓ Achieved ✓ Achieved ✓ In progress
8.3. Comply with all Laws	✓ Number of breaches of law	✓ No breaches of the law	✓ Achieved
8.4. Develop policies and procedures framework	✓ Personnel manual ✓ Operations manual ✓ Procurement policy ✓ Vehicle use policy ✓ Communications policy	✓ Manuals and policies to be reviewed/ completed by 31st December 2015	✓ In progress
8.5. Implement enterprise risk management (ERM)	✓ Compliance with ERM framework	✓ ERM Framework developed by 30th June 2016	✓ Not achieved

Ownership Goal 3 – Identify Strategies for Financing Future Road Development

Identify and seek approval for strategies for financing future road development.

The revenue and resources of the Authority comprise the following:

Monies directed by Law to the Roads Fund, as well as services purchased by Cabinet for the purposes of capital roads improvements. Other revenue sources may include:

- Road user charges collected by the Authority;
- Gifts or bequests received by the Authority;
- Other monies paid and property provided to the Authority by way of grants, rent, interest and other income derived from the investment of the Authority's funds.

Appropriation made by the Government for capital road improvement projects is based on service based budgeting. The Minister of Planning, Land, Agriculture, Housing & Infrastructure (PLAH&I) will purchase the services of the Authority as agreed in the Purchase Agreements. The services of the Authority are not only measured in terms of input cost but also in quantity, quality, timeliness and location.

The major accomplishment in the goal of improving strategies for the financing of future roads development came via a September 2015

amendment to the NRA Law. The amendment identified two direct sources of revenue as the primary means by which the authority will be funded in future years. The two streams are:

1. 100% of the fuel import duty charged, collected and paid under the Customs Tariff Law (2015 Revision) on gasoline and diesel used by motor vehicles.
2. 100% of the fees collected and paid under the Traffic Regulations 2012 on motor vehicle drivers licenses.

The Cabinet caps the transfer of annual revenue to the Roads Fund at ten (10) million dollars.

This amendment improves funding consistency to carry out essential construction, rehabilitation, and maintenance of public roads.

Planned further amendments to both the Roads Law and NRA Law will help the NRA to adequately capture other sources of revenue such as road user charges, statutory authority permits, road encroachment fines, blasting and explosives permit fees, etc.

The \$10 million cap set by the Cabinet limits the NRA's focus to operating costs associated primarily with the maintenance of public roads. New construction and/or rehabilitation of major capital roads continue to be funded by the Cabinet as executive assets (EAs).

NRA Strategic Goal #7: Secure stable consistent funding

The NRA will facilitate an asset valuation exercise and harness new technology to improve data collection techniques to provide a more in-depth and up-to-date understanding of the asset base.

This will create opportunities for more timely preventative maintenance, a greater strategic approach to capacity building, better design capabilities and ultimately, greater value for money. Grasping this opportunity will require a long term commitment and sustained investment. It is therefore imperative that the NRA is afforded stable and consistent funding over the medium to long-term in order to continue supporting Government's efforts to build a smart modern infrastructure while growing the economy.

Objectives	Performance Measures	Targets	Actual Achievement 2015-16
7.1. Ensure adequate provisions for road network needs in overall government plans	✓ Submission of annual strategic plans for Approval by Minister/Cabinet	✓ Strategic plans to be submitted annually with NRA's contribution to Government's SPS	✓ In progress
7.2. Secure sufficient funding to properly manage network	✓ Annual Ministry approval ✓ Cost estimate reports ✓ PPP Agreements ✓ Number of business cases prepared	✓ Ministry approval of 12-month work plan by SPS presentation date each year ✓ Cost estimates prepared for each project over \$10K ✓ Outline Business case prepared for each planned project over \$500K	✓ In progress ✓ Achieved ✓ In progress
7.3. Evaluate road user funding schemes	✓ Number of reports prepared	✓ Alternative User funding schemes to be presented by 30th June 2016	✓ Not achieved
7.4. Prepare business case for a maturing road authority	✓ Business Case	✓ Business case prepared and presented by 30 th June 2016	✓ Not achieved

Human Resource Management



Management Team Profile



Name: Paul Parchmemnt

Title: Managing Director

Qualifications: Bachelor's Degree in Engineering- Florida A&M University; Master's Degree in Roads Management & Engineering- University of Birmingham UK



Name: Edward Howard

Title: Deputy Managing Director

Qualifications: Bachelors in Civil Engineering - Howard University; Masters in Civil Engineering (Transportation) – University of Illinois Urbana Champaign;

MBA (Corporate Finance) – University of Leicester, UK

more than twenty (20) years of educational experience and practical know-how in urban and regional planning, transportation engineering, and public sector management.



Name: Olsen Bush

Title: Chief Financial Officer

Qualifications: Masters in Business Administration- International Collage of the Cayman Islands
more than 30 years of experience in the financial industry



Name: Julie Campbell

Title: Human Resources Manager

Qualifications: Masters in Human Resource Management- University of Portsmouth
Over 10 years of local and international Human Resources experience, Ms. Campbell holds the dual role of HR and Office Manager and is a certified Freedom of Information Manager.



Name: Letitia Lambert

Title: Financial Accountant

Qualifications: Bachelors of Science in Accounting- International College of the Cayman Islands;
Masters of Science in Finance concentrating in Financial Planning- Kaplan University
Over 10 years experience in accounting and financial management.



Name: Brian Chin Yee
Title: Works Manager, Engineering & Operations
Qualifications: Bachelors in Electrical Engineering B.Sc. – Florida Institute of Technology University
(1993 -1997)
20 years of engineering experience.



Name: Edison Jackson
Title: Senior Engineer
Qualifications: Engineer- Florida Institute of Technology
Member of the International Society of Explosives Engineers (ISEE)
Over 10 years experience in engineering.



Name: Marion Pandohie
Title: Transportation Planner
Qualifications: BS Environmental Design, Concentration in Urban Studies – University of
Massachusetts
Masters in City and Regional Planning – Rutgers University
over 13 years experience in transportation and planning



Name: Nicholas Graham
Title: Asset Manager & IT Admin
Qualifications: Information Systems- Florida Institute of Technology
over 10 years experience in IT



Name: Denis Thibeault
Title: Assistant Director, Transportation & Planning
Qualifications: Bachelor of Environmental Studies in Urban & Regional Planning (Honours)- University
of Waterloo
over 10 years experience in transportation and planning

Our People

The NRA has an all Caymanian staff complement of 88 employees. While the staffing complement is 90% male, female employees account for approximately 30% of the management team.

Six percent of staff are educated to a graduate level, a further six percent hold undergraduate degrees, and 87% are educated to a high school diploma level. 93% of all employees have been with the authority for at least 6 years, with 65% having a tenure of 11 years or more. Average annual take home pay for NRA employees is approximately \$42,000; however, the average total annual compensation cost for each employee is approximately \$59,000. This reflects the fact that over 19% of the average employee emoluments go towards healthcare premiums.



Human Resources Administration

Fiscal Year 2015 saw the recruitment of two Machine Operators, two Signs & Lines Technicians, a Mechanic Assistant, Receptionist, Administrative Assistant and the Senior Executive Assistant. A number of these posts were vacancies created following resignations, retirement and unfortunately death.

The NRA also contracted two Consultants to work on specific projects. These consultants were assigned to Asset Management and the Linford Pierson Highway widening project.



The Managing Director was charged with the responsibility of revising the Operation Plan as prescribed by the NRA law. This responsibility prompted the development of the Authority's succession plan, which is now well on its way to implementation with several individuals identified to be placed on the track for success within the organization.

The succession plan enabled the promotion of two employees, one to Asset Management and the other to Supervisor of the Signs & Lines section.

In FY 2015-16 the NRA experienced an increase in the number of employees utilizing the services of Employee Assistance Program (EAP). The tragic death of a colleague in February 2016, permanent disability of another, along with other personal and financial issues, contributed to the need for counselling services.

Training and Skills Development Initiatives

NRA prides itself on assisting employees to further their education whether financially or with time off. Over the past three years, employees gained a number of certifications which include:



- Heavy Equipment Operator Certificate
- Pavement Management
- 4 employees obtained their Masters in Business Management
- 2 obtained their Masters in Finance and Masters in Human Resource Management
- An employee in Finance obtained her Bachelors in Business Management.

Several employees are currently pursuing degrees in various subject areas including:

- Design Technician, Delroy, is pursuing his Bachelors in Business Management
- Transportation Planner, Marion, is pursuing her Master's in Public Administration
- Asset Manager, Nicholas, is completing his Asset Management programme of study; and

- Human Resource Manager, Julie, is pursuing her LLB.



