



OFFICE OF THE COMPLAINTS COMMISSIONER

**ANNUAL REPORT
2016-2017**





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15th February, 2018

The Honourable W. McKeeva Bush, OBE, JP
Speaker of the Legislative Assembly
George Town
Grand Cayman

Dear Mister Speaker,

Re: Annual Report 2016-17

I am pleased to submit my Annual Report for the period of 1st July 2016 – 12th September 2017, pursuant to section 20(1) of the Complaints Commissioner Law (2014 Revision).

Additional copies have been delivered to the Clerk of the Legislative Assembly, Ms. Zena Merren-Chin.

Yours sincerely,

Bridgette Lazzari-von Gerhardt
Acting Complaints Commissioner (during the period)

Office of the Complaints Commissioner

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Forward

This Annual Report is for the Office of the Complaints Commissioner (OCC). The report outlines the Office's performance for the period 1st July 2016 to 12th September 2017 and compares it to the budgeted performance for the corresponding period.

The requirement for an Annual Report is prescribed under section 44 of the Public Management and Finance Law (PMFL). Section 44 states:

(1) An annual report of a ministry or portfolio shall be presented to the Cabinet for review within four calendar months after the end of each financial year.

(2) The annual report shall set out the performance of the ministry or portfolio and compare it with that set out in the budget statement (including any amendments thereto) for that financial year

In accordance with section 45(2)(b) of the PMFL, references to “Ministry” are synonymous with “the Office of the Complaints Commissioner” for the purposes of this requirement.

The annual report covers four main areas:

- General Information;
- Service Delivery;
- Financial Performance; and
- Governance.

The service delivery section outlines the interventions carried out by the OCC to meet its legal mandate and further 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 Office was afforded in the 2016-17 budget and the actual inputs purchased to provide services. The financial performance is presented in the form of financial statements and supporting notes prepared in accordance with International Public Sector Accounting Standards (IPSAS).

The report also includes a section on Governance which outlines the Office's efforts in the areas of risk management.

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Report Guide

This report has been prepared in accordance with the requirements stipulated in the Public Management and Finance Law (2017 Revision) for Ministries and Portfolios.

Overview

This chapter summarizes the overall responsibilities of the Office of the Complaints Commissioner (OCC), describes the functions and activities of the OCC, and displays the organisational structure.

Achievements

The OCC's accomplishments highlighted in this section, and key objectives achieved over the period are discussed.

Human Resources Management

This section reports on key information and statistics relating to the OCC's work force.

Financial Statements

This section includes the Auditor General's report, a Management Discussion and analysis of the financial results for the OCC over the period, and the corresponding statements of Financial Position, Performance and Net Worth.

Appendices

This chapter summarizes major laws impacting the OCC, and other information regarding risk and requests under the Freedom of Information framework. This section also provides definitions and explanations for abbreviations.

Message from the Acting Complaints Commissioner

I am pleased to present the annual report for the Office of the Complaints Commissioner (OCC) for the period of 1st July 2016 to 12th September 2017.

This report highlights the achievements of the Office and explains the steps taken to achieve the policy outcome goals of the Government.

2016-17 was a milestone year for the OCC as we transitioned from a distinct operation to becoming part of the new Ombudsman Office.

Appropriately, it was a year of reflection on the achievements of the Office since its inception, and the contributions made to promoting equity and justice in our community.

Personally, it has been a privilege to serve in this capacity. As the Acting Complaints Commissioner, I am also grateful for the opportunity to have led our dedicated and talented team as we worked towards enhancing governance and promoting administrative fairness in our Public Sector.

Our strategy is to promote the resolution of issues at their lowest levels. That means, we work with, and monitor other Government agencies, to ensure they have effective mechanisms and processes for dealing with complaints from the public.

By working in this manner, we preserve our role as an impartial independent office, capable of stepping in to ensure fairness and justice in the interaction between Government Agencies and the Public.

Between July 2016 and September 2017, the Office received and processed 80 inquiries and complaints; monitored and made 37 recommendations for improvement to various public sector entities; confirmed compliance of 22 OCC recommendations by government entities; provided Internal Complaints Processes (ICP) training to 41 entities; monitored Internal Complaints Processes (ICP) of 73 Government entities; and provided educational outreach booths in all three islands to promote the work of the OCC, and answer public enquiries.

The Office also participated in the implementation of plans pertaining to the Office of the Ombudsman by assisting the Project Team with responsibility for setting up the new Office with the drafting of new policies, new organizational charts, floorplans, job descriptions, and Budget.

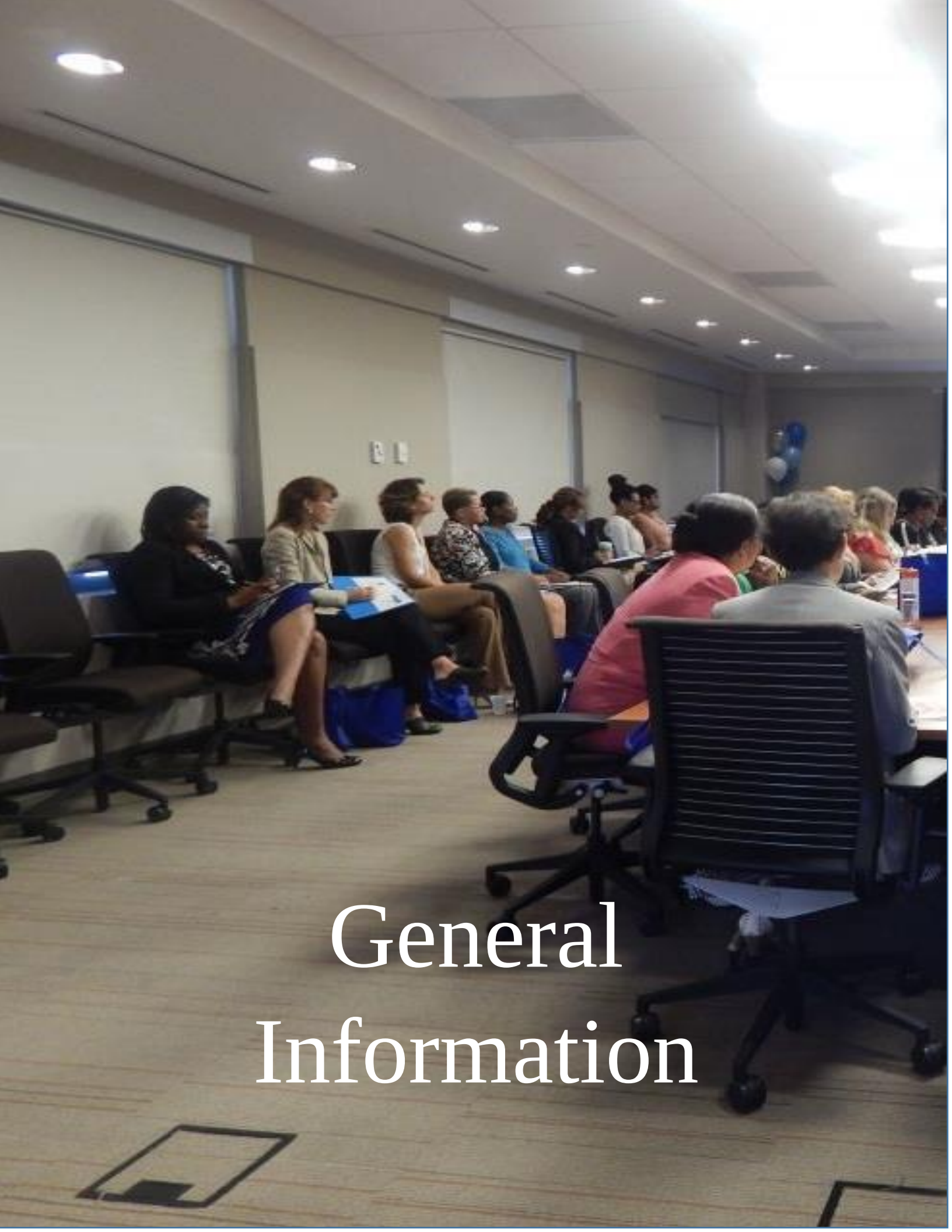
I would like to take this opportunity to thank the dedicated team of the OCC for their support and contribution to the work of the Office.

As we evolve and become a part of the Office of the Ombudsman, we look forward to continuing to serve the public of the Cayman Islands in new and expanded roles.

Yours sincerely,

Bridgette Lazzari-von Gerhardt
Acting Complaints Commissioner



A group of people are seated in a conference room, facing away from the camera towards a presentation screen. The room has a light-colored wooden floor and a white wall with a large screen. The people are seated in rows of chairs, and some are holding papers or folders. The text "General Information" is overlaid on the bottom half of the image.

