



GOVERNMENT OF THE CAYMAN ISLANDS

MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS

**ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2016**

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MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Ministry of Education, Employment & Gender Affairs in accordance with the provisions of the Public Management and Finance Law (2013 Revision).

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

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

As Chief Officer and Chief Financial Officer we are responsible for the preparation of the Ministry of Education, Employment & Gender Affairs financial statements, representation and judgements made in these statements.

The financial statements fairly present the financial position, financial performance and cash flows of the Ministry of Education, Employment & Gender Affairs 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 the Ministry of Education, Employment & Gender Affairs for the year ended 30 June 2016;
- (b) fairly reflect the financial position as at 30th June 2016 and performance for the year ended 30th June 2016;
- (c) comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board under the responsibility of the International Federation of Accountants. Where guidance is not available, the financial statements comply with International Accounting Standards issued by the International Accounting Standards Committee or accounting practice that is generally accepted in the United Kingdom as appropriate for reporting in the public sector.

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



Cetonya Cacho
Acting Chief Officer

Date- 16/Nov/18



Nicola Anderson-Wildman
Chief Financial Officer

Date- 16/Nov/18

AUDITOR GENERAL'S REPORT

To the Members of the Legislative Assembly and the Chief Officer of the Ministry of Education, Employment & Gender Affairs

I have audited the accompanying financial statements of the Ministry of Education, Employment & Gender Affairs, which comprise the statement of financial position as at 30 June 2016 and the statement of financial performance, statement of changes in net worth and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 10 to 29 in accordance with the provisions of Section 60(1)(a) of the Public Management and Finance Law (2013 Revision).

Management's Responsibilities for the Financial Statements

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

Auditor's Responsibility

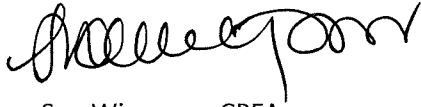
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about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

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

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

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Ministry of Education, Employment & Gender Affairs as at 30 June 2016 and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

A handwritten signature in black ink, appearing to read 'Sue Winspear', with a stylized flourish at the end.

Sue Winspear, CPFA
Auditor General

16 November 2018
Cayman Islands

MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

Expressed in Cayman Islands Dollars

Prior Year Actual \$'000		Note	Actual \$'000	Original Budget \$'000	Final Budget CI\$000	Variance (Budget vs Actual) \$'000
Current Assets						
26,139	Cash and cash equivalents	2	28,226	61,735	61,735	33,509
8,829	Trade Receivables	3	8,569	6,281	6,281	(2,288)
24	Other Receivables	3	15	26	26	11
266	Prepayments	4	174	63	63	(111)
28,565	Investments	5	36,110	-	-	(36,110)
63,823	Total Current Assets		73,094	68,105	68,105	(4,989)
Non-Current Assets						
72	Intangible Assets	6b	51	2	2	(49)
181,541	Property, plant and equipment	6	213,447	253,669	254,048	40,222
181,613	Total Non-Current Assets		213,498	253,671	254,050	40,173
245,436	Total Assets		286,592	321,776	322,155	35,184
Current Liabilities						
1	Trade Payables	7	5	277	277	272
3,517	Accruals and other liabilities	7	2,068	6,642	6,642	4,574
352	Employee entitlements	8	370	283	283	(87)
3,870	Total Current Liabilities		2,443	7,203	7,203	4,760
3,870	Total Liabilities		2,443	7,203	7,203	4,760
241,566	Net Worth		284,149	314,573	314,952	30,424
Equity						
300,029	Contributed Capital		305,408	296,556	296,935	(8,852)
-	Revaluation reserve		33,360	32,973	32,973	(387)
(58,463)	Accumulated deficit		(54,619)	(14,956)	(14,956)	39,663
241,566	Total net worth		284,149	314,573	314,952	30,424

The accounting policies and notes starting on page 10 form an integral part of these financial statements.

MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
STATEMENT OF FINANCIAL PERFORMANCE
AS AT 30 JUNE 2016

Expressed in Cayman Islands Dollars

Prior Year Actual \$'000		Note	Actual \$'000	Original Budget \$'000	Final Budget \$'000	Variance (Budget vs Actual) \$'000
Revenue						
72,292	Sales of goods & services	9	77,070	77,540	77,540	470
23	Investment revenue	5	54	10	10	(44)
72,315	Total Revenue		77,124	77,550	77,550	426
Expenses						
48,648	Personnel costs	10	52,238	52,432	52,432	194
17,427	Supplies and consumables	11	16,894	18,645	18,645	1,751
9,272	Depreciation & amortization	6, 6b	9,113	6,473	6,473	(2,640)
8	Litigation costs	12	15	-	-	(15)
1,097	Impairment of property, plant and equipment	6	-	-	-	-
1	(Gains)/Loss on foreign exchange transactions	13	(15)	-	-	15
1	(Gains)/Loss on disposal/revaluations of property, plant & equipment	13	(5,511)	-	-	5,511
76,454	Total Expenses		72,734	77,550	77,550	4,816
(4,139)	(Deficit)/ Surplus for the period		4,390	-	-	(4,390)

The accounting policies and notes starting on page 10 form an integral part of these financial statements

MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 JUNE 2016
Expressed in Cayman Islands Dollars

	Contributed Capital \$'000	Revaluation Reserve \$'000	Accumulated Surplus/ (deficits) \$'000	Total Networth \$'000	Original Budget \$'000	Final Budget \$'000	Variance (Orig. vs. Actual) \$'000
Balance at 30 June 2014	294,962	-	(54,017)	240,945	306,677	306,677	65,732
Prior Year Adjustments	15	-	(307)	(292)	(239)	(239)	53
Restated balance	294,977	-	(54,324)	240,653	306,438	306,438	65,785
Changes in net worth for 2014/15							
Gain/(loss) on property revaluation	-	-	-	-	(941)	(941)	(941)
Equity Investment from Cabinet	5,052	-	-	5,052	6,271	6,271	1,219
Net revenue / expenses recognised directly in net worth	5,052	-	-	5,052	5,330	5,330	278
Deficit for the period 2014/15	-		(4,139)	(4,139)	-	-	4,139
Total recognised revenues and expenses for the period	5,052	-	(4,139)	913	5,330	5,330	4,417
Balance at 30 June 2015 carried forward	300,029	-	(58,463)	241,566	311,768	311,768	70,202
	Contributed Capital	Revaluation Reserve	Accumulated Surplus/ (deficits)	Total Net worth	Original Budget	Final Budget	Variance (Orig. vs. Actual)
Balance at 30 June 2015 brought forward	300,029	-	(58,463)	241,566	311,768	311,768	70,202
Changes in net worth for 2015/16							
Prior Year Adjustments (Note 20)	-	-	(546)	(546)	(1,254)	(1,254)	(708)
Restated balance	300,029	-	(59,009)	241,020	310,514	310,514	69,494
Changes in net worth for 2015/16							
Gain/(loss) on property revaluation (Note 6)	-	33,360	-	33,360	(941)	(941)	(34,301)
Equity Investment from Cabinet (Note 17)	5,379	-	-	5,379	5,000	5,379	(379)
Net revenue / expenses recognised directly in net worth	5,379	33,360	-	38,739	4,059	4,438	(34,680)
Surplus for the period 2015/16	-	-	4,390	4,390	-	-	(4,390)
Total recognised revenues and expenses for the period	5,379	33,360	4,390	43,129	4,059	4,438	(39,070)
Balance at 30 June 2016	305,408	33,360	(54,619)	284,149	314,573	314,952	30,424

The accounting policies and notes starting on page 10 form an integral part of these financial statements.

MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS

CASH FLOW STATEMENT

AS AT 30 JUNE 2016

Expressed in Cayman Islands Dollars

Prior Year		Actual	Original Budget	Final Budget	Variance (Budget vs Actual)
\$'000		\$'000	\$'000	CI \$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
69,762	Outputs to Cabinet	73,262	76,172	76,172	2,910
1,915	Sale of goods and services - third party	1,787	556	556	(1,231)
23	Interest received	50	-	-	(50)
104	Other receipts	203	-	-	(203)
(48,590)	Personnel costs	(52,216)	(52,432)	(52,432)	(216)
(20,819)	Supplies and consumables	(18,021)	(18,645)	(18,645)	(624)
(48)	Other payments	(122)	-	-	122
2,347	Net cash flows from operating activities	4,943	5,651	5,651	708
CASH FLOWS FROM INVESTING ACTIVITIES					
(2,489)	Purchase of property, plant and equipment	(2,127)	(5,000)	(5,379)	(2,873)
-	Purchase of Investments	(7,545)	-	-	7,545
(2,489)	Net cash flow used by investing activities	(9,672)	(5,000)	(5,379)	4,672
CASH FLOWS FROM FINANCING ACTIVITIES					
4,761	Equity Investment	6,816	5,000	5,379	(1,816)
4,761	Net cash flows from financing activities	6,816	5,000	5,379	(1,816)
4,619	Net increase in cash and cash equivalents	2,087	5,651	5,651	3,564
21,520	Cash and cash equivalents at beginning of period	26,139	56,084	56,084	29,945
26,139	Cash and cash equivalents at the end of the period	28,226	61,735	61,735	33,509

The accounting policies and notes starting on page 10 form an integral part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Description and principal activities

The Ministry of Education, Employment & Gender Affairs, (hereafter referred to as the “Ministry”) 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 Minister of Education, Employment & Gender Affairs as defined in the Annual Plan and Estimates for the Government of Cayman Islands for the financial year ended 30 June 2016.

In addition, the Ministry has reported the activities that it administers on behalf of Cabinet.

Note 1: Significant Accounting Policies

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

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

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

(a) Basis of preparation

The financial statements are presented in Cayman Islands dollars and are prepared on the accrual basis of accounting, unless otherwise stated. The measurement base applied to these financial statements is the historical cost basis. Except where note, all values in these financial statements are rounded to the nearest thousand (\$000).

Changes in Accounting Policies

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

The presentation of the prior year financial statements has been changed to include a comparison of actual amounts with amounts in the original and final budget as required by IPSAS 24 including explanations of material difference between original budget and actual amounts.

The details and presentation of the Statement of Changes in Net Worth has been changed to show greater detail and to reflect changes in accounting policies and corrections of errors and omissions.

Segment reporting has been included in accordance with IPSAS 18.

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

(b) Budget amounts

The original budget amounts for the financial year are as presented in the 2015/16 Annual Budget Statement and approved by the Legislative Assembly.

(c) Judgments and Estimates

The preparation of financial statements is in conformity with International Public Sector Accounting Standards that requires judgments, estimates, and assumptions affecting the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

(d) Changes in Accounting Estimates

There are no changes in accounting estimates.

(e) Revenue

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

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

(f) Expenses

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

(g) Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, where this is representative of the pattern of benefits to be derived from the leased property. Lease payments under operating lease, net of lease incentives received, are recognised as expenses on a straight-line basis over the lease term. Lease incentives received are recognised evenly over the term of the lease as a reduction in rental expense.

(h) Cash and Cash Equivalents

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

(i) Prepayments

The portion of recognised expenditure paid in advance of receiving services has been recognised as a prepayment and is classified as accounts receivable in these financial statements.

(j) Inventories

No inventories are currently held by the Ministry.

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

(k) Property, Plant and Equipment

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

In accordance with IPSAS 17, when buildings are revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset.