Field employees and supervisors recently undertook training on Road safety and Senior Managers are participating in varying types of professional development training including:

- 1) Success with Less Stress
- 2) Project and Time Management
- 3) Dealing with Difficult People
- 4) Effective Team Building

Other training included:

- Heavy Equipment Certification (1 employee)
- Asset Management training (1 employee)

The NRA also holds quarterly staff functions and is currently working on a fitness program for employees to promote better health and wellness in the organization.

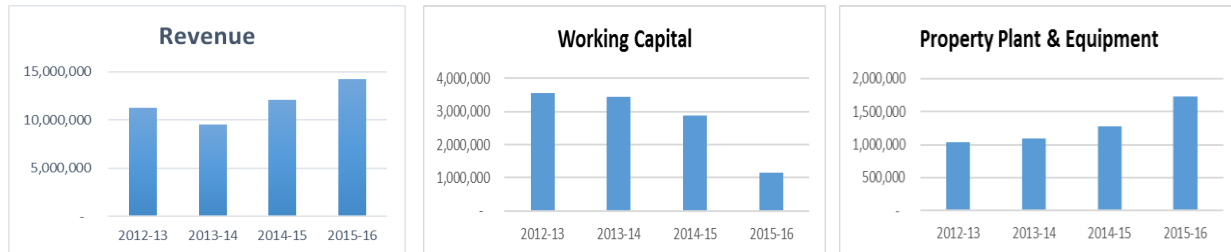


Financial Statements

Management Discussion and Analysis of Financial Results

FINANCIAL TREND ANALYSIS

Expressed in Cayman Islands Dollars



The Government has demonstrated tangible support for the work of the NRA through the provision of stable revenue over the past 4 fiscal years. This support combined with increases in services provided to the general public has afforded a reasonable level of **revenue** resources to support the works of the Authority.

Whilst the annual revenue is less than what is recommended for an asset with the value of the road network, the stable nature of the funds flow allows the organization to carry out effective planning to maximize the use of the resources afforded.

The organization's **working capital** considers the level of current resources available to settle immediate obligations. It is calculated by

subtracting current liabilities from current assets. As shown in the chart above, the NRA has a strong working capital position which has remained steady over the past 4 fiscal years. This means the organization is in a favorable position to meet its financial obligations as they fall due.

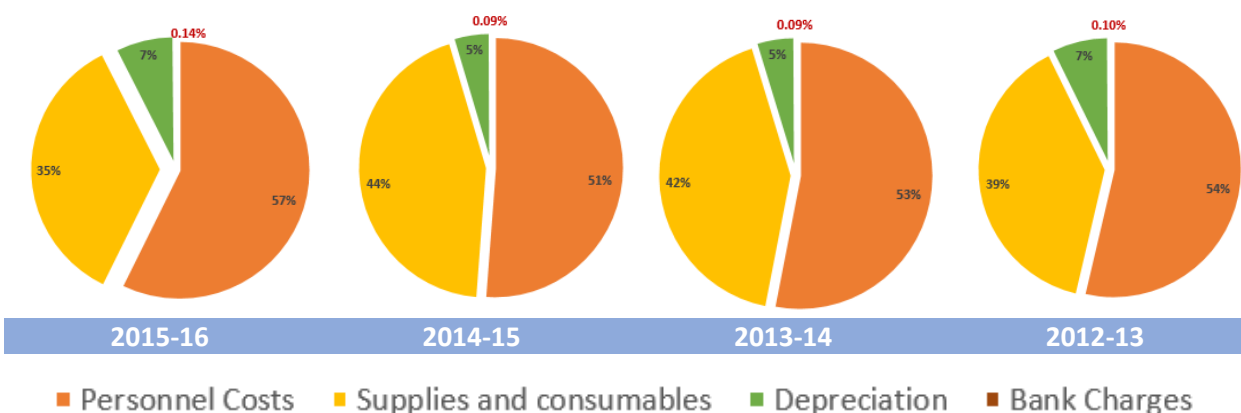
Investment in **property plant and equipment** has shown an increasing balance since 2012-13. This is largely due to efforts to modernize the physical plan by replacing assets which have become fully depreciated and are beyond their normal useful lives.

Overall, the financial trends show an organization that is stable and which has moved from strength to strength over the last four fiscal periods.

Expressed in Cayman Islands Dollars and in thousands

Four-year financial summary	2015-16	2014-15	2013-14	2012-13
Total Revenue	14,202,990	12,114,706	9,522,270	11,268,728
Total Expenses	19,072,157	12,740,433	9,522,270	11,245,847
Net results	(4,869,167)	(625,727)	-	22,881
Cash Flow from Operations	683,508	1,264,234	789,064	(887,395)
Total Assets	7,277,206	6,322,259	4,893,705	5,300,013
Total Liabilities	19,440,044	13,615,930	1,440,959	1,754,924

FINANCIAL TREND ANALYSIS CONTINUED



The **operating result** shows a deficit of \$4,869,167 for the 2015-16 fiscal year. This deficit was primarily due to the adjustments required to account for the actuarially determined defined benefit liability for the NRA post-retirement health liability provided to eligible staff. This adjustment significantly impacted the financial position of the NRA which would have otherwise experienced a surplus position.

The NRA had cash and cash equivalents of \$3,887,910 as at June 30th, 2016. This amount is \$854,467 more than the budget anticipated and results from procurement delays for planned fixed asset acquisitions.

The variance in total assets is primarily attributed to the increase in cash and cash

equivalents along with an increase in accounts receivable due to EA projects not budgeted for originally. These remain outside the scope of NRA annual funding scheme and is directed by the Ministry of PLAHI. This increase is offset by an increase in related liabilities.

The variance in total liabilities is primarily attributed to increased accounts payable from outstanding payments for additional road works directed by the Ministry of PLAHI during the period.

The deficit position contributed to the NRA incurring \$166,868 in negative **cash flows** from operations in 2015-16.

The Authority invested some \$850,376 in the purchase of property plant and equipment.

Expressed in Cayman Islands dollars and in thousands

Four-year Operating Expenditures	2015-16	2014-15	2013-14	2012-13
Personnel Costs	3,304,701	3,110,898	3,171,531	3,517,947
Supplies and consumables	4,363,105	4,683,552	2,520,416	2,558,834
Depreciation	439,416	280,794	278,093	471,512
Bank Charges	8,683	7,154	5,328	6,551
Total Operating Expenses	8,115,905	7,582,398	5,975,368	6,554,844

Statement of Responsibility for the Financial Statements

These financial statements have been prepared by the National Roads Authority in accordance with the provisions of the *Public Management and Finance Law (2013 Revision)* and referenced to Section 26(1b) of the *National Roads Authority (2006 Revision) with (Amendments), 2015*.

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 Chairman and Managing Director, we are 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 National Roads Authority.

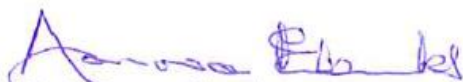
As Chairman and Managing Director we are responsible for the preparation of the National Roads Authority financial statements and for the judgements made in them.

The financial statements fairly present the statement of financial position, statement of comprehensive income, statement of cash flows and statement of changes in equity for the financial year ended 30 June 2016.

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

- (a) completely and reliably reflect the financial transactions of National Roads Authority for the year ended 30 June 2016;
- (b) fairly reflect the financial position as at 30th June 2016 and comprehensive income for the year ended 30 June 2016; and
- (c) comply with International Financial Reporting Standards under the responsibility of the International Accounting Standards Board.

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.



Mr. Donovan Ebanks
Chairman
National Roads Authority

Date- 22 May 2017



Mr. Paul Parchment
Managing Director
National Roads Authority

Date- 30th MAY 2017

Auditor General's Report

To the Board of Directors of National Roads Authority

I have audited the accompanying financial statements of National Roads Authority (the "Authority"), which comprise the statement of financial position as at 30 June 2016 and the statement of comprehensive income, statement of changes in equity 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 59-84 in accordance with the provisions of Section 60(1)(a) of the *Public Management and Finance Law (2013 Revision)*.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting 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 judgement, 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.

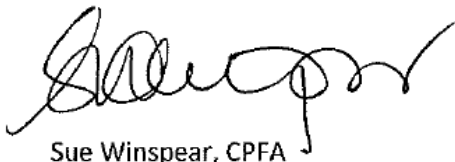
I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Roads Authority (the "Authority") as at 30 June 2016 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Emphasis of matter

I draw attention to Note 13 which describes the restatement of the post-retirement health liability. The financial statements for the year ended 30 June 2014 and 30 June 2015 were restated due to the significance of the adjustments required to account for the actuarially determined defined benefit liability for the National Roads Authority post-retirement health liability provided to eligible staff. These adjustments have significantly impacted the financial position of the Authority which resulted in an overall negative equity position as at year end. My opinion is not qualified in respect of this matter.