General Information



Nature & Scope of Activities

General Nature of Activities

The Office of the Complaints Commissioner is responsible for undertaking the investigatory functions in respect of complaints against all Government entities as set out in the Complaints Commissioner Law (2014 Revision).

Scope of Activities

- Investigating written complaints from the public and reporting to the complainant and Government entity on the results of the investigation
- Making recommendations for actions to be taken where injustice has occurred as a result of maladministration, and monitoring compliance with those recommendations
- Where no adequate action is taken, preparing a special report to the Legislative Assembly in accordance with S.18(3) of the Complaints Commissioners Law
- Conducting investigations of the Commissioner's Own Motion (OMI's) on matters of special importance in the public interest in accordance with S.11 of the Complaints Commissioners Law
- Continuous monitoring of the effectiveness of the Internal Complaints Process (ICP) established by the OCC throughout the civil and public service by means of quarterly reporting and the Annual Meeting / Seminar
- Educating and raising awareness of the role and function of the Office of the Complaints Commissioner amongst Government entities and with the general public

Customers and Location of Activities

Services provided by the Office of the Complaints Commissioner are procured by the Oversight Committee of the Legislative Assembly. Those services are procured on behalf of the general public in the Cayman Islands.

Organizational Chart



**Financial Oversight
Committee**



Mrs. Bridgette Lazzari-von Gerhardt
**Acting Complaints Commissioner &
Administrative & Investigative Officer**



Ms. Tiffany Ebanks
Chief Financial Officer



Mr. Daniel Lee
Senior Investigator



Ms. Julie Faulknor-Grant
**Senior Investigator &
HR Manager**



Ms. Abbey Glasgow
Executive Assistant



Ms. Nadiyah Abdul-Jabbar
Temporary Intake Officer



Strategic Overview

The following are the seven (7) strategic ownership goals set out by the OCC for the 2016-17 fiscal year:

- Goal 1.** Provide first-class training to staff of the OCC;
- Goal 2.** Improve presence on the internet for informational purposes and to register complaints online;
- Goal 3.** Provide reports to the media on the work of the OCC;
- Goal 4.** Increase public awareness education and outreach through OCC publications, media interviews, advertising on social media and an active presence during Pirates Week;
- Goal 5.** Monitor and review the implementation of the Internal Complaints Procedure to increase Civil and Public Servant's knowledge of the role and mandate of the OCC, including the provision of annual training; and
- Goal 6.** Enhance the international visibility of the OCC.

Goal 1 – The OCC provided support and assistance for staff training, development, and succession planning during the period. Full details on the OCC's staff training measures are outlined in the Human Resources section of this report.

Goal 2 – The OCC maintains an effective online presence through its website located at www.occ.ky. The website was consistently updated during 2016-17 providing several updates on the activities of the OCC through newsletters and news bulletins. Applicants are also now able to file online complaints through the website.

Goal 3 – Media updates were provided via reports to Cayman News Service, British and Irish Ombudsman Association, International Ombudsman Institute, Caribbean Ombudsman Association and Public Education Booths during the 2016 Pirates Week festival.

Goal 4 – The OCC visited Cayman Brac and Little Cayman during 2016-17 as part of its outreach programme. It also facilitated an Open House which allowed members of the public to visit the OCC and speak with staff about the services provided and the process for filing complaints.

Goal 5 – During 2016-17 the OCC monitored 74 Internal Complaints Processes (ICP's) and provided annual training to persons who handle and resolve complaints filed against their individual entities. A special award presentation was also held to recognize and encourage ICP managers.

Goal 6 – OCC's staff participated in several international Ombudsman events during the period. These included the US Ombudsman 38th annual conference in San Antonio Texas, and the Caribbean Ombudsman Association biennial conference in Bonaire.



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In addition to the preceding six specific goals established as part of the annual budget process, the strategic environment of the OCC is also framed by its legal mandate and the policies of the sitting Government.

Legislative mandates are prescribed by the Complaints Commissioner Law ('CCL').

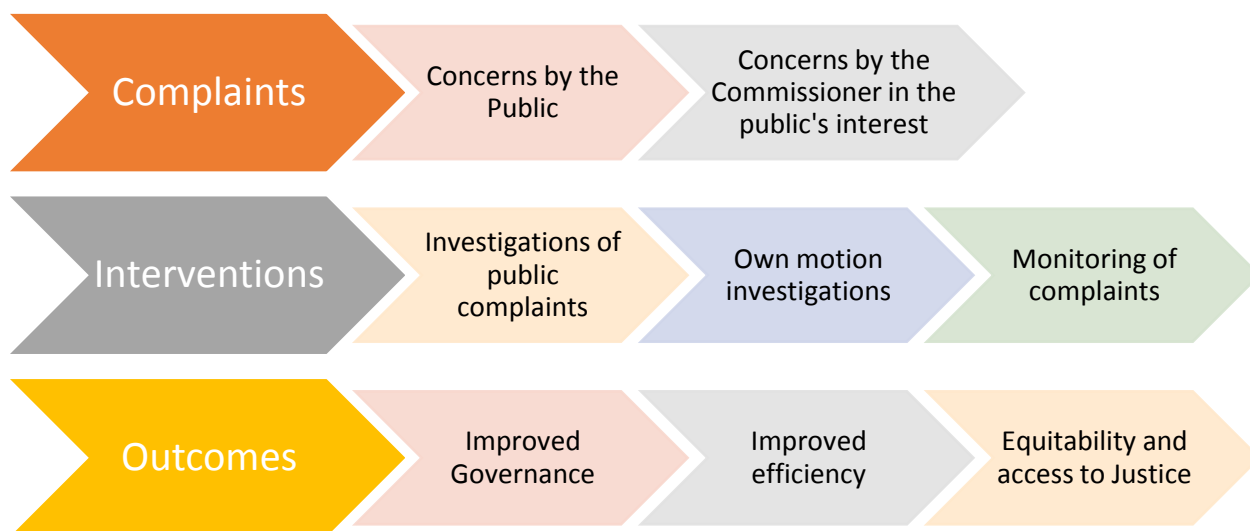
Under the CCL, the OCC has three primary roles:

- **Complaint Investigation:** the investigation and review of the administrative actions of Government officials and agencies, upon receipt of complaints from members of the public, groups and organizations;
- **Own Motion Investigation:** the investigation, on the initiative or "own motion" of the Commissioner, on the administrative actions of Government agencies; and
- **Complaint Monitoring:** the monitoring of the administrative actions of Government officials and agencies, upon receipt of the OCC's recommendations.

The sitting Government established twelve Broad Outcome Goals as part of its overall policy framework. The OCC, as a public agency, contributed to the following Outcome Goals:

- A More Efficient, Accessible and Affordable Public Service;
- A Culture of Good Governance; and
- Equity and Justice in a Society that Values the Contributions of All.