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

<u>Asset Type</u>	<u>Estimated Useful life</u>
• Buildings and structures	10 – 60 years
• Building fit-out (when accounted for separately)	5 – 25 years
• Leasehold Improvement	Over the unexpired period of lease or the useful life of the improvement
• Computer Equipment	3 – 10 years
• Developed software	4 – 10 years
• Office equipment and furniture	3 – 25 years
• Motor vehicles	3 – 20 years
• Boats and marine equipment	3 – 25 years
• Cleaning, refuse and recycling equipment	3 – 15 years
• Construction and other equipment	3 – 25 years
• Telecommunications	5 - 50 years
• Books, Music, manuscripts and works of art	2 – 10 years
• Clothing	0 - 4 years
• Aeroplanes and airport/aviation equipment	8 – 33 years
• Fire fighting plant and equipment	10 – 12 years
• Other equipment	5 – 20 years
• Medical and medical laboratory equipment	1 – 25 years
• Library assets	5 – 10 years
• Scientific and laboratory equipment	4 – 25 years

Disposals

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

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

(l) Employee Benefits

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

Pension contributions for employees of the Ministry are paid to the Public Service Pension Fund and administered by the Public Service Pension Board (the "Board"). Contributions of 12% - employer 6% and employee 6% are made to the fund by the Ministry.

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

(m) Financial Instruments

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

Classification

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

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

Recognition

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

Measurement

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

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

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

(n) Contingent Liabilities and Assets (including guarantees)

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

De-recognition

A financial asset is de-recognised when the Ministry of Education, Employment & Gender Affairs 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 expires.

(o) Foreign Currency

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

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

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

(p) Comparative Figures

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

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 2: Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank accounts in the name of the Ministry maintained at Royal Bank of Canada and short term deposits invested with the Cayman Islands Government Treasury. The Ministry's unrestricted cash balances as at 30 June 2015 and 30 June 2016 were as presented below.

No restricted cash balances were held by the Ministry at 30 June 2016

Prior Year Actual	Description	Foreign Currency	Exchange Rate	Actual Current Year	Original Budget	Final Budget	Variance (Orig vs Actual)
\$000		\$000		\$000	\$000	\$000	\$000
46	Cash in transit			278	2	2	(276)
24,392	CI\$ Operational Current Account			24,307	48,998	48,998	24,691
753	US\$ Operational Current Account		0.8375	824	659	659	(165)
948	Payroll Current Account			2,817	2,674	2,674	(143)
-	Treasury Internal Deposits			-	9,403	9,403	9,403
26,139	TOTAL			28,226	61,735	61,735	33,509

Note 3: Trade receivables and other receivables

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

Prior Year Actual	Trade Receivables	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
1,840	Sale of goods and services	2,100	1,448	1,448	(652)
8,492	Outputs to Cabinet	8,264	6,009	6,009	(2,255)
10,332	Total Trade receivables	10,364	7,457	7,457	(2,907)
(1,503)	Less: provision for doubtful debts	(1,795)	(1,177)	(1,177)	618
8,829	Net Trade receivables -(due in one year)	8,569	6,281	6,281	(2,288)

Prior Year Actual	Other Receivables	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
16	Advances (Salaries, Official Travel)	8	16	16	8
1	Dishonoured cheques	1	1	1	-
2	Interest receivable	6	4	4	(2)
11	Other	6	5	5	(1)
30	Total Other Receivables	21	26	26	5
(6)	Less: provision for doubtful debts	(6)	-	-	6
24	Net Total Other Receivables	15	26	26	11

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 3: Trade receivables and other receivables continued

Maturity Profile

Prior Year Actual	Maturity Profile	Trade Receivable	Other Receivable	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
8,477	Current -1-30 days	8,298	15	8,313	5,172	5,172	(3,141)
154	Past due 31-60 days	122	-	122	10	10	(112)
52	Past due 61-90 days	15	-	15	205	205	190
146	Past due 90 and above	134	-	134	920	920	786
8,829	Total Trade Receivables	8,569	15	8,584	6,307	6,307	(2,277)

Movements in the provision of doubtful debts are as follows:

Prior Year Actual	Description	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
(1,414)	Balance at 1 July	(1,503)	(1,177)	(1,177)	326
(386)	Additional provisions made during the period	(304)	-	-	304
297	Write off / other movement during the period	12	-	-	(12)
(1,503)	Provision for Doubtful Debts	(1,795)	(1,177)	(1,177)	618

Note 4: Prepayments

Prior Year Actual	Description	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
266	Accrued Prepayments	174	63	63	(111)
266	Total Prepayments	174	63	63	(111)

Note 5: Investments

Prior Year Actual	Description	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
-	Investment at Start	28,565	-	-	(28,565)
28,565	Addition	7,545	-	-	(7,545)
28,565	Total	36,110	-	-	(36,110)

Investments are term deposits with a maturity of more than three months from the date of acquisition. The deposits are held with the Cayman Island Government Treasury and are readily convertible without any risk of change in value. Interest received from investments for the year was \$54 thousand.