Sue Winspear, CPFA
Auditor General

26 May 2017
Cayman Islands

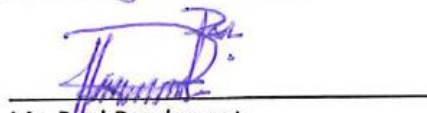
Statement of Financial Position

As at 30th June 2016				
	Note	2015/16	2014/15 (Restated) (Note 13)	2013/14 (Restated) (Note 13)
<i>expressed in Cayman Islands Dollars</i>				
ASSETS				
Current Assets				
Cash and cash equivalents	3	3,887,910	4,054,778	3,188,347
Accounts receivable and prepayments	4	1,609,009	841,265	1,640,048
Inventories	5	45,951	144,789	158,529
Total Current Assets		5,542,870	5,040,832	4,986,924
Non-Current Assets				
Property, plant and equipment	6	1,734,336	1,281,427	1,164,418
Total Assets		7,277,206	6,322,259	6,151,342
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities	7	1,397,260	813,546	650,349
Pension Liability	11	2,870,000	1,215,000	1,256,000
Employee entitlements	8	133,784	136,384	128,937
Total Current Liabilities		4,401,044	2,164,930	2,035,286
Non-Current Liability				
Post-retirement health liability	12	15,039,000	11,451,000	10,784,000
Total Liabilities		19,440,044	13,615,930	12,819,286
EQUITY				
Contributed capital	9	4,541,535	4,541,535	4,541,535
Retained earnings		(16,704,373)	(11,835,206)	(11,209,479)
Total Equity		(12,162,838)	(7,293,671)	(6,667,944)
Total Liabilities and Equity		7,277,206	6,322,259	6,151,342

The accompanying notes on pages 59-84 form an integral part of these financial statements.

Approved on behalf of the Board on the 20 of May 2017


Mr. Donovan Ebanks
Chairman


Mr. Paul Parchment
Managing Director

Statement of Comprehensive Income

For the year ended 30 June 2016			
	Note	2015/16	2014/15 (Restated) (Note 13)
<i>expressed in Cayman Islands Dollars</i>			
SALES	14	14,202,990	12,114,706
COST OF SALES			
Labour		2,171,233	2,066,301
Materials		1,455,748	1,275,050
Subcontractors		3,814,493	2,407,396
Hired equipment		3,778	5,288
Total Cost of Sales		7,445,252	5,754,035
NET SALES		6,757,738	6,360,671
OPERATING EXPENSES			
Personnel Costs	10	3,304,701	3,110,898
Utilities		1,186,304	1,548,125
Motor vehicle expenses (including insurance)		565,168	455,687
Depreciation	6	439,416	280,794
Computer maintenance and fees		138,874	109,961
Professional fees		94,298	143,677
Building maintenance		60,632	66,011
Office rental	18	6,366	29,708
Telephone		34,789	32,468
Supplies and consumables		34,374	33,909
Doubtful debt expense		489,848	19,550
Insurance		12,332	14,812
Bank charges		8,683	7,154
Advertising and promotion		7,575	7,519
Past service pension	11	231,545	232,000
Post-retirement health liability	12	1,501,000	1,490,000
Travel & Subsistence		-	125
Total Operating Expenses		8,115,905	7,582,398
Other Expenses: Settlement of Case		-	500,000
Loss before Other Comprehensive Income		(1,358,167)	(1,721,727)
Other Comprehensive Income			
Remeasurements of employment benefits obligations	11	(1,424,000)	273,000
Remeasurements of post-retirement health obligations	12	(2,087,000)	823,000
COMPREHENSIVE LOSS FOR THE YEAR		(4,869,167)	(625,727)

The accompanying notes on pages 59-84 form an integral part of these financial statements.

Statement of Changes in Equity

For the Year Ended 30 June 2016				
<i>expressed in Cayman Islands Dollars</i>				
	Note	Retained Earnings	Contributed Capital	Total
Balance at 30 June 2014		(425,479)	4,541,535	4,116,056
Prior year restatement for post-retirement health	12	(10,784,000)	-	(10,784,000)
Balance at 30 June 2014 (Note 13)		(11,209,479)	4,541,535	(6,667,944)
Loss before other comprehensive income 14/15, as restated		(1,721,727)	-	(1,721,727)
Other comprehensive income-Remeasurement of employment benefit obligation, as restated (Note 13)	11	273,000	-	273,000
Other comprehensive income-Remeasurement of post-retirement health obligation, as restated (Note 12)	12	823,000	-	823,000
Balance at 30th June 2015		(11,835,206)	4,541,535	(7,293,671)
Loss before other comprehensive income 15/16		(1,358,167)	-	(1,358,167)
Other comprehensive income-Remeasurement of employment benefit obligation	11	(1,424,000)	-	(1,424,000)
Other comprehensive income-Remeasurement of post-retirement health obligation	12	(2,087,000)	-	(2,087,000)
Balance at 30th June 2016		(16,704,373)	4,541,535	(12,162,838)

The accompanying notes on pages 59-84 form an integral part of these financial statements.

Statement of Cash Flows

For the Year Ended 30 June 2016			
	Note	2015/16	2014/15 (Restated) (Note 13)
<i>expressed in Cayman Islands Dollars</i>			
CASH FLOWS FROM OPERATING ACTIVITIES			
Comprehensive Loss		(4,869,167)	(625,727)
Adjustment for non-cash transactions:			
Depreciation	6	439,416	280,794
Doubtful debts		(489,848)	19,550
Gain on disposal of property, plant & equipment		(41,949)	-
Total		(4,961,548)	(325,383)
Net change in working capital			
Decrease/(increase) in accounts receivable and prepayments		(277,896)	779,233
(Increase)/decrease in inventories		98,838	13,740
Increase/(decrease) in accounts payable and accrued liabilities		5,824,114	796,644
Net cash flows generated from operating activities		683,508	1,264,234
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment	6	(897,826)	(397,803)
Proceeds on sale or disposal of property, plant & equipment		47,450	-
Net cash flows used from investing activities		(850,376)	(397,803)
CASH FLOWS FROM FINANCING ACTIVITIES			
Contributed capital from Government	10	-	-
Net cash flows from financing activities		-	-
Net increase in cash and cash equivalents during the year		(166,868)	866,431
Cash and cash equivalents at the beginning of the year		4,054,778	3,188,347
CASH AND CASH EQUIVALENTS AT END OF YEAR	3	3,887,910	4,054,778

The accompanying notes on pages 59-84 form an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 1: Establishment and Principal Activity

The National Roads Authority (“NRA” or “Authority”) is an independent Statutory Authority which was created on 1 July 2004 by the National Roads Authority Law, 2004. The Authority reports on its operations to the Ministry of Planning, Lands, Agriculture, Housing and Infrastructure (PLAHI) of the Cayman Islands Government.

The NRA is created to administer, manage, control, develop and maintain the Island’s public roads and related facilities, such as signals, storm water facilities, roadway lighting, and roadway directional signage. The scope of activities of the NRA include providing policy advice, publication of a National Roads Plan, provision of project and construction management services for the delivery of new road-works and the maintenance of the existing road infrastructure.

Section 19 of the *NRA Law 2006* Revision was repealed effective on July 1, 2014 to make provision for the Authority to be funded from the Roads Fund. The substitution to the section of the law makes way for the Cabinet to authorize the transfer of revenue, not exceeding ten million dollars, to the Authority, via the Road Fund, for the purpose of funding the Authority’s annual operating costs, in particular, the construction, upgrading, rehabilitation and maintenance of public roads.

As at 30 June 2016, the NRA had 88 employees (30 June 2015: 85 employees). The NRA is located at 342B Dorcy Drive, P.O. Box 10426, Grand Cayman KY1-1004, Cayman Islands.

Note 2: Significant accounting policies

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and interpretations issued by the Standing Interpretations Committee of the IASB. The significant accounting policies adopted by the NRA in these financial statements are as follows:

The financial statements of the NRA are presented in Cayman Island dollars and are prepared on the accrual basis under the historical cost convention.

(b) Cash & cash equivalents

This comprises cash at bank and short term investments with maturity at inception of three months or less.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 2: Significant accounting policies (continued)

(c) Foreign currency translation

All assets and liabilities denominated in foreign currency are translated to Cayman Islands Dollars at exchange rates in effect at the financial position date. Revenue and expense transactions denominated in foreign currency are translated to Cayman Islands Dollars at exchange rates ruling at the date of those transactions. Gains and losses arising on translation are included in the statement of comprehensive income.