Figure 1 Policy Framework of the Complaints Commissioner





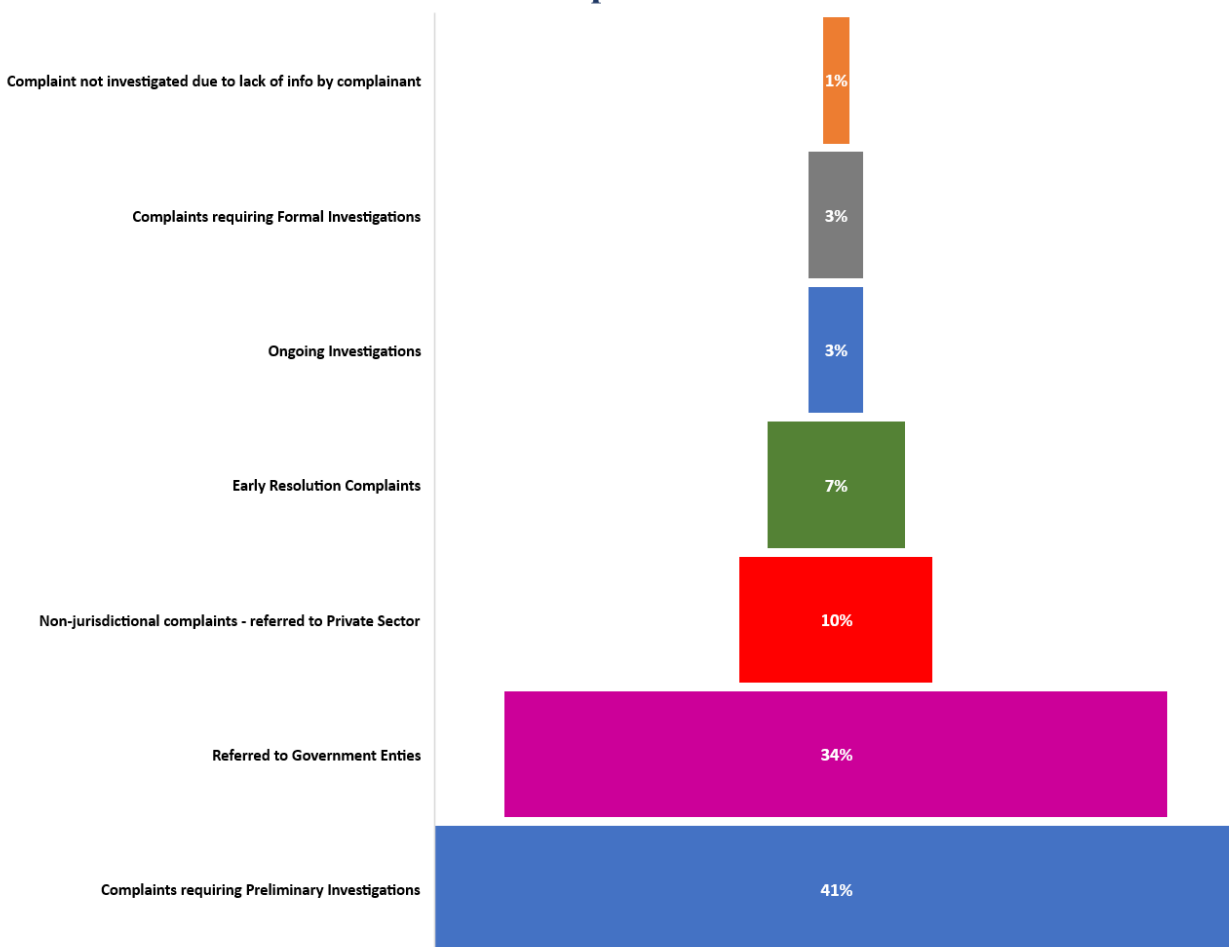
Meeting our Legislative Mandate

Under the CCL, the primary functions of the OCC are to investigate, recommend, monitor and report. Through these primary functions, the OCC provides avenues for the public to identify opportunities for Government agencies to improve service delivery to acceptable standards.

The complaints handled by the OCC are often from individuals who have exhausted other efforts to make right a perceived wrong. In accordance with our legislative mandate, the OCC independently and objectively considers their concerns and carries out further investigations where necessary. If maladministration is found, the OCC makes recommendations for improvements, monitors those recommendations, and provides reports to the general public and the Oversight Committee of the Legislative Assembly on the progress of those recommendations.

The following is an overview of the work carried out by the OCC during the period to meet its legislative mandate.

2016-17 Complaints Statistics





Complaint Investigations

The OCC received 69 complaints and 11 inquiries during 2016-17. Of the complaints received, 24 were referred to Internal Complaints Process Managers within Government Entities. This is a process where the applicant is asked to first pursue available remedies within the Government entity.

Preliminary investigations revealed a large number of complaints were premature and non-jurisdictional:

- 18 premature complaints were referred to Chief Officers;
- 8 were referred to the Royal Cayman Islands Police/Professional Standards Unit;
- 2 were referred to the Civil Service Appeals Commission;
- 7 non-jurisdictional complaints were referred to the private sector; and
- 1 complaint lacked sufficient information from the complainant, who also failed to follow-up the matter therefore it had to be closed.

Five (5) complaints were resolved by early resolution once the OCC got involved in the matters, 2 required lengthy technical investigations resulting in recommendations being made to improve Government systems, with 2 investigations which remain ongoing.

Explanation of variances: In 2006 the OCC encouraged all Government entities to establish ICP's which would allow the entity first opportunity to resolve complaints by the public. In instances where a complainant feels that the ICP has not conducted a fair investigation, they have the option of filing a complaint with the OCC.

Most Government entities now have an established ICP. In 2016-17 the OCC monitored 74 Government entities on a bi-annual basis and noted that most ICP's were functioning fairly well. Increased public awareness of the ICP for individual agencies meant fewer complainants were referred to the OCC than in previous years.



OCC 1	Investigation of Written Complaints of Public Interests		
Description	Investigations of written complaints includes: • Enquiries, advice and guidance to the public that do not result in a formal investigation • Investigate written complaints made regarding injustice cause by improper, unreasonable or inadequate administrative conduct on the part of any Ministry/Portfolio and respective department, unit and section, Government owed company and statutory authority; and • Undertake public interest investigations		
Measures	2016/17 - 1 Jul 16 to 31 Dec. 2017		
Quantity	Actual	Budget	Variance
• Number of enquiries, complaints referred to Internal Complaints Processes (ICP's), and ICP's Monitored	162	50-250	-
• Number of written complaints	69	30-90	-
• Number of Public Interest Investigations/Report	-	1-3	-1
Cost	865,967	865,967	-
Related Broad Outcome:	8. A Culture of Good Governance		

The OCC was unable to conduct a **Public Interest Investigation or Report** during the 2016-17 period due to staffing shortage. Our Intake Officer passed away in June 2016 after having served with the Office for a period of just over 8 years.

Following Cabinet's acceptance of the recommendation by Ernst & Young to merge the Information Commissioner's Office with the OCC, further staff resources were diverted to support the project team working on the implementation of that recommendation.

The Acting Complaints Commissioner and the investigative team began formulating a plan for an **Own Motion Investigation (OMI)**, but factors noted above severely constrained the OCC's ability to carry out a Public Interest Investigation (OMI) and Report.



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Complaint Monitoring

When an investigation results in the identification of maladministration or injustice, the OCC can make recommendations under section 18(6)(a) of the CCL. These recommendations are monitored by the OCC in order to encourage and ensure reasonable progress towards compliance. If the OCC finds that reasonable progress has not been carried out, a special report is made under Section 18(3) of the CCL to the Legislative Assembly.

Forty-four (44) recommendations were monitored during the period of July 2016 – December 2017. Thirty-Seven (37) of these were brought forward from previous years. By the end of the period, the OCC received proof that eighteen (18) recommendations were complied with, as the entities provided proof of meeting compliance measures agreed by the former Complaints Commissioner.

In addition, the OCC actively monitored 74 ICP's during the 2016-17 period and provided training for staff who handle and resolve complaints.

OCC 2	Monitor the Implementation of the Commissioner's Recommendations		
Description	- Monitor the implementation of the recommendations of the report of the Commissioner and the timescales specified in the report of action to be taken; and - Provide Special Reports to the Legislative Assembly where no adequate action has been made to remedy the injustice or evidence found of breach of duty, or criminal offence.		
Measures	2016/17 - 1 Jul 16 to 31 Dec. 2017		
	Actual	Budget	Variance
Quantity	- Number of recommendations to be monitored - Number of special reports delivered to the Clerk of the Financial Oversight Committee of the Office of the Complaints Commissioner	10-60 1-3	- -1
Cost	113,868	113,868	-
Related Broad Outcome:	8. A Culture of Good Governance		



Explanation of variances: Special Reports are provided to the Legislative Assembly in instances where an agency fails to provide the OCC with substantial proof of their efforts towards compliance of OCC recommendations.

The OCC was satisfied that all Government entities are working assiduously toward compliance with its recommendations. In certain instances, the recommendations required legislative changes which extended the time period necessary for full compliance.

Policy Advice:

The OCC periodically meets with Government entities that are the subject of recommendations to provide strategic advice for compliance. One such entity was the Immigration Department which the OCC has been meeting with in regards to their Draft Translation Policy.

The OCC also provides Quarterly Reports on statistical information. These statistics are reported to the OCC's Oversight Committee, in Newsletters and in the OCC's Annual Reports.

OCC 3	Policy Advice		
Description	Provision of policy advice on matters with the scope of activities of the Office of the Complaints Commissioner		
Measures	2016/17 - 1 Jul 16 to 31 Dec. 2017		
	Actual	Budget	Variance
Quantity	- Number of meetings attended to provide strategic advice - Number of reports including statistical information - Number of Anti-corruption Law task force meetings attended		
	3	1-4	-
	2	1-4	-
	2	1-6	-
Cost	12,707	12,707	
Related Broad Outcome:	8. A Culture of Good Governance		



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Explanation of variances: The OCC achieved all measures under this output. Additional meetings were conducted to provide enhanced support to entities working on implementation of recommendations.

Public Education Outreach

The OCC engages in public outreach programmes to promote the purpose and work of the Office and to enhance awareness on all three Islands.

In 2016-17 the OCC established promotional and education booths during Pirates Week Festivities on Grand Cayman, Cayman Brac and Little Cayman. OCC staff spoke to members of the public about the work of the Office and assisted with various queries. This was an excellent opportunity to engage the public, and provide them with information on ways to access our services.