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 6: Property, plant & equipment

	Other Plant & equipment	Buildings	Furniture & Fittings	Computer Hardware	Office Equipment	Leasehold Improvements	Other Assets	Infrastructure	Water Reticulation	Motor Vehicles	Assets Under Construction or development	Total	Original Budget	Final Budget	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2014	966	148,410	4,635	3,771	1,401	586	3,522	794	16	1,462	47,839	213,402	284,259	284,259	70,857
Additions	255	1,206	69	1,140	163	9	18	-	25	18	-	2,903	6,271	6,271	3,369
Disposals/Retirements	-	(53)	-	-	-	-	(122)	-	-	-	-	(175)	-	-	175
Impairments	-	-	-	-	-	-	-	-	-	-	(1,097)	(1,097)	-	-	1,097
Adjustments	-	-	-	-	-	53	(32)	-	-	2	355	378	-	-	(378)
Balance as at 30 June 2015	1,221	149,563	4,704	4,911	1,564	648	3,386	794	41	1,482	47,097	215,411	290,530	290,530	75,119

	Plant and equipment	Buildings	Furniture & Fittings	Computer Hardware	Office Equipment	Leasehold Improvements	Other assets	Infrastructure	Water reticulation	Motor Vehicles	Assets under construction or development	Total	Original Budget	Final Budget	Variance (Orig vs Actual)
Balance as at 1 July 2015	1,221	149,563	4,704	4,911	1,564	648	3,386	794	41	1,482	47,097	215,411	290,530	290,530	75,119
Additions	48	862	25	199	55	-	33	-	-	75	1,394	2,691	5,000	5,379	2,309
Adjustments	-	-	(4)	-	-	1	-	-	-	1	(14)	(16)	-	-	16
Disposal/ Derecognition	-	(14)	-	-	-	-	(13)	-	-	(15)	-	(42)	-	-	42
Revaluation adjustment	-	10,586	-	-	-	-	-	-	-	-	-	10,586	-	-	(10,586)
Transfers	-	-	-	-	-	-	-	-	-	-	(551)	(551)	-	-	551
Balance as at 30 June 2016	1,269	160,997	4,725	5,110	1,619	649	3,406	794	41	1,543	47,926	228,079	295,530	295,909	67,451

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 6: Property, plant & equipment continued

Accumulated Depreciation and impairment losses

	Plant and equipment \$'000	Buildings \$'000	Furniture & Fittings \$'000	Computer Hardware \$'000	Office Equipment \$'000	Leasehold Improvements \$'000	Other assets \$'000	Infrastructure \$'000	Water reticulation \$'000	Motor Vehicles \$'000	Assets under construction or development \$'000	Total \$'000	Original Budget \$'000	Final Budget \$'000	Variance (Orig vs Actual) \$'000
Balance as at 1 July 2014	435	14,124	1,963	2,884	727	322	3,097	271	1	1,308	-	25,132	29,215	29,215	4,083
Adjustment	-	(13)	-	(354)	-	18	(104)	-	-	(43)	-	(496)	-	-	496
Depreciation Expense	128	7,101	465	776	348	105	174	55	1	81	-	9,234	6,238	6,238	(2,996)
Balance as at 30 June 2015	563	21,212	2,428	3,306	1,075	445	3,167	326	2	1,346	-	33,870	35,453	35,453	1,583