(d) Property, plant and equipment/depreciation

Property, plant and equipment include motor vehicles, heavy equipment, dump trucks, furniture and fixtures and computer hardware and software are stated at cost less accumulated depreciation and impairment losses. Depreciation is calculated on a straight-line basis at annual rates estimated to write off the carrying value of each asset over the period of its expected useful life.

Annual rates are as follows:

Vehicles and Heavy Equipment	4 - 12 Years
Furniture and Fixtures	3 - 15 Years
Computer Hardware and Software	3 - 6 Years
Other Plant and Equipment	3 - 20 Years

(e) Accounts Receivables

Receivables are stated at original invoice amounts less provision for doubtful debts.

(f) Allowance for bad debts

The allowance for bad debts is established through a provision for bad debts charged to expenses. Accounts receivable are written off against the allowance when management believes that the collectability of the amount is unlikely. The allowance is an amount that management believes will be adequate to cover any bad debts, based on an evaluation of collectability and prior bad debts experience.

(g) Inventory

Inventory is valued at the lower of net realizable value or cost, on an average basis.

(h) Accounts Payable and accrued liabilities

Accounts payable are recorded at the amount owing after allowing for credit notes and other adjustments.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 2: Significant accounting policies (continued)

(i) Employee entitlements

Pension Plans

The Authority makes pension contributions for its eligible employees to the Public Service Pensions Fund, which is administered by the Public Service Pensions Board. The Fund has both a defined benefit and a defined contribution element.

Under defined contribution plans, the Authority pays fixed contributions and has no obligation to pay further contributions if the fund does not have sufficient assets to pay employee benefits relating to employee service in the current and prior periods. The Authority recognises contributions to a defined contribution plan when an employee has rendered services in exchange for those contributions.

A defined benefit plan is one that defines an amount of benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation. The asset or liability in respect of defined benefit plans is the difference between the present value of the defined benefit obligation at the financial position date and the fair value of plan assets, adjusted for unrecognised actuarial gains/losses and past service cost. Where a pension asset arises, the amount recognised is limited to the net total of any cumulative unrecognised net actuarial losses and past service cost and the present value of any economic benefits available in the form of refunds from the plan or reduction in future contributions to the plan. The pension costs are assessed using the Projected Unit Credit Method. Under this method the cost of providing pensions is charged in the statement of comprehensive income so as to spread the regular cost over the service lives of employees in accordance with advice of the actuary, (who is due to carry out a full valuation of the plans every year). The pension obligation is measured at the present value of the estimated future cash outflows using discount estimated rates based on market yields on high quality corporate bonds at the time of the accounting date which have terms to maturity approximating the terms of the related liability.

Obligations for contributions to defined contribution and defined benefits pension plans are recognized as an expense in the statement of comprehensive income as incurred. (See also Note 11).

Amounts incurred but not paid at the end of the reporting period are accrued. Annual leave due, but not taken, is recognised as a liability.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 2: Significant accounting policies (continued)

(j) Revenue recognition

Revenue from sale of services to other government agencies is recognised when it is earned (see also Related Party Note 14). Unearned revenue comprises amounts paid to the Authority in advance of work performed and amounts which the Authority has invoiced for in advance of work performed. These unearned amounts are recognised as revenue in the statement of comprehensive income as work is performed related to the amounts received or billed in advance. Investment revenue is recognised in the period in which it is earned. Donations are recognised at fair value at the time of receipt.

(k) Expense recognition

Expenses are recognised when incurred.

(l) Financial Instruments

(i) 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 or an equity instrument of another enterprise. Financial assets comprise of cash and cash equivalents and accounts receivable.

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 liabilities comprise of accounts payable, unearned revenue and employee entitlements.

(ii) Recognition

The Authority 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 or liabilities are recognised in the statement of comprehensive income.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 2: Significant accounting policies (continued)

(l) Financial Instruments (continued)

(iii) 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.

(iv) Derecognition

A financial asset is derecognised when the Authority 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.

(v) Credit Risk

Cash and short term investments are held with substantial financial institutions. Receivables are short term and settled after the year-end.

(vi) Interest Rate Risk

The Authority's income and operating cash flows are substantially independent of changes in market interest rates.

(m) Classification

Certain prior year figures have been reclassified to conform to current year presentation.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 2: Significant accounting policies (continued)

(n) Changes in International Financial Reporting Standards

Below are several new standards and amendments that have been issued but are not yet effective. They do not impact the annual financial statements of the Authority. The nature and impact of each new standard/ amendment is described below:

- (i) *IFRS 15 Revenue from Contracts with Customers (Effective for annual periods beginning on or after 1 January 2018)*

IFRS 15 replaces all existing revenue requirements in IFRS (IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfers of Assets from Customers and SIC 31 Revenue-Barter Transactions Involving Advertising Services) and applies to all revenue arising from contracts with customers. Its requirements also provide a model for the recognition and measurement of gains and losses on disposal of certain non-financial assets, including property, equipment and intangible assets.

The standard outlines the principles an entity must apply to measure and recognise revenue. The core principle is that an entity will recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 will be applied using a five-step model: 1. Identify the contract(s) with a customer 2. Identify the performance obligations in the contract 3. Determine the transaction price 4. Allocate the transaction price to the performance obligations in the contract 5. Recognise revenue when (or as) the entity satisfies a performance obligation. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies how to account for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. Application guidance is provided in IFRS 15 to assist entities in applying its requirements to certain common arrangements, including licenses of intellectual property, warranties, rights of return, principal-versus-agent considerations, options for additional goods or services and breakage.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 2: Significant accounting policies (continued)

(n) Changes in International Financial Reporting Standards (continued)

- (ii) *IAS 7 Disclosure Initiative- Amendments to IAS 7 (Effective for annual periods beginning on or after 1 January 2017)*

The amendments to IAS 7 Statement of Cash Flows are part of the IASB's Disclosure Initiative and require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. On initial application of the amendment, entities are not required to provide comparative information for preceding periods. Early application is permitted. The amendments are intended to provide information to help investors better understand changes in a company's debt.

- (iii) *IFRS 16 Leases- (Effective for annual periods beginning on or after 1 January 2019)*

IFRS 16 specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 3: Cash & Cash Equivalents

Description	2015/16	2014/15
Bank accounts	3,887,910	4,054,778
Total Cash & Cash Equivalents	3,887,910	4,054,778

Note 4: Accounts Receivable & Prepayments

Description	2015/16	2014/15
Receivable from Core Government	1,859,902	-
Less provision for doubtful debt	(489,848)	-
Receivables from other government agencies	138,468	599,563
Accounts Receivable Others & Prepayments	99,639	230,959
Staff Loans	848	10,743
Total Accounts Receivable	1,609,009	841,265

Note 5: Inventories

Inventories	2015/16	2014/15
Finished Goods- Cayman Rock	-	105,140
Finished Goods- AE60	1,021	27,196
Finished Goods- Crusher Run	19,508	4,828
Finished Goods- 3/8 Washed Chips	12,727	6,951
Finished Goods- Sand	714	674
Finished Goods- Concrete Stone	11,981	-
Total Inventories	45,951	144,789

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 6: Property, Plant and Equipment

Description	Vehicles & Heavy Equipment	Furniture & Fixtures & Office Equipment	IT Equipment	Other Plant & Equipment	Leasehold Improvement	Total
Cost						
Opening 2013/14	2,990,137	145,436	321,103	1,643,621	219,275	5,319,572
Additions 2014/15	90,762	19,626	13,605	219,248	54,562	397,803
As at 2014/15	3,080,899	165,062	334,708	1,862,869	273,837	5,717,375
Additions 2015/16	629,046	-	14,534	254,246	-	897,826
Disposals 2015/16	(407,578)	-	-	-	-	(407,578)
As at 2015/16	3,302,367	165,062	349,242	2,117,115	273,837	6,207,623
Accumulated Depreciation						
Opening 2013/14	2,625,828	132,203	306,307	871,543	219,273	4,155,154
Depreciation 2014/15	133,389	5,419	3,425	134,014	4,547	280,794
As at 2014/15	2,759,217	137,622	309,732	1,005,557	223,820	4,435,948
Depreciation 2015/16	214,943	6,769	7,549	182,874	27,281	439,416
Depreciation on Disposal 2015/16	(402,077)	-	-	-	-	(402,077)
As at 2015/16	2,572,083	144,391	317,281	1,188,431	251,101	4,473,287
Net Book Value- 2016	730,284	20,671	31,961	928,684	22,736	1,734,336
Net Book Value- 2015	321,682	27,440	24,976	857,312	50,017	1,281,427

Note 7: Accounts Payable and Accrued Liabilities

Description	2015/16	2014/15
Trade creditors	1,315,626	716,724
Accruals	81,634	96,822
Total Accounts Payable and Accrued Liabilities	1,397,260	813,546

Note 8: Employee Entitlements

The leave entitlements are calculated based on current salary paid to those employees who are eligible for this benefit. During the year, accrued vacation leave amounted to \$133,784 (2015:\$136,384).