OCC 5	Public Education Outreach		
Description	Public Education Outreach programme to establish the presence of the Office of the Complaints Commissioner (OCC) including: • Community events –to educate the public of the role of the OCC to safeguard the community in its dealings with government agencies e.g. Heritage Days, special events. • Public Meetings –to foster public administration within government agencies ensuring that the principles and practices of public administration are sensitive and responsive to the interest of the public. Training to be also held in Cayman Brac and Little Cayman, International Ombudsman to provide training to entities. • Media appearances, newsletter, updating of small claims handbook.		
Measures	2016/17 - 1 Jul 16 to 31 Dec. 2017		
	Actual	Budget	Variance
Quantity	• Number of events attended • Number of Public meetings spoken at • Number of media appearances and update	1-6 1-4	- -
Cost	182,857	182,857	-
Related Broad Outcome:	8. A Culture of Good Governance		

Explanation of variances: The Office met the budgeted quantities under this output.



How we support the Government's Policy Outcome Goals

Under section 108(b) of the Cayman Islands Constitution Order 2009, it is the overriding duty of every public officer to implement Government policy to the best of their ability and in accordance with directions given from the Cabinet or other responsible persons or authorities.

Whilst the Constitution also establishes the independence of the Complaints Commissioner, the OCC operates within the overall policy framework of the sitting Government and worked to support efforts in achieving three of its twelve broad outcome goals.

A More Efficient, Accessible and Affordable Public Service

A key objective of the OCC is to promote effective public administration within Government agencies by ensuring that the conduct, decisions and actions of those agencies are lawful, just, rational and sensitive to the needs and requirements of the public.

In the 2016-17 Budget, the OCC was allocated \$1,175,000 to deliver its various services. Due to unfilled vacancies and prudent fiscal management, the Office was able to return \$67,000 to the public purse by way of savings in its operating expense allocations.

On 28th November 2016, the OCC Investigator and External Training Officer conducted training for new Customs Officers. During the session new recruits were briefed on the duties and powers of the OCC, maladministration, the importance of providing good service and treating people fairly. The Officers were also taught basic guidelines with regards to how to handle complaints internally.



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On 9th May 2017 the Office of the Complaints Commissioner (OCC) held an annual Internal Complaints Process (ICP) Training Seminar. Forty-one civil servants from 26 different government entities attended the training session, which focused on Investigation Techniques. Attendees were briefed on how to handle complaints and develop investigative plans for their



respective government entities. The OCC strives to ensure that all government entities are individually accountable for conducting internal investigations as a means of better serving the general public.

The OCC has trained managers, and promoted the ICP annually through such training seminars.

A Culture of Good Governance

The essence of the OCC's work is the promotion of good governance. Through our work, we support agencies in ensuring fairness and effective conduct of public affairs through specific interventions where necessary.

We also continuously monitor recommendations to ensure compliance with the implementation of relevant system improvements to more efficiently serve the public.

Examples of recommendations monitored are mentioned on the following page.

- The Department of Labour & Pension (DLP) should ensure a read receipt is applied to all outgoing email correspondence as stipulated by the DLP Standard Operating Procedure Manual. This is especially pertinent in matters involving Labour Tribunal hearings. If a read receipt is not received from the recipient, the DLP must endeavor to contact the recipient by telephone or other methods available, i.e. registered mail postal service to ensure that the complainant receives notification.
- All investigations conducted by the DLP must be properly documented in order to support the work carried out by its investigations.
- Important matters concerning all hearings before the Labour Tribunal should require that all parties are provided with adequate notification of hearing dates and subsequent confirmation must be received and documented by the DLP to substantiate that all parties have been properly informed accordingly. Failing this – a tribunal hearing should not be scheduled to hear the matter without the knowledge of the complainant.
- The DLP is required to formally advise the OCC when their Complaints Manager has been trained and the type of training which was provided.
- The Department of Labour should revise their Complaints Procedure, with a copy of the revision provided to the OCC, and also ensure a copy is placed on DLP's website.
- The OCC is to be provided with proof of a directive by DLP to all staff members stating that all future complaints are to be forwarded to the Complaints Manager as soon as they are received.





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- The Department of Immigration must provide the OCC with a plan of how it intends to ensure that the proposed Translation policy will be fair to relevant stakeholders, and will protect Caymanians who may be considering venturing into the translation business, allowing them an opportunity to be qualified through a local institution or by an on-line institution.
- That the Department of Immigration consider liaising with The University College of the Cayman Islands, The Civil Service College, or other local institutions which may be able to provide a potential certified local Translators course.
- That the Department of Immigration provide the OCC with proof that the Translators currently being accepted by the Department are all in possession of the certification/qualification required by the Dol.

Complaints Recorded for 1st July 2016 to 12th September 2017

45

Complaints about Central
Government Entities

20

Complaints about Non-
Entities/ Non-Jurisdictional

7

Complaints about Boards or
Committees

8

Complaints about Statutory
Authorities



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Equity and Justice in a Society that Values the Contribution of All

Every member of the public matters and every complaint about a public agency is important. Complaints or expressions of concern give the OCC an opportunity to intervene to ensure that people are treated fairly and are provided appropriate access to justice. It also provides opportunities for the Public Service to improve by taking corrective actions where necessary.

To support Government's Outcome Goal of providing Equity and Justice in a Society that Values the Contribution of All, the OCC:

- Processes requests for advice and guidance regarding allegations of serious wrongdoing;
- Investigates allegations of maladministration; and
- Makes recommendations for corrective actions where necessary.

The guiding principle in an investigation is whether the administrative action under investigation is unlawful, unreasonable, unjust, oppressive, improperly discriminatory, factually deficient or otherwise wrong.

At the conclusion of an investigation, the OCC can recommend corrective action. This occurs either specifically in an individual case or generally by a change to relevant legislation, administrative policies, or procedures.

The OCC processed 80 cases during 1st July 2016 to 12th September 2017, and carried out 45 investigations.

A group of five people (four women and one man) are standing in front of a glass door. They are all wearing white t-shirts with a purple logo that features a stylized head with a star and the text 'INTEGRITY' and 'TRANSPARENCY'. The glass door has a large 'ico' logo in blue, orange, and yellow, and the text 'Information Commissioner' and 'CAYMAN ISLANDS' is visible. The text 'Human Resource Management' is overlaid in large white letters.

Human Resource Management



OFFICE OF THE COMPLAINTS COMMISSIONER

Staff Profile



Name: Mrs. Bridgette Lazzari-von Gerhardt

Title: Acting Complaints Commissioner and Administrative & Investigative Officer

Qualifications Held: Executive Certificate in Global Leadership from the University of Texas & UCCI; Certified Paralegal from the Chartered Institute of Legal Executives; United Kingdom Professional Certificate in HR Practice from the University of Portsmouth

Years with the Civil Service: 11



Name: Ms. Tiffany Ebanks

Title: Chief Financial Officer

Qualifications Held: Bachelor's in Business Administration from the University of South Florida, Masters in Business Administration from the University of Phoenix, CPA

Years with the Civil Service: 9



Name: Ms. Julie Faulknor-Grant

Title: Senior Investigator/ Human Resources Manager

Qualifications Held: Bachelor of Science in Social Work from the University of Georgia; Certified Mediator through the London School of Mediation; United Kingdom Professional Certificate in HR Practice from the University of Portsmouth

Years with the Civil Service: 18



Name: Mr. Daniel Lee

Title: Investigator/ FOI Manager & OCC External Trainer

Qualifications Held: Law Degree from the University of Liverpool

Years with the Civil Service: 30



Name: Ms. Abbey Natara Glasgow

Title: Executive Assistant to the Complaints Commissioner

Qualifications Held: Institute of Legal Executives Certificate

Years with the Civil Service: 2



Name: Ms. Nadiyah Abdul-Jabbar

Position Held: Temporary Intake Officer

Qualifications Held: Honours Bachelor of the Arts Degree in Communication, University of Illinois Chicago



Human Resource Achievements

Daniel Lee – Masters in Public Administration from Caplan University

Julie Faulknor-Grant – Associate CIPD from the Chartered Institute of Professional Development, HR and people development, UK.

Bridgette Lazzari-von Gerhardt - Associate CIPD from the Chartered Institute of Professional Development, HR and people development, UK.

Training and Skills Development Initiatives

The OCC supports lifelong learning and staff development as important components of capacity building to ensure optimal service delivery. Our training programme further facilitates talent management, talent retention and succession planning within the Civil Service.

Through our training and skills development initiatives, we will better equip our staff to deal with the inherent stresses that are associated with handling complaints from the public on a daily basis. The need for training and up-skilling becomes even more acute with reduced staffing resources and the resultant requirement for staff to assume increased workloads and fulfill multiple roles.

Professional development is vital to the organization, as it allows staff to keep abreast of relevant current events within the world of the Ombudsman, and to better serve the public of the Cayman Islands in this specialized area. As such, the OCC highly supports the training and development of its staff on an annual basis.