	Plant and equipment \$'000	Buildings \$'000	Furniture & Fittings \$'000	Computer Hardware \$'000	Office Equipment \$'000	Leasehold Improvements \$'000	Other assets \$'000	Infrastructure \$'000	Water reticulation \$'000	Motor Vehicles \$'000	Assets under construction or development \$'000	Total \$'000	Original Budget \$'000	Final Budget \$'000	Variance (Orig vs Actual) \$'000
Balance as at 1 July 2015	563	21,212	2,428	3,306	1,075	445	3,167	326	2	1,346	-	33,870	35,453	35,453	1,583
Disposal	-	-	-	-	-	-	(13)	-	-	(15)	-	(28)	-	-	28
Revaluation adjustment	-	(28,286)	-	-	-	-	-	-	-	-	-	(28,286)	-	-	28,286
Depreciation Expense	155	7,074	471	685	314	106	131	61	3	76	-	9,076	6,409	6,409	(2,667)
Balance as at 30 June 2016	718	-	2,899	3,991	1,389	551	3,285	387	5	1,407	-	14,632	41,862	41,862	27,230

NET Book value

Net Book value 30 June 2015	658	128,351	2,276	1,605	489	203	219	468	39	136	47,096	181,541	255,077	255,077	73,536
Net Book value 30 June 2016	551	160,997	1,826	1,119	230	98	121	407	36	136	47,926	213,447	253,669	254,048	40,222

Disclosure note: Properties (buildings and structures) were revalued as at 30 June 2016 by in-house professionals with the exception of specialized buildings which were contracted to independent evaluators and are stated at revalued amounts less accumulated depreciation. The previous revaluation was conducted 1 July 2012.

The valuations of the Ministry's buildings have been prepared in accordance with IPSAS, Royal Institute of Chartered Surveyors (RICS) Red Book, 2016 Valuation Standards references with the International Valuation Standards, and the guidance notes provided by the RICS. All the Ministry's buildings were valued at fair value. Fair Value (Market Value) defined in accordance with IFRS 13 Fair Value Measurement as follows: "The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." The Library buildings are considered specialized assets defined as those for which no market exists for the current use and were valued using the Depreciated Replacement Cost method (DRC valuation). The definition of 'Depreciated Replacement Cost', as contained in The Standards, is as follows: "The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization." Plant and machinery have only been included in the valuation of building assets where these form an integral part of the fabric of the building (e.g. lifts or air conditioning equipment) or where it perform a task crucial to the continuation of the existing use (e.g. swimming pools). Unless specifically stated otherwise, it is assumed that such items are reflected in the unit building cost.

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 6: Property, plant & equipment continued

The cost of property, plant and equipment fully depreciated and still in use are:

Prior Year		Actual Current
Actual		Year
\$'000		\$'000
1,967	Computer hardware	2,619
129	Office Equipment	1,071
158	Infrastructure	159
1,024	Vehicles	1,274
118	Leasehold Improvements	118
2,503	Other Assets	3,045
	Furniture and Fittings	34
	Other Plant and Equipment	7
5,899	Total	8,327

Assets under construction and/ or development projects

Included in assets under construction and/ or development is the cost to date of the phased construction of the New John Gray High School of \$46.7million (2015 \$46.4 million).

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 6b: Intangible Assets

	Computer Software \$'000	Original Budget \$'000	Final Budget \$'000	Var (Orig vs Actual) \$'000
Balance as at 1 July 2014	665	665	665	-
Additions	92	-	-	(92)
Adjustments	(321)	-	-	321
Balance as at 30 June 2015	436	665	665	229

	Computer Software	Original Budget	Final Budget	Var (Orig vs Actual)
Balance as at 01 July 2015	436	665	665	229
Additions	16	-	-	(16)
Balance as at 30 June 2016	452	665	665	213

Accumulated Amortization and impairment losses

	Computer Software	Original Budget	Final Budget	Var (Orig vs Actual)
Balance as at 1 July 2014	537	537	537	-
Adjustment	(211)	-	-	211
Amortization Expense	38	62	62	24
Balance as at 30 June 2015	364	599	599	235