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 9: Contributed Capital

During the year the Authority received no equity injection. (2015: nil).

Note 10: Personnel Costs

Description	2015/16	2014/15
Salaries and wages	1,978,224	1,741,849
Health Insurance	1,025,001	1,031,883
Employer & Employee pension expenses	253,478	245,370
Vacation due	(2,602)	7,448
Other personnel costs	50,600	84,348
Total Personnel Costs	3,304,701	3,110,898

Note 11: Pensions

IAS 19R became effective January 1, 2013. For NRA adoption of IAS 19R is effective for fiscal year ending June 30, 2014. Upon transitioning to IAS 19R, there is an adjustment to the statement of financial position of \$732,000. All unamortized gains and losses and past service costs under IAS 19 will be immediately recognized as a one-off transition adjustment to equity. Administration costs that are not investment related will be recognised in profit or loss as an operating charge under IAS 19R. This differs from the current approach under IAS 19, where all administration costs are allowed for within the expected rate of return of assets. Under IAS 19R, the expected return on assets is no longer used in the determination of the defined benefit cost, but it continues to be used in the determination of the asset limit under IFRIC 14. The expected return on assets assumption continues to be management best estimate.

Pension contributions for eligible employees of the Authority are paid to the Public Service Pensions Fund (the "Fund"). The Fund is administered by the Public Service Pensions Board ("the Pensions Board") and is operated as a multi-employer plan. Prior to 1 January 2000 the scheme underlying the Fund was a defined benefit scheme. With effect from 1 January 2000 the Fund had both a defined benefit and a defined contribution element, with participants joining after 1 January 2000 becoming members of the defined contribution element only.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 11: Pensions (continued)

Benefit obligations are estimated using the Projected Unit Credit method. Under this method, each participant's benefits under the plan are attributed to years of service, taking into consideration future salary increases and the plan's benefit allocation formula. Thus, the estimated total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

The Fund has been valued by the Actuary (Mercer) to the Pensions Board. The defined contribution part of the Fund is not subject to the special actuarial valuations due to the nature of the benefits provided therein. The Authority paid both the employee and employers contributions. The actual amount of pension expense relating to the defined benefits for staff also includes the effect of the changes in the actuarial determined liability.

In March 2005, the Financial Secretary of the Cayman Islands informed the Authority that the decision to keep the unfunded past service liability a central liability of the Government has now been reversed and the Authority recognizes the unfunded past service liability as a liability in its financial statements.

The amounts recognised in the statement of financial position is as follows:

	2015/16	2014/15
	\$000	\$000
Defined benefit obligation	6,259	4,308
Fair value of plan assets	3,389	3,093
Funded status	2,870	1,215
Effect of asset ceiling/onerous liability	-	-
Net liability (asset)	2,870	1,215

The change in benefit obligation is as follows:

	2015/16	2014/15
	\$000	\$000
Defined benefit obligation at end of prior year	4,308	3,984
Service Cost	278	271
Interest expense	205	179
Cash flows	39	79
Other significant events	-	-
Remeasurements	1,429	(205)
Effect of changes in foreign exchange rates	-	-
Defined benefit obligation at end of year	6,259	4,308

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 11: Pensions (continued)

The change in fair value of plan assets is as follows:

	2015/16	2014/15
	\$000	\$000
Fair value of plan assets at end of prior year	3,093	2,728
Interest Income	153	127
Cash flows- employer and participant contributions	138	170
Other significant events	-	-
Remeasurements	5	68
Effect of changes in foreign exchange rates	-	-
Fair value of plan assets at end of year	3,389	3,093

The net defined benefit liability (asset) reconciliation:

	2015/16	2014/15
	\$000	\$000
Net defined benefit liability as of beginning of year	1,215	1,256
Defined benefit cost included in P&L	330	323
Total remeasurements included in OCI	1,424	(273)
Other significant events	-	-
Cash flows	(99)	(91)
Credit to reimbursements	-	-
Effect of changes in foreign exchange rates	-	-
Net defined benefit liability as of end of year	2,870	1,215

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 11: Pensions (continued)

The components of defined benefit cost is as follows:

	2015/16	2014/15
	\$000	\$000
Service Cost	278	271
Net interest cost		
Interest expense on DBO	205	179
Interest (income) on plan assets	(153)	(127)
Total net interest cost	52	52
Remeasurements of Other Long Term Benefits	-	-
Administrative expenses and taxes	-	-
Defined benefit cost included in P&L	330	323
Remeasurements (recognised in other comprehensive income)		
Effect of changes in demographic assumptions	-	36
Effect of changes in financial assumptions	961	(251)
Effect of experience adjustments	468	10
(Return) on plan assets (excluding interest income)	(5)	(68)
(Return) on reimbursement rights (excluding interest income)	-	-
Changes in asset ceiling/onerous liability (excluding interest income)	-	-
Total remeasurements included in OCI	1,424	(273)
Total defined benefit cost recognised in P&L and OCI	1,754	50

The sensitivity analysis on defined benefit obligation is shown below:

	2015/16	2014/15
	\$000	\$000
1. Discount rate		
a. Discount rate - 25 basis points	6,633	4,559
b. Discount rate +25 basis points	5,913	4,076
2. Inflation rate		
a. Inflation rate - 25 basis points	5,931	4,066
b. Inflation rate +25 basis points	6,631	4,570
3. Mortality		
a. Mortality - 10% of current rates	6,392	4,389
a. Mortality + 10% of current rates	6,137	4,234

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 11: Pensions (continued)

The expected cash flow for the following year is as follows:

	Amount (\$000)
Expected employer contributions	154

The significant actuarial assumptions are presented below:

Weighted-average assumptions to determine defined benefit obligations

	2015/16	2014/15
1. Discount rate	4.00%	4.75%
2. Rate of salary increase	3.50%	3.50%
3. Rate of price inflation	2.50%	2.50%
4. Rate of pension increases	2.50%	2.50%
5. Post-retirement mortality table	RP-2014 projected on a generational basis using Scale MP-2014	RP-2014 projected on a generational basis using Scale MP-2014
6. Cost Method	Projected Unit Credit	Projected Unit Credit
7. Asset Valuation Method	Market Value	Market Value

Weighted-average assumptions to determine defined benefit cost

	2015/16	2014/15
1. Discount rate	4.75%	4.50%
2. Rate of salary increase	3.50%	3.50%
3. Rate of price inflation	2.50%	2.50%
4. Rate of pension increases	2.50%	2.50%
5. Post-retirement mortality table	RP-2014 projected on a generational basis using Scale MP-2014	RP-2014 projected on a generational basis using Scale MP-2014

Plan Assets

The Defined Benefit assets as well as Defined Contribution assets of the Plan are held as part of the Public Service Pensions Fund ("the Fund") and managed by the PSPB. The assets of two other pension plans are pooled together to constitute the Fund. The assets are notionally allocated to each of the three participating pension plans through an internal accounting mechanism that tracks, for each accounting period, actual cash flows and allocates investment income and expenses in proportion to the opening value of assets allocated. Based on the data provided, the gross rate of return earned by the Fund for the fiscal 2016 was 4.89% and 6.69% for fiscal 2015. Similar internal accounting is used for developing each participating entity's share of the asset portfolio of the Fund.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 11: Pensions (continued)

The valuations are based on the draft financial statements as at 30 June 2015 as well as asset value as at 30 June 2016 provided by PSPB, along with cash flow and other supplemental asset information. The assets are held in trust by CIBC Mellon.

The Fund currently has investment policy with a target asset mix of 80% equities and 20% bonds. As at 30 June 2016, the Fund was invested as follows:

Plan Assets by Asset Category	2015/16		2014/15	
	(\$000)	Percentage	(\$000)	Percentage
Global equities securities	431,083	80%	411,606	80%
Debt securities	103,167	19%	97,807	19%
Real estate/ Infrastructure	-	0%	-	-
Cash	2,583	1%	6,312	1%
Total	536,833	100%	515,726	100%

For fiscal 2016, the Defined Contribution portion of the Fund totaled to \$261,754,300 and \$237,627,800 as at 30 June 2015 as provided by PSPB. The share of the Fund that been notionally allocated to NRA with regards to its participation in the Defined Benefit Part of the Plan is \$3.389 million as at 30 June 2016 (2015- \$3.093 million).