In May 2017, OCC investigator Mr. Daniel Lee travelled to the UK to understudy several agencies as a part of our professional development and succession planning. While there, he attended the Ombudsman Association Conference in Loughborough. He also had the opportunity to meet with the London Police Professional Standards Unit, Financial Ombudsman, Independent Police Complaints Unit, and Armed Services Ombudsman.

Later that month, the Senior Investigator/HR Manager, Ms. Julie Faulknor-Grant and the Acting Complaints Commissioner, both Certified HR Practitioners attended the 14th Annual Cayman Islands Society of Human Resources Professionals (CISHRP) Conference. The Conference was an opportunity to learn new skills and techniques current in the HR profession.

In June 2017, Mr. Daniel Lee represented the Cayman Islands at the Caribbean Ombudsman Association (CAROA) Biennial Conference held in Bonaire. Mr. Lee along with representatives from 15 other Caribbean countries, learned of complaint handling and modern-day challenges facing Ombudsmen in similar jurisdictions.

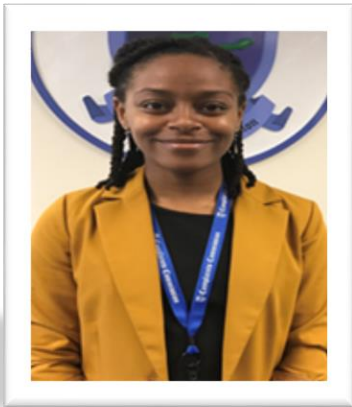
On the 9th June 2017, Mrs. Faulknor-Grant, Executive Assistant Ms. Abbey Glasgow and the Acting Complaints Commissioner completed a Red Cross' first aid certification along with staff members of the



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Office of the Auditor General. Special thanks to the Auditor General who invited the staff to partake of the training opportunity.

In September 2017, the Acting Complaints Commissioner commenced studies at the Truman Bodden Law School. She is currently pursuing a Bachelor's of Law degree from the University of Liverpool.



During April to August 2017, Ms. Nadiyah Abdul-Jabbar completed a temporary work experience opportunity with the OCC as Temporary Intake Officer.

"As a recent college graduate, the professional environment can be quite intimidating. However, I've thoroughly enjoyed getting hands-on work experience and the friendly-OCC staff have made my transition into the working world very easy. I've had the opportunity to assist with the Annual Complaints Register, attend an ICP Training Seminar, and conduct complaints intake. This allowed me to gain valuable

insight into the inner workings of government, as well as the concerns and struggles of the general public. Listening to citizens' complaints has definitely prompted me to reflect on the quality of my own customer service skills and conduct as a civil servant." Ms. Abdul-Jabbar



Financial Statements

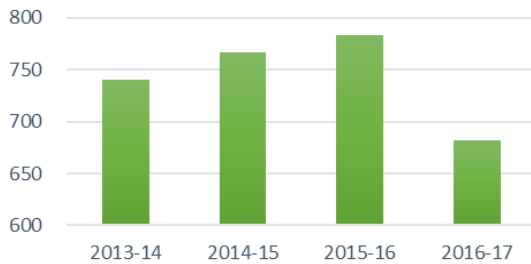


OFFICE OF THE COMPLAINTS COMMISSIONER

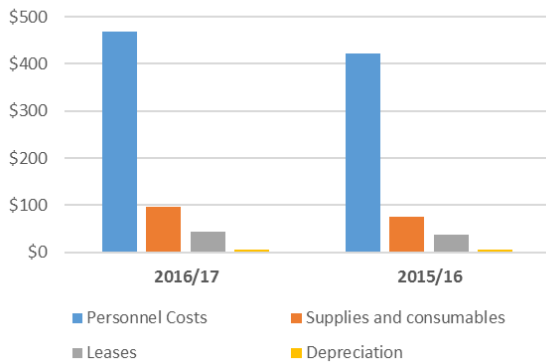
Management Discussion and Analysis of Financial Results

Expressed in Cayman Islands Dollars and in thousands

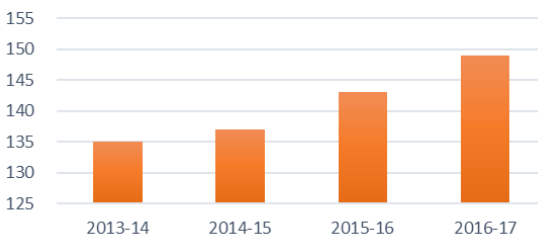
Revenue



Expenses



Working Capital



Financial Trends

Financial Performance- The OCC achieved a net operating surplus of \$67,000 for the fiscal period ended 12 September 2017. The surplus is primarily the result of cost savings from personnel costs and supplies and consumables due to the impending merger of the Office of the Complaints Commissioner with the Information Commissioner's Office (that took place during the period) which delayed recruitment and other expenses.

As shown on the **revenue** chart above, the OCC experienced a decline in revenue from the Cabinet for this reporting period. Support from Cabinet is vital to the effective discharge of the OCC's functions and has allowed the OCC the ability to improve its **working capital** position of the Office and stabilize the overall finances.

Personnel Costs includes salaries, wages and allowances for staff and account for approximately 76% of the total operating cost for the OCC. The results of the periods shown are not comparable as 2016-17 is a 14-month period and the other 3 years shown consist of 12 months each.

Supplies and Consumables largely consist of audit fees, utilities, and training, and was \$181,000 less than the budget anticipated.

Overall, expenses for the OCC was \$560,000 lower than 2016-17 budget allowed.

Financial Position- Total Assets as at 12 September 2017 was \$285,000; this amount is \$80,000 more than the budget anticipated.

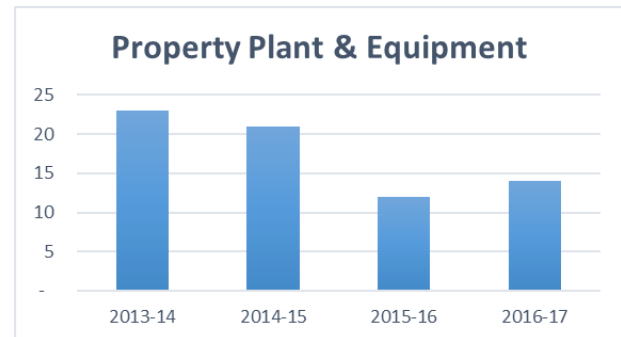
The Office had \$285,000 in total current assets and \$127,000 in total current liabilities at the close of the period under review. These balances are significant as they indicate the OCC's ability to settle its current liabilities in a timely manner. Total liabilities decreased by \$146,000 from the previous period.

Net Assets remained static at \$158,000. This is because surpluses generated by the OCC must be returned to the Cabinet unless special permission is given to retain it.



The OCC has a relatively small **property and equipment base**. The assets deployed for service delivery has been on a gradual decline over the past four years. Management intends to replace aging equipment in coming years to improve efficiency and stay abreast with modern technology.

The OCC had **cash and cash equivalents** of \$179,000 as at 12 September 2017. This amount is \$58,000 more than the budget anticipated and results from retained surplus which will be transferred back to the Cabinet following the audit process.



The overall finances showed a favorable **position** at the close of the fiscal year. The working Capital was \$158,000, which was the same as the previous period.

The OCC generated \$83,000 in positive **cash flows** from operations during the period. The Office had \$7,000 in capital expenditures for the period, and paid \$243,000 to Cabinet as surplus repayment from previous fiscal years.

Overall, Management is pleased with the operating results and position for the fiscal year. This reflects prudent management and fiscal restraint in the delivery of services.



Location: 3rd Floor Anderson Square, Shedden Road, George Town, Grand Cayman
Mailing Address: P.O. Box 2252, Grand Cayman KY1-1107, CAYMAN ISLANDS
Phone: (345) 943-2220 Fax: (345) 943-2221

Statement of Responsibility for the Financial Statements

These financial statements have been prepared by the Office of the Complaints Commissioner in accordance with the provisions of the *Public Management and Finance Law (2017 Revision)*.

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the *Public Management and Finance Law (2017 Revision)*.

As Acting Complaints Commissioner, I am responsible for establishing; and have established and maintained 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 Office of the Complaints Commissioner.

As Acting Complaints Commissioner and Chief Financial Officer we are responsible for the preparation of the Office of the Complaints Commissioner financial statements, representation and judgments made in these statements.

The financial statements fairly present the financial position, financial performance and cash flows for the financial period ended 12 September 2017.

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

- (a) Completely and reliably reflect the financial transactions of Office of Complaints Commissioner for the period ended 12 September 2017;
- (b) fairly reflect the financial position as at 12 September 2017 and performance for the period ended 12 September 2017;
- (c) comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board under the responsibility of the International Federation of Accountants.