The Actuarial Assumptions

The actuarial assumptions have been approved by the Financial Secretary, the main sponsor of the Plan. The principal financial and demographic assumptions used at 30 June 2016 and 30 June 2015 are shown in the table below. The assumptions as at the reporting date are used to determine the present value of the benefit obligation at that date and the pension expense for the following year.

Turnover Rates at sample ages:

Age	Males	Females
20	7.5%	12.5%
25	5.0%	12.5%
30	3.5%	7.5%
35	2.5%	4.5%
40	1.5%	2.5%
45	0.5%	5.0%
50	0.0%	0.0%

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 11: Pensions (continued)

Measurement Date	2015/16	2014/15
Discount Rate		
- BOY disclosure and current year expense	4.75%	4.50% per year
- EOY disclosure and following year expense	4.00%	4.50% per year
Increases in pensionable earnings	3.50%	3.50% per year
Rate of Pension Increases	2.50%	2.50% per year

Measurement Date	2015/16	2014/15
Expected long-term rate of return on assets (net of expenses) for purposes of IFRIC only	5.00% per year	7.00% per year
Mortality		
- BOY disclosure and current year expense	RP-2014 generationally projected using Scale MP- 2014	UP-94 generationally projected using Scale BB
- EOY disclosure and following year expense	RP-2014 generationally projected using Scale MP- 2014	RP-2014 generationally projected using Scale MP-2014
Disability	None	None
Turnover Rates	Same as 2015	Same as 2014
Retirement	Same as 2015	Same as 2014
Assumed life expectations on retirement	Retiring today (member age 57) 30.21	Retiring today (member age 57) 30.12
	Retiring in 25 years (at age 57):32.40	Retiring in 25 years (at age 57):32.40
Liability Cost Method	Projected unit credit method	Projected unit credit method
Asset Value Method	Market Value of Assets	Market Value of Assets
Commutation of pension	All members commute 25% at retirement	All members commute 25% at retirement

There have been no changes in actuarial assumptions since the prior valuation other than the changes to the principal assumptions shown in the table above. The mortality assumption was updated to make allowance for future mortality improvements. In the addition, the mortality improvement scale has been updated from Scale AA to Scale BB. These are the same assumptions as approved by the PSPB for use in the January 1, 2014 funding valuation of the Plan.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 11: Pensions (continued)

The discount rate as at 30 June 2016 and 30 June 2015 were determined in accordance with IAS 19. In accordance with IAS 19R paragraph 83, determined by reference to market yields on high quality corporate bonds (consistent with the term of the benefit obligations) at the fiscal year end date. The Mercer US Above Mean Yield Curve (referencing US corporate bond yields) was used to determine discount rates due to strong economic and currency links between the US and the Cayman Islands.

Note 12: Defined benefit liability: Post-retirement health liability

The National Roads provides health care benefits to staff members that transferred from Public Works department in accordance to the NRA law. The benefit is in the form of continuation of their health insurance coverage on the medical plan in force for active employees. The premiums for this health insurance coverage are paid for by the National Roads for all eligible retirees until the end of their lives. This coverage falls within the definition of a defined benefit by the International Accounting Standards and as such represents a future liability of the National Roads Authority. The National Roads is required to use the actuarial valuation method to determine the present value of its health insurance benefit obligations for its former workers as well as future retirees and the related current service costs. International Accounting Standards No. 19 (IAS 19) directs that funded or unfunded post-employment benefits must be recognized in the statement of financial position (in the case of net defined liability or asset) and the statement of comprehensive income (for the annual expense).

These actuarial valuations use several financial and demographic assumptions to determine the liability and current expense of the benefits which will be honoured on behalf of the retirees. Financial assumptions include, the discount rate, estimated future costs of the medical premiums, and the claims rate for the medical plans. Demographic assumptions include estimated mortality and benefits levels.

The Authority commissioned Mercer Actuaries of Canada to provide this service and the results of their assessment are included hereunder. The National Roads has a present value net defined benefit obligation of \$15,039,000 at the end of the financial year 30 June 2016 (2015: \$11,451,000). The details of the valuation and the assumptions used are reproduced hereunder in accordance with IAS 19.

A person who is a public office immediately before the 1st July, 2004 may, on or after that date, be offered employment by the Authority and, if he accepts the offer, shall become an employee of the Authority on the same terms and conditions as those applicable to him on the day immediately such date expect

To the extent other terms and conditions are agreed between such employee and the Authority. There has not been any recognition of this liability or annual expense in the financial statements of the National Roads Authority before, except that the premiums paid on behalf of the retirees were included as medical costs and reported as a part of staff costs in the Statement of Comprehensive Income.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 12: Defined benefit liability: Post-retirement health liability (continued)

Neither has there been any money set aside to fund this benefit. Consequently, the entire \$15,039,000 is currently unfunded. Steps will need to be taken to address this unfunded status in the coming years.

Plan Name	National Roads Authority	
	30 June 2016	30 June 2015
Financial year ending on		
Currency information		
1. Local currency		
2. Reporting currency		
A. Change in defined benefit obligation		
1. Defined benefit obligation at end of prior year	11,451,000	10,784,000
2. Service cost		
a. Current service cost	1,044,000	1,094,000
b. Past service cost	-	-
c. (Gain)/loss on settlements	-	-
3. Interest expense	559,000	494,000
4. Cash flows		
a. Benefit payments from plan assets	-	-
d. Benefit payments from employer	(102,000)	(98,000)
5. Other significant events		
6. Remeasurements		
a. Effect on changes in demographic assumptions	(638,000)	-
b. Effect of changes in financial assumptions	2,725,000	(823,000)
c. Effect of experience adjustments	-	-
7. Effect of changes in Foreign exchange rates	-	-
8. Defined benefit obligation at the end of year	15,039,000	11,451,000

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 12: Defined benefit liability: Post-retirement health liability (continued)

Plan Name	National Roads Authority	
Financial year ending on	30 June 2016	30 June 2015
B. Change in fair value of plan assets		
1. Fair value of plan assets at end of prior year	-	-
2. Interest Income	-	-
3. Cash flows		
a. Total employer contributions		
i. Employer contributions	-	-
ii. Employer direct benefit payments	102,000	98,000
iii. Employer direct settlement payments	-	-
b. Participant contributions	-	-
c. Benefit payments from plan assets	(102,000)	(98,000)
d. Benefit payments from employers	-	-
e. Settlement payments from plan assets	-	-
f. Settlement payments from employer	-	-
g. Administrative expenses paid from plan assets	-	-
h. Taxes paid from plan assets	-	-
i. Insurance premiums for risk benefits	-	-
4. Other significant events		
a. Increase/ (decrease) due to effect of any business combinations/ divestures or transfers	-	-
b. Increase/ (decrease) due to plan combinations	-	-
5. Remeasurements		
a. Return on plan assets (excluding interest income)	-	-
6. Effect of change in foreign exchange rates	-	-
7. Fair Value of plan assets at end of year	-	-
C. Amounts recognized in the statement of financial position		
1. Defined benefit obligation	15,039,000	11,451,000
2. Fair value of plan assets	-	-
3. Funded status	15,039,000	11,451,000
4. Effect of asset ceiling/onerous liability	-	-
5. Net defined benefit liability/ (asset)	15,039,000	11,451,000

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 12: Defined benefit liability: Post-retirement health liability (continued)

Plan Name	National Roads Authority	
Financial year ending on	30 June 2016	30 June 2015
D. Components of defined benefit cost		
1. Service Cost	1,044,000	1,094,000
a. Current service cost	-	-
b. Reimbursement service cost	-	-
c. Past service cost	-	-
d. (Gain)/ loss on settlements	-	-
e. Total service cost	1,044,000	1,094,000
2. Net interest cost		
a. Interest expense on Defined Benefit Obligation (DBO)	559,000	494,000
b. Interest/(income) on plan assets	-	-
c. Total net interest cost	559,000	494,000
3. Remeasurements of Other Long Term Benefits		
4. Administrative expenses and/or taxes (not reserved within DBO)		
5. Defined benefit cost included in Profit and Loss (P&L)	1,603,000	1,588,000
6. Remeasurements (recognized in the other comprehensive income)	(638,000)	-
a. Effect on changes in demographic assumptions	2,725,000	(823,000)
b. Effect of changes in financial assumptions	-	-
c. Effect of experience adjustments	2,087,000	(823,000)
d. Total Remeasurement included in OCI		
7. Total defined benefit cost recognized in P&L and OCI	3,690,000	765,000
E. Net defined benefit liability/(asset) reconciliation		
1. Net defined benefit liability/(asset)	11,451,000	10,784,000
2. Defined benefit cost included in P&L	1,603,000	1,588,000
3. Total Remeasurement included in OCI	2,087,000	(823,000)
4. Other significant events		
a. Net transfer in/(out)(including the effect of any business combinations/divestitures)	-	-
b. Amounts recognized due to plan combinations	-	-
5. Cash Flows		
a. Employer contributions	-	-
b. Employer direct benefit payments	(102,000)	(98,000)
c. Employer direct settlements payments	-	-
6. Credit to reimbursements	-	-
7. Effect of changes in Foreign exchange rates	-	-
8. Net defined benefit liability/(asset) as of end of year	15,039,000	11,451,000

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 12: Defined benefit liability: Post-retirement health liability (continued)

Plan Name	National Roads Authority	
Financial year ending on	30 June 2016	30 June 2015
F. Define benefit obligation		
1. Defined benefit obligation by participant status		
a. Actives	14,040,000	10,616,000
b. Vested deferreds	-	-
c. Retirees	999,000	835,000
d. Total	15,039,000	11,451,000
G. Significant actuarial assumptions		
Weighted-average assumptions to determine defined benefit obligations		
Discount rate	4.05%	4.90%
Health care cost trend rates		
Immediate trend rate	5.00%	5.00%
Ultimate trend rate	5.00%	5.00%
Year rate reaches ultimate trend rate	N/A	N/A
Post-retirement mortality assumption	RP-2014	RP-2014
Weighted-average assumptions to determine defined benefit cost		
Discount rate	4.90%	4.60%
Health care cost trend rates		
Immediate trend rate	5.00%	5.00%
Ultimate trend rate	5.00%	5.00%
Year rate reaches ultimate trend rate	N/A	N/A
Post-retirement mortality assumption	RP-2014	RP-2014
H. Sensitivity analysis		
Present value of defined benefit obligations		
Effective Discount rate - 25 basis points	15,993,000	
Effective Discount rate + 25 basis points	14,159,000	
Health care cost trend rates - 100 basis points	11,930,000	
Health care cost trend rates + 100 basis points	19,214,000	
Post-retirement mortality assumption + 10%	14,487,000	
<i>Weighted- average duration of defined benefit obligation (in years)</i>		
Effective discount rate - 25 basis points	24.59	
Effective discount rate + 25 basis points	24.13	
I. Expected cash flows for following year		
a. Expected employer contributions	157,000	
b. Expected contributions to reimbursement rights	-	
c. Expected total benefit payments		
Year 1	157,000	
Year 2	125,000	
Year 3	151,000	
Year 4	188,000	
Year 5	216,000	
Next 5 years	1,791,000	

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 12: Defined benefit liability: Post-retirement health liability (continued)

Proposed Assumptions as at 30 June 2016 and 30 June 2015 for IAS Reporting.

Economic Assumptions	Postretirement Healthcare	Basis of Development-Accounting Specific Assumptions
Discount rate (p.a) - 30 June 2014 - 30 June 2015 - 30 June 2016	4.60% per annum 4.90% per annum 4.05% per annum	Per IAS 19 para. 83 determined by reference to market yields on high quality corporate bonds (consistent with the term of the benefit obligations) at the fiscal year end date. Mercer US Above Mean Yield Curve (referencing US corporate bonds yields) used to determine discount rates due to strong economic and currency links between the US and Cayman Islands.
Administrative expenses	Included in projected premiums	
Rate of Medical Inflation (p.a)	5.00%	Based on an analysis of historical claims information and long-term medical inflation expectations.

Demographic Assumptions	Postretirement Healthcare	Basis of Development-Accounting Specific Assumptions
Current mortality rates 30 June 2016	RP-2014	Recent mortality studies in the U.S. and Canada shows that people are living longer. New mortality tables have been issued by U.S. and Canada. The mortality table has been updated to better reflect actual mortality improvement rates experienced in the US over the last 20 years.
Future mortality improvements 30 June 2016	Scale MP-2014	Broad consensus amongst longevity experts that mortality improvement will continue in the future. In the U.S, the future mortality improvement scale has been updated to Scale MP-2014, released October 2014.
Turnover rates	Age & gender based rates-	Consistent with turnover rates for the other Statutory Authorities
Retirement Age as per Public Service Pension Plan	Age 57 & 10 years of service	Pensionable age in the Cayman Islands
Material assumption	80% married, wife 3 years younger	
Current healthcare claims cost assumption for 30 June 2015 benefit obligation and fiscal 2016 expense	Based on CIG 2014/15 premium rates Health \$9,100 per participant Dental \$1,000 100 per participant	
Current healthcare claims cost assumption for 30 June 2016 benefit obligation and fiscal 2017 expense	Based on CIG 2015/16 premium rates Health \$9,500 per participant Dental \$1,000 100 per participant	The National Roads Authority provides 100% coverage for employees, spouses and dependents and also retirees and retirees spouses premiums.
Healthcare- future pensioners	Male 27% single, 73% family Female 50% single, 50% family	Based on CIG experience
Healthcare utilization changes due to age	Mercer standard healthcare aging assumptions for medical and dental	Based on analysis of healthcare utilization for Mercer clients in Canada and US and by reference to Society of Actuaries studies.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 12: Defined benefit liability: Post-retirement health liability (continued)

Turnover Rates

Turnover rates at sample ages

Age	Males	Females
20-24	7.5%	12.5%
25-29	5.0%	12.5%
30-34	3.5%	7.5%
35-39	2.5%	4.5%
40-44	1.5%	2.5%
45-49	0.5%	0.5%
50+	0.0%	0.0%

Note 13: Restatement of financial statements: Accounting for defined benefit post-retirement health liability

The financial statements for the year ended 30 June 2014 and 30 June 2015 were restated due to the significance of the adjustments required to account for the actuarially determined defined benefit liability for the National Roads Authority post-retirement health liability provided to eligible staff.

The actuarial valuation results showed that a liability of \$11,451,000 existed at 30 June 2015, represented by accumulated liability of \$10,784,000 as at 30 June 2014 and service costs and adjustments totaling \$1,490,000 for the year ended 30 June 2015, resulting in a closing liability of \$11,451,000 at 30 June 2015.

Effect of restatement

Statement of Financial Position (Extract)	30 June 2015	Increase/(Decrease)	30 June 2015 (Restated)
Post-retirement health liability	-	11,451,000	11,451,000
Equity	4,157,329	(11,451,000)	(7,293,671)
Statement of Financial Position (Extract)	30 June 2014	Increase/(Decrease)	30 June 2014 (Restated)
Post-retirement health liability	-	10,784,000	10,784,000
Equity	4,116,056	(10,784,000)	(6,667,944)

Statement of Comprehensive Income (Extract)	30 June 2015	Increase/(Decrease)	30 June 2015 (Restated)
Post-retirement health liability	-	1,490,000	1,490,000
Total operating expenses	6,092,398	1,490,000	7,582,398
Loss before other comprehensive income	(231,727)	(1,490,000)	(1,721,727)
Remeasurements of post-retirement health liability	0	823,000	823,000
Comprehensive loss for the year	41,273	(667,000)	(625,727)

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 14: Related Party Transactions

The Authority provided services to Road Users on behalf of the Government relating to the development and maintenance of the public roads within the Cayman Islands funded through the Roads Fund (see Note 1) which amounts to \$10 million under the Ownership Agreement (2015: \$10 million). During this year the Authority also delivered Capital Expenditure Projects of \$3.6 million to the Government for the construction of roads under the Ownership Agreement. The Authority also engages the services of other government departments of the Cayman Islands Government. Such services are provided at current prevailing market prices on an arm's length basis. Sales to third parties include services for drain wells and curbs, installation of signs, paving and trench reinstatement services.

	2015-16	2014/15
Sales of Services to Cabinet	3,673,124	1,711,270
Sales of Services to other government agencies	316,360	311,540
Sales of Services to third parties	10,213,506	10,091,894
Total	14,202,990	12,114,704

Upon creation of the Authority on 1 July 2004, no movable properties were vested to the Authority. Henceforth, the Public Works Department (PWD) allowed the Authority to use its vehicles and heavy equipment for road construction and maintenance free of charge. As at 30 June 2016, the Authority owes PWD the amount of \$13,029 (2015: \$12,722) for support services extended to the latter such as office and workshop accommodation, tenant's requirements, utilities, accounting services, service parking and compound security.