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

Bridgette von Gerhardt
Acting Complaints Commissioner

Date: 30 April 2018

Tiffany Ebanks
Chief Financial Officer

Date: 30 April 2018

AUDITOR GENERAL'S REPORT

To the Complaints Commissioner and the Members of the Legislative Assembly

Opinion

I have audited the financial statements of Office of the Complaints Commissioner ("OCC"), which comprise the statement of financial position as at 12 September 2017, the statements of financial performance, changes in net assets/equity and cash flows for the period from 1 July 2016 to 12 September 2017, and notes, comprising significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the OCC as at 12 September 2017, and its financial performance and its cash flows for the period from 1 July 2016 to 12 September 2017 in accordance with International Public Sector Accounting Standards.

Basis for Opinion

I have conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the OCC in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in the Cayman Islands and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion. In rendering my audit opinion on the financial statements of the OCC, I have relied on the work carried out on my behalf by a public accounting firm that performed its work in accordance with International Standards on Auditing.

Emphasis of Matter

I draw attention to note 1 and note 2 to the financial statements, which describe that the going concern basis of preparing the financial statements has not been used due to the enactment of the *Ombudsman Law, 2017*, which resulted in the discontinuance of the OCC as a separate legal entity of the Cayman Islands Government. My opinion is not modified in respect of this matter.

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

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

In preparing the financial statements, management is responsible for assessing the OCC's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the OCC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the OCC's financial reporting process.

AUDITOR GENERAL'S REPORT (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OCC's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the OCC's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of our auditors' report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I have undertaken the audit in accordance with the provisions of section 60(1)(a)(ii) of the *Public Management and Finance Law (2017 Revision)*. I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Sue Winspear, CPFA
Auditor General

30 April 2018
Cayman Islands



Statement of Financial Position

OFFICE OF THE COMPLAINTS COMMISSIONER
STATEMENT OF FINANCIAL POSITION
AS AT 12 SEPTEMBER 2017

	Note	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Current Assets					
Cash and cash equivalents	3,17	179	121	(58)	346
Receivables from exchange transactions	4,17,18	89	65	(24)	65
Other Receivables		-	-	-	1
Prepayments		1	12	11	4
Property and equipment	5	14	6	(8)	-
Intangible Asset	6	2	1	(1)	-
Total Current Assets		285	205	(80)	416
Non-Current Assets					
Property and equipment	5	-	-	-	12
Intangible Assets	6	-	-	-	3
Total Non-Current Assets		-	-	-	15
Total Assets		285	205	(80)	431
Current Liabilities					
Accruals and other liabilities	7	50	30	(20)	23
Employee entitlements	8	10	17	7	7
Surplus payable	10,17,18	67	-	(67)	243
Total Current Liabilities		127	47	(80)	273
Net Assets		158	158	-	158
Equity					
Contributed Capital		158	158	-	158
Accumulated surplus/(deficit)		-	-	-	-
Total net assets/equity		158	158	-	158

The accounting policies and notes on pages 39-56 form part of these financial statements.



OFFICE OF THE COMPLAINTS COMMISSIONER

Statement of Financial Performance

OFFICE OF THE COMPLAINTS COMMISSIONER
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD ENDED 12 SEPTEMBER 2017

	Note	Current Period Actual	Approved Budget	Variance (Budget vs Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Revenue					
Sales of goods & services	11,17,18	682	1,175	493	783
Total Revenue		682	1,175	493	783
Expenses					
Personnel costs	12,17	468	832	364	421
Supplies and consumables	13,17	96	277	181	75
Leases	14	45	58	13	38
Depreciation and amortisation	5,6	6	8	2	6
Total Expenses		615	1,175	560	540
Surplus or (Deficit) for the period		67	-	(67)	243

The accounting policies and notes on pages 39-56 form part of these financial statements.



Statement of Changes in Net Assets/ Equity

OFFICE OF THE COMPLAINTS COMMISSIONER
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE PERIOD ENDED 12 SEPTEMBER 2017

	Contributed Capital	Accumulated Surplus	Total Net Assets/Equity	Approved Budget	Variance (Budget vs. Actual)
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Balance at 30 June 2015	158	-	158	158	-
Surplus for the year (2015/16)	-	243	243	-	(243)
Repayment of surplus to Cabinet	-	(243)	(243)	-	243
Balance at 30 June 2016	158	-	158	158	-
Balance at 30 June 2016	158	-	158	158	-
Surplus for the period (2016/17)	-	67	67	-	(67)
Repayment of surplus to Cabinet	-	(67)	(67)	-	67
Balance at 12 September 2017	158	-	158	158	-

The accounting policies and notes on pages 39-56 form part of these financial statements.



OFFICE OF THE COMPLAINTS COMMISSIONER

Statement of Cash Flows

OFFICE OF THE COMPLAINTS COMMISSIONER
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 12 SEPTEMBER 2017

	Note	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Operating Activities					
<i>Cash received</i>					
Sales to Cabinet		659	1,174	515	816
<i>Cash used</i>					
Personnel costs		(465)	(832)	(367)	(429)
Supplies and consumables		(111)	(334)	(223)	(111)
Net cash flows from operating activities	15	83	8	(75)	276
Investing Activities					
<i>Cash used</i>					
Purchase of property and equipment	5	(7)	-	7	-
Net cash flows used by investing activities		(7)	-	7	-
Financing Activities					
<i>Cash used</i>					
Repayment of surplus	10	(243)	-	243	(249)
Net cash flows used by financing activities		(243)	-	243	(249)
Net (decrease)/increase in cash and cash equivalents held		(167)	8	175	27
Cash and cash equivalents at beginning of period		346	113	(233)	319
Cash and cash equivalents at the end of the period		179	121	(58)	346

The accounting policies and notes on pages 39-56 form part of these financial statements.



Notes to the Financial Statements

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 1: Description and Principal Activities

The Office of the Complaints Commissioner (the “Entity”, “OCC”) is a government owned entity as defined by section 2 of the Public Management and Finance Law (2017 Revision) and it is domiciled in the Cayman Islands.

Its principal activities and operations include all activities carried out in terms of the outputs purchased by the Office of the Complaints Commissioner as defined in the Annual Plan and Estimates for the Government of the Cayman Islands for the financial period ended 12 September 2017. As at 12 September 2017, the Office of the Complaints Commissioner had 5 employees (2016: 6).

Following the enactment of the Ombudsman Law 2017 and the Complaints Commissioner (Amendment) Law 2017, all responsibilities of the Complaints Commissioner passed to the Ombudsman on 13 September 2017. The Entity ceased to operate as a separate legal entity of the Government from this date and merged with the Information Commissioner’s Office (“ICO”) for form the Office of the Ombudsman (“OMB”). Effective 13 September 2017, all assets, liabilities, and net assets/equity were transferred at the fair value from OCC and ICO into the Office of the Ombudsman.

OMB’s registered office is located on the 3rd Floor of the Anderson Square Building in central George Town. Correspondence may be sent to P.O. Box 2252, Grand Cayman KY1-1107, Cayman Islands.

Note 2: Significant accounting policies

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (“IPSAS”) issued by the International Federation of Accountants and its International Public Sector Accounting Standards Board. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of preparation and measurement

The Financial Statements of the OCC are presented in Cayman Islands Dollars and comply with International Public Sector Accounting Standards for the accrual basis of accounting. Where additional guidance is required, International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board are used. As discussed in note 1, as a result of the enactment of the Ombudsman Law 2017, effective 12 September 2017, the Entity ceased operations. Accordingly, these financial statements as at and for the period ended 12 September 2017 have been prepared on a basis other than going concern (the “accounting basis”). Under the accounting basis, the Entity measures its assets based on their net realizable value and its liabilities on expected settlement amounts.



OFFICE OF THE COMPLAINTS COMMISSIONER

Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 2: Significant accounting policies (Continued)

(a) Basis of preparation (continued)

All assets and liabilities have been classified as current. As the Entity's assets and liabilities predominately comprise financial assets and liabilities carried at amortized cost, the change in basis of accounting did not result in different measurements for those under the going concern basis of accounting. The accounting policies have been applied consistently throughout the period.

(b) Reporting period

The Public Management and Finance (Amendment) Law, 2015 section 2(c), was passed on 15 October 2015 to reflect a change in the annual reporting date from 30 June to 31 December. As disclosed in note 1 and note 2(a) these financial statements include 14.4 months for the period from 1 July 2016 to 12 September 2017.

The prior year amounts presented in the financial statements is for a 12 month period to 30 June 2016 and therefore are not entirely comparable to the current period actuals for the 14.4 month period. IPSAS 1 (66) allows for the financial statements to be presented for a period longer or shorter than one year when an entity's reporting date changes.

(c) Budget amounts

The 2016/17 approved budget amounts were prepared using the accrual basis of accounting and the accounting policies have been consistently applied with the actual financial statement presentation. The 2016/17 approved budget was presented in the 2016/2017 Annual Budget Statement of the Government and approved by the Legislative Assembly on 24 June 2016. There have been no subsequent adjustments to the approved budget and therefore this represents the final budgeted amounts. The budget amounts included in these financial statements relate to the 18 month period from 1 July 2016 to 31 December 2017.

(d) Use of estimates

The preparation of financial statements in accordance with IPSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities; and disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of income and expense during the period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. The account balances that require judgements are receivables from exchange transactions, property and equipment and accrual and other liabilities. Actual results may differ from these estimates.



Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 2: Significant accounting policies (Continued)

(d) Use of estimates (continued)

In addition, due to the financial period ending on 12 September 2017, some reported amounts in the Statements of Financial Position and Financial Performance were determined based on the prorated amount of days within the month of September to approximate the amounts to be recorded by the Entity.

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

(e) Foreign Currency

Foreign currency transactions are recorded in Cayman Islands dollars using the exchange rate in effect at the date of the transaction. Foreign currency gains or losses resulting from settlement of such transactions are recognized in the statement of financial performance.

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

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

(f) Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents are considered as cash held on demand and fixed deposits with an original maturity of three months or less.



OFFICE OF THE COMPLAINTS COMMISSIONER

Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 2: Significant accounting policies (continued)

(g) Receivables from exchange transactions

Receivables from exchange transactions are recognized initially at fair value and are subsequently reviewed for impairment. Where there is objective evidence that a debt will not be collected by the OCC according to the agreed terms, a provision for bad debt is established.

(h) Property and equipment

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

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

Asset Type	Estimated Useful Life
Computer Equipment	3-4 years
Office equipment and furniture	5-10 years
Other equipment	5-10 years
Leasehold improvements	Over the remaining term of the lease

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

Gains and losses on disposal of property and equipment are determined by comparing the sale proceeds with the carrying amount of the asset. Gains and losses on disposals during the year are included in the statement of financial performance.

(i) Revenue recognition

The OCC earns revenue primarily from the provision of outputs to the Legislative Assembly. Revenues are recognized when the outputs agreed in the Annual Plan and Estimates have been delivered.



Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 2: Significant accounting policies (continued)

(j) Operating Lease

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

(k) Financial instruments

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 are comprised of cash and cash equivalents, receivables from exchange transactions and other receivables.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable. Financial liabilities are comprised of accruals and other liabilities, employee entitlements and surplus payable.

Recognition

The OCC recognizes financial assets and financial liabilities on the date it becomes party to the contractual provision of the instrument. From this date, any gains and losses arising from changes in fair value of the assets or liabilities are recognized in the Statement of Financial Performance.

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 instruments are measured at amortized cost, which is considered to approximate fair value due to the short-term or immediate nature of these instruments.

Derecognition

A financial asset is derecognised when the OCC realizes 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.



OFFICE OF THE COMPLAINTS COMMISSIONER

Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 2: Significant accounting policies (continued)

(l) Provisions and contingencies

Provisions are recognized when an obligation (legal or constructive) is incurred as a result of a past event and where it is probable that an outflow of assets embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are not recognised but are disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized but are disclosed in the financial statements when an inflow of economic benefits is probable.

(m) Revenue from non-exchange transactions

The OCC receives various services from other government entities for which payment is made by the Government. These services include computer repairs and software maintenance by the Computer Services Department and human resource management by the Portfolio of the Civil Service. Refer to note 9 for further disclosures on non-exchange transactions. When the services in-kind offered are directly related to construction or acquisition of a property and equipment, such service in-kind is recognized in the cost of property and equipment.

(n) Impairment

An asset is impaired when its carrying amount exceeds its recoverable amount. If there is any indication of impairment present, the OCC is required to make a formal estimate of recoverable amount.

(o) Comparative Figures

Comparative figures are reclassified to ensure consistency with the current period unless it is impracticable to do so. Property and equipment has been classified as current assets in the current period, due to the discontinuance of the Entity effective 12 September 2017.

(p) Intangible Assets

Costs that are directly associated with the purchase and implementation of identifiable software are recognised as intangible assets. Intangible assets do not have indefinite useful lives and are amortised on a straight line basis over their useful lives.



Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 3: Cash and cash equivalents

As at 12 September 2017 the Office of the Complaints Commissioner held no restricted cash balances (30 June 2016: \$0). No interest was earned during the year on the amounts held in these bank accounts (30 June 2016: \$0).

Description	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Operational Current Account - KYD	176	89	(87)	338
Payroll Current Account - KYD	3	32	29	8
Cash and cash equivalents	179	121	(58)	346

Note 4: Receivables from exchange transactions

Trade Receivables	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Outputs to Cabinet	89	65	(24)	65
Salary Advances	-	-	-	1
Total/Net Trade receivables	89	65	(24)	66

Maturity Profile	Current Period (Gross)	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Current	43	65	22	66
Past due 31-60 days	46	-	(46)	-
Past due 61-90 days	-	-	-	-
Past due 90 and above	-	-	-	-
Total Trade Receivables	89	65	(24)	66

As of 12 September 2017 and 30 June 2016, receivables from exchange transactions are all due within one year.



OFFICE OF THE COMPLAINTS COMMISSIONER

Notes to the Financial Statements (continued)

For the period ended 12 September 2017

(Expressed in Cayman Islands Dollars)

Note 5: Property and equipment

Cost of Property, plant & equipment					
	Furniture & Fittings	Computer Hardware	Office Equipment	Leasehold Improvements	Total Property Plant and Equipment
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Balance as at 1 July 2015	11	3	14	3	31
Additions	-	-	-	-	-
Disposal/ Derecognition	-	-	-	-	-
Balance as at 30 June 2016	11	3	14	3	31
	Furniture & Fittings	Computer Hardware	Office Equipment	Leasehold Improvements	Total Property Plant and Equipment
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Balance as at 1 July 2016	11	3	14	3	31
Additions	-	7	-	-	7
Disposal/ Derecognition	-	-	-	-	-
Balance as at 12 September 2017	11	10	14	3	38



Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 5: Property and equipment (continued)

Accumulated Depreciation and impairment losses					
	Furniture & Fittings	Computer Hardware	Office Equipment	Leasehold Improvements	Total Property Plant and Equipment
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Balance as at 1 July 2015	7	2	5	-	14
Disposal/Derecognition	-	-	-	-	-
Depreciation Expense	1	1	2	1	5
Balance as at 30 June 2016	8	3	7	1	19
	Furniture & Fittings	Computer Hardware	Office Equipment	Leasehold Improvements	Total Property Plant and Equipment
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Balance as at 1 July 2016	8	3	7	1	19
Disposal/Derecognition	-	-	-	-	-
Depreciation Expense	1		3	1	5
Balance as at 12 September 2017	9	3	10	2	24
Net Book value 30 June 2016	3	-	7	2	12
Net Book value 12 September 2017	2	7	4	1	14



OFFICE OF THE COMPLAINTS COMMISSIONER

Notes to the Financial Statements (continued)

For the period ended 12 September 2017

(Expressed in Cayman Islands Dollars)

Note 6: Intangible Asset

<u>Cost</u>	<u>Computer Software</u>
<i>(expressed in Cayman Islands dollars and in thousands)</i>	
Balance as at 1 July 2015	35
Additions	-
Disposal/ Derecognition	-
Balance as at 30 June 2016	35
	<u>Computer Software</u>
Balance as at 1 July 2016	35
Additions	-
Disposal/ Derecognition	-
Balance as at 12 September 2017	35
<u>Accumulated Amortization and impairment losses</u>	<u>Computer Software</u>
<i>(expressed in Cayman Islands dollars and in thousands)</i>	
Balance as at 1 July 2015	31
Disposal/Derecognition	-
Amortization Expense	1
Balance as at 30 June 2016	32
	<u>Computer Software</u>
Balance as at 1 July 2016	32
Disposal/Derecognition	-
Amortization Expense	1
Balance as at 12 September 2017	33
Net Book value 30 June 2016	3
Net Book value 12 September 2017	2



Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 7: Accruals and other liabilities

Description	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Accruals	50	30	(20)	22
Other	-	-	-	1
Total Accruals and Other Liabilities	50	30	(20)	23

Payables under exchange transactions and other payables are non-interest bearing and are normally settled on 30-day terms.

Note 8: Employee entitlements

Details	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Annual leave	10	17	7	7
Total employee entitlements	10	17	7	7



OFFICE OF THE COMPLAINTS COMMISSIONER

Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 9: Revenue from non-exchange transactions

During the period ended 12 September 2017, OCC received services in-kind as defined under IPSA 23 Revenue from non-exchange transactions, in the form of computer repairs and software maintenance by the Computer Services Department and human resources management by the Portfolio of the Civil Service. The fair value of these services cannot be determined and therefore were not recognised as revenues and expenses in these financial statements.