The remuneration of directors and other members of key management personnel during the year was \$639,328 (2015: \$648,340). There were 15 personnel categorized in 2016 broken down as 5 key management personnel and 9 Directors (2015: 5 key management personnel and 9 Directors).

Note 15: Contingencies

Under section 28(1) of the NRA Law an annual payment to the core government may be due. At the date of these financial statements there has been no request made.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 16: Financial Risk Management

The Authority is exposed to a variety of financial risks including interest rate risk, credit risk and liquidity risk. The Authority's risk management policies are designed to identify and manage these risks, to set appropriate risk limits and controls, and to monitor the risks and adhere to limits by means of up to date and reliable information systems. These risks are managed within the parameters established by the Financial Regulations.

Interest Rate Risk

The Authority is subject to interest rate risk on the cash placed with a local bank which attracts interest. No interest payments are charged to customers on late payments on accounts receivable. The Authority is not exposed to significant interest rate risk as the cash and cash equivalents are placed on call and available on demand. The total interest earned during the year ended 30 June 2016 was nil (2015: nil)

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Authority. Financial assets which potentially expose the Authority to credit risk comprise cash and cash equivalents and accounts receivable.

The Authority is exposed to potential loss that would be incurred if the counterparty to the bank balances fails to discharge its obligation to repay. All bank balances are with one financial institution located in the Cayman Islands which management considers to be financially secure and well managed.

The Authority is also exposed to a significant concentration of credit risk in relation to accounts receivables, majority of which are due from other Government entities. No credit limits have been established. As at 30 June 2016, a provision for doubtful debts of \$489,848 has been made.

The carrying amount of financial assets recorded in the financial statements represents the Authority's maximum exposure to credit risk. No collateral is required from the Authority's debtors.

Liquidity Risk

Liquidity risk is the risk that the Authority is unable to meet its payment obligations associated with its financial liabilities when they fall due.

The ability of the Authority to meet its debts and obligations is dependent upon its ability to collect the debts outstanding to the Authority in a timely basis. As at 30 June 2016 and 2015, all of the financial liabilities were due within one month of the financial position dates.

Notes to the Financial Statements

For the year ended 30 June, 2016

(Expressed in thousands of Cayman Islands Dollars)

Note 17: Financial Instruments- fair values

As at 30 June 2016 and 2015, the carrying amount of cash deposits, accounts receivable, accounts payables and employee entitlements approximate their fair value due to their short-term maturities.

Fair values are made at specific points 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 judgement and therefore cannot be determined with precision. Changes in assumptions, economic conditions and other factors could cause significant changes in fair value estimates.

Note 18: Commitments

The Authority entered into a five year lease with Heritage Holdings on September 1, 2009 for storage and laboratory. The annual lease payments for the period amount to \$6,366 (2015: \$29,708). The lease payments are subject to an annual increase of 3%. The total payments for the five year lease including the annual 3% increase is \$255,944. The tenant has the option to renew the lease for a further term of one (1) year or more at the expiration of the term and shall give notice in writing to that effect not less than three months before expiration of the term. At the expiration of this Leases on August 31, 2014 the NRA did not renew the Lease involving 2 warehouse units and entered a new one year agreement for a single unit. Subsequent to 2016 year-end the NRA did not renew its Lease for the single remaining unit.

A photograph of a paved road lined with trees, with the word 'Appendices' overlaid in a large, dark green serif font.

Appendices

Governance and Risk Management

The NRA is subject to normal risks associated with most public agencies. For 2015-16 those risks include:

- Work related injuries to persons;
- Accidents related to the operation of vehicles and heavy equipment;
- Loss or absence of key personnel;
- Natural disasters;
- Loss of key IT infrastructure.

To mitigate these risks, the NRA introduced several training interventions along with the implementation of safety standards for explosive management, heavy equipment machinery and workforce personnel. Driver-training courses have also been implemented.

Appropriate training in proper vehicle operations as well as procedures for disciplinary action in the event of negligence and misuse have also been put in place.

As part of our workforce development programme, the NRA is actively promoting work/life balance initiatives by taking measures to improve the working environment and to engage staff in a more holistic manner. We are happy to have a very high retention rate among employees and will continue to pursue efforts to ensure the NRA remains a great place to work.

The Authority has also effected appropriate levels of insurance to guard against losses arising from adverse events.

Legal Framework

Laws Administered by or significantly impacting the National Roads Authority include:

- The National Roads Authority Law;
- The Roads Law;
- The Public Management and Finance Law; and
- The Labour Law.

Notifications under the Roads Law

Road Gazette Plans (Roads Law 2005R) were either started and/or completed for the following:

- ✓ Section 3 – Notification of Proposal to Take Land;
- ✓ Proposal for the opening and widening of Kemp Street to a width of 20 feet to provide road access to 4C15 & 4C16 (BP582);
- ✓ Proposal for the acquisition of a sliver of land from 14CJ123 to connect a public pedestrian right-of-way from Linwood Street to Myles (BP581);
- ✓ Proposal for the widening of Crewe Road to three (3) lanes from Tropical Gardens to Mavis Close submitted for gazettal (BP598);
- ✓ Proposal for the acquisition of land for the extension of Elgin Avenue from Huldah Avenue to the NAPA intersection (BP590);
- ✓ After a dozen permutations, a proposal for the acquisition of land and road opening for the future South Sound By-Pass Arterial Corridor was submitted for review and approval by the Ministry of Works in December 2015;
- ✓ Proposal for the acquisition of land for the extension of Godfrey Nixon Way to North Church Street submitted for gazettal (BP591);
- ✓ Preliminary conceptual scheme for the widening of Crewe Road to 3 lanes from Mavis Close to Agnes Way was prepared for assessment and development of detailed engineering design;
- ✓ Proposal for land acquisition for the Airport Connector Roadway from Owen Roberts Drive to the Esterley Tibbetts Highway submitted for gazettal. The road scheme is currently on-hold at the request of Dart Realty;
- ✓ Proposal for the widening of the Esterley Tibbetts Highway to a 100 feet width from the Butterfield Roundabout to the future Airport Connector Roadway intersection with the ETH submitted for gazettal (BP593);
- ✓ Proposal for the widening of Linford Pierson Highway to a 100 feet width from Crewe Road to Agnes Way submitted for gazettal (BP592);
- ✓ Proposal for the opening and widening of Miss Daisy Lane off of Hell Road in West Bay submitted for gazettal;
- ✓ Proposal for the acquisition of land to provide road access to 44B282 off of Edna Close in Bodden;
- ✓ Proposal for the acquisition of land to provide road access to 57A15 and 57A17 along the Queens Highway;
- ✓ Section 5 – Declaration and Scheduling of Public Road:
 - Definition and demarcation of the Ena Close (PCM305);
 - Definition and demarcation of the Esterley Tibbetts Highway Extension from Yacht Drive to Batabano Road (PCM301);
 - Definition and demarcation of road widening along Crewe Road from Grand Harbour to Silver Oaks roundabout and part of Old Crewe Road (PCM310);
 - Definition and demarcation of last segment of the East-West Arterial from Chime Street to Hirst Road (PCM306);

- Definition and demarcation of a sliver from 14CJ123 to connect a public pedestrian right-of-way from Linwood Street to Myles (PCM307);
- Definition and demarcation of Section of BP486 connecting Clipper Bay development to Canal Point Drive (PCM313);
- Definition and demarcation of land for future extension of the Linford Pierson Highway in the immediate vicinity of Outpost Lane (affected parcels paid off years ago but were being promoted for development by one party) – (PCM308);
- Gazettal instruction forwarded to define and demarcate Sea Spray Drive, off of Beach Bay Road as a public road
- ✓ Section 14 – Discontinuance of Roads (Close and Vest):
 - Scheme to close and vest a portion of Boundary Plan 40 in the immediate vicinity of 38E282 and 32E283 (BP584). This close and vest gazette was prepared as a result of BP576 gazetted in March 2015 which re-aligned a section of the road corridor of the original plan of BP40
 - Scheme to close and vest a section of Myles Lane at the rear of One Capital Place off of Shedden Road (BP583).

Legislative Changes Envisaged in 2016-17

NRA Law Revision

Amendments or revisions to the NRA Law are expected in 2016-17 to achieve:

- congruence with other legislation;
- modernization;
- clarification;
- modification of enforcement powers; and
- changes to the funding mechanism.

Blasting and Explosives Issues –

Efforts are underway to revise the current law and regulations governing explosives. With help from an explosives consultant an initial draft framework for the Explosives Law & Regulations was submitted to the Legal Department. The Legal Department provided some necessary changes to be made by the NRA. The draft law and regulations are currently under a second review by the NRA team.

Notes

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**ANNUAL REPORT
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