Note 10: Surplus payable

Surplus payable represents accumulated surplus of \$67 thousand as at 12 September 2017 (30 June 2016: \$243 thousand). Under the *Public Management & Finance Law (2017 Revision)* section 39 (3)(f), the Office of the Complaints Commissioner may “retain such part of its net operating surplus as is determined by the Minister of Finance”. The Office of the Complaints Commissioner has recorded a surplus payable to the Government of the Cayman Islands in the amount of \$67 thousand (2016: \$243 thousand). During the year ended 12 September 2017 the Office of the Complaints Commissioner paid to Cabinet a surplus payable amount of \$243 thousand.

Note 11: Revenue

Description	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Outputs to Cabinet	682	1,175	493	783
Total Sale of Goods & Services	682	1,175	493	783



Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 12: Personnel costs

Description	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Salaries, wages, and allowances	400	689	289	363
Health care	47	90	43	50
Pension	18	38	20	16
Leave	3	3	-	(8)
Other Personnel related costs	-	12	12	-
Total Personnel Cost	468	832	364	421

Note 13: Supplies and consumables

Description	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Supplies and Materials	9	35	26	7
Purchase of services	20	127	107	16
Utilities	22	45	23	12
General Insurance	2	4	2	2
Travel and Subsistence	1	15	14	-
Recruitment & Training	18	25	7	19
Audit fees	24	25	1	19
Other	-	1	1	-
Total Supplies & Consumables	96	277	181	75

Note 14: Leases

Type of Lease	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Lease and Rent of Property and Sites	45	58	13	38
	45	58	13	38



OFFICE OF THE COMPLAINTS COMMISSIONER

Notes to the Financial Statements (continued)

For the period ended 12 September 2017

(Expressed in Cayman Islands Dollars)

Note 15: Reconciliation of net cash flows from operating activities to surplus

Reconciliation of Surplus to Net Operating Cash	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Surplus/(deficit) from ordinary activities	67	-	(67)	243
Non-cash movements				
Depreciation and amortisation	6	8	2	6
Changes in current assets and liabilities:				
(Increase)/decrease in current assets	(20)	(3)	17	38
(Increase)/decrease in current liabilities	30	3	(27)	(11)
Net cash flows from operating activities	83	8	(75)	276

Note 16: Commitments

As disclosed in note 1 to the financial statements, the enactment of the Ombudsman Law, 2017, resulted in the discontinuance of OCC as a separate legal entity of the Cayman Islands Government effective 12 September 2017 and the entity merged with the ICO effective 13 September 2017 to form the Office of the Ombudsman. Therefore, the lease commitments under the existing 5 year lease expiring on the 30 October 2019, will now be a future lease commitment of the newly formed Office of the Ombudsman entity.



Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 17: Explanation of major variances against budget

Explanations for major variances for the Office of the Complaints Commissioner performance against the original budget are as follows:

Statement of financial position

Cash and cash equivalents

The increase in cash and cash equivalents of \$58 thousand compared to budget is primarily due to the timing of cash receipts for revenue collected for expenses incurred but not yet paid out.

Receivables

The variance of CI\$24 thousand in receivables is primarily due to Cabinet billing invoiced but not yet received as at 12 September 2017.

Surplus payable

The Office of the Complaints Commissioner has recorded a surplus of \$67 thousand (2016: 243 thousand) in the period. The budget did not include any provision for surplus.

Statement of financial performance

The significant variance between budget to actual for sales of goods & services is primarily as a result of the budget initially set and approved for an 18-month period which was more than the 14.4 month period actually reported for OCC. In addition, the Entity initially billed Government based on a percentage of the approved budget. However, this was changed part way through the period, whereby the entity only bills the Government for amounts actually incurred. As such a surplus was generated given the initial revenue billing process.

The significant variance between budget to actual in personnel costs and supplies and consumables is mainly due to the merger which became effective within the 18-month budgeted period. Due to the impending merger such things as recruitment, advertising and marketing, etc., were delayed and resulted in the favorable variance noted. In addition, less personnel costs were incurred directly as a result of the shorter reporting period. Refer to notes 12 and 13 for further analysis.



OFFICE OF THE COMPLAINTS COMMISSIONER

Notes to the Financial Statements (continued)

For the period ended 12 September 2017

(Expressed in Cayman Islands Dollars)

Note 18: Related party and key management personnel disclosures

Related party disclosure

The Office of the Complaints Commissioner is a wholly owned entity of the Government of the Cayman Islands from which it derives a major source of its revenue. The Office of the Complaints Commissioner and its key management personnel transact with other government entities on a regular basis. These transactions are as follows:

	Current Period Actual	Approved Budget	Variance (Budget vs. Actual)	30 June 2016 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Statement of financial position				
Receivables from exchange transactions	89	65	(24)	65
Surplus payable	67	-	(67)	243
Surplus paid during the year	243	-	(243)	249
Statement of financial performance				
Sale of goods and services	682	1,175	493	783
Insurance expense	2	4	2	2

Key management personnel

Total remuneration includes: regular salary, pension contribution, health insurance contribution, allowances, bonus and termination benefits. Total remuneration paid to key management personnel were as follows:

Description	Current Period (Gross)	30 June 2016 (Gross)
<i>(expressed in Cayman Islands dollars and in thousands)</i>		
Salaries & other short term employee benefits	138	126
Total Remuneration	138	126
Number of Key Management Personnel	1	1

There were no loans made to key management personnel or their close family members in the period ended 12 September 2017 (2016: \$0).



Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 19: Financial instrument risks

The Office of the Complaints Commissioner is exposed to a variety of financial risks including credit risk and liquidity risk. The 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 (2017 Revision).

Credit risks

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Office of the Complaints Commissioner. Financial assets which potentially expose the Office of the Complaints Commissioner to credit risk comprise cash and cash equivalents and receivables from exchange transactions.

The Office of the Complaints Commissioner 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. Receivables from exchange transactions are due from the Government of the Cayman Islands and is deemed financially stable to meet its liabilities.

Liquidity risk

Liquidity risk is the risk that the Office of The Complaints Commissioner is unable to meet its payment obligations associated with its financial liabilities when they are due.

The ability of the Office of the Complaints Commissioner to meet its debts and obligation is dependent upon its ability to collect the debts outstanding to the Office of The Complaints Commissioner on a timely basis. In the event of being unable to collect its outstanding debts, it is expected that the Government of the Cayman Islands would temporarily fund any shortfalls for the Office of the Complaints Commissioner with its own cash flows. As at 12 September 2017 and 30 June 2016, all of the financial liabilities were due within three months of the year end dates.

Currency risk

The Office of the Complaints Commissioner has minimal exposure to currency exchange risk.



OFFICE OF THE COMPLAINTS COMMISSIONER

Notes to the Financial Statements (continued)

For the period ended 12 September 2017
(Expressed in Cayman Islands Dollars)

Note 20: Subsequent events

Effective 13 September 2017, the Entity merged with the Information Commissioner's Office to form the new Office of the Ombudsman entity in accordance with the Ombudsman Law, 2017.

In preparing these financial statements management has evaluated and disclosed all material subsequent events up to 30 April 2018 which is the date that the financial statements were available to be issued.



Appendices



OFFICE OF THE COMPLAINTS COMMISSIONER

Governance and Risk Management

The OCC is subject to normal risks associated with most public agencies. For 2016-17 those risks include:

- Loss or absence of key staff along with their expertise and experience;
- Constrained ability to effectively manage complaints with existing resources;
- Physical and electronic security;
- Natural disasters including hurricanes, fires and other perils; and
- Impacts on staff health and safety arising from unreasonable complainant conduct.

The OCC has measures in place to manage these risks, and will continue to implement appropriate risk management strategies as part of an overall risk management framework.

Legal Framework

Laws Administered by the Office of the Complaints Commissioner

- The Legislative Framework for the OCC is prescribed under the Complaints Commissioner Law (2014 Revision).
- The OCC is also subject to the Public Management and Finance Law (2017 Revision) and the Public Service Management Law (2013 Revision).

Legislative Changes during 2016/17

During the period under review, The Ombudsman Bill, 2016 was passed by the House on 27th March 2017, which served to create the Office of the Ombudsman.

The Complaints Commissioner (Amendment) Bill, 2016 was also passed on 27th March 2017, to amend the Complaints Commissioner Law (2014 Revision) as a consequence of the Constitution of the Office of the Ombudsman.



Glossary of Abbreviations

CAROA	Caribbean Ombudsman Association
CCL	Complaints Commissioner Law
CISHRP	Cayman Islands Society of Human Resources Professionals
DLP	Department of Labour & Pension
ICP	Internal Complaints Process
IFRS	International Financial Reporting Standards
IPSAS	International Public Sector Accounting Standards
OCC	Office of the Complaints Commissioner
OMI	Own Motion Investigation
PMFL	Public Management and Finance Law



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**OFFICE OF
THE COMPLAINTS COMMISSIONER**

**ANNUAL REPORT
2016-2017**

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