	Computer Software \$'000	Original Budget \$'000	Final Budget \$'000	Var (Orig vs Actual) \$'000
Balance as at 1 July 2015	364	599	599	235
Amortization Expense	37	65	65	28
Balance as at 30 June 2016	401	664	664	263
Net Book value 30 June 2015	72	66	66	(6)
Net Book value 30 June 2016	51	2	2	(49)

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 7: Trade payables, other payables and accruals

Prior Year Actual	Description	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
1	Creditors/ Trade Payables	5	277	277	272
1	Trade Payables	5	277	277	272
2,880	Accruals	1,475	6,078	6,078	4,603
252	Stale Dated Cheques - Write Back	213	219	219	6
384	Payroll Deductions	380	345	345	(35)
1	Creditors other government agencies	-	-	-	-
3,517	Other Payables and Accruals	2,068	6,642	6,642	4,574
3,518	Total Trade Payables, Other Payables and Accruals	2,073	6,919	6,919	4,846

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

Note 8: Employee entitlements

Prior Year Actual	Details	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
	Employee entitlements are represented by:				
322	Annual leave	370	283	283	(87)
30	Other	-	-	-	-
352	Total employee entitlements	370	283	283	(87)

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

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 9: Revenue

During the financial years ended 30 June 2015 and 2016, there were no revenue concessions granted directly from our Ministry.

Prior Year Actual \$'000	Description	Actual Current Year \$'000	Original Budget \$'000	Final Budget \$'000	Variance (Original vs Actual) \$'000
69,972	Outputs to Cabinet	75,017	76,172	76,172	1,155
2,145	Fees and charges	1,888	1,266	1,266	(623)
150	Rentals	154	102	102	(52)
25	Other	11	-	-	(11)
72,292	Total Sale of Goods & Services	77,070	77,540	77,540	470

Prior Year Actual \$'000	Description	Actual Current Year \$'000	Original Budget \$'000	Final Budget \$'000	Variance (Original vs Actual) \$'000
	Fees and charges				
406	School Fees	394	132	132	(262)
366	Examination Fees	324	63	63	(261)
1,341	Pension Plan Registration Fees	1,144	1,023	1,023	(121)
19	Public Library Fees	20	20	20	-
7	External Training	-	25	25	25
6	Transcript Fees	6	3	3	(3)
2,145	Total Fees and charges	1,888	1,266	1,266	(622)
	Rentals				
131	Rental - School Canteens	133	81	81	(52)
19	Rentals - Other Properties	21	21	21	-
150	Total Rentals	154	102	102	(52)
	Other Goods & Services Revenue				
-	Miscellaneous Receipts	11	-	-	(11)
	Total Other Goods & Services Revenue	11	-	-	(11)

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 10: Personnel costs

Prior Year Actual	Description	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
39,374	Salaries, wages and allowances	42,787	42,650	42,650	(137)
6,818	Health care	7,002	7,403	7,403	401
2,157	Pension	2,199	2,247	2,247	48
68	Movement in Annual Leave	18	-	-	(18)
231	Other Personnel related costs	232	132	132	(100)
48,648	Total Personnel Cost	52,238	52,432	52,432	194

Note 11: Supplies and consumables

Prior Year Actual	Description	Actual Current Year	Original Budget	Final Budget	Variance (Original vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
824	Supplies and Materials	928	989	989	61
8,888	Purchase of services	9,359	9,548	9,548	189
298	Lease and Rent of Property and Sites	299	278	278	(21)
4,042	Utilities	3,308	4,774	4,774	1,466
2,097	General Insurance	1,691	2,080	2,080	389
64	Travel and Subsistence	72	83	83	11
135	Interdepartmental expenses	135	135	135	-
128	Recruitment & Training	208	183	183	(25)
951	Other	894	575	575	(319)
17,427	Total Supplies & Consumables	16,894	18,645	18,645	1,751

Included in other expenses is the provision for bad debts expense for the year of \$304 thousand.

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 12: Litigation costs

The Attorney General's Office provides legal services to the Ministry. During the year ended 30 June 2016, the Attorney General's Office authorised the use of legal services from outside legal counsel. The costs of these services were \$15 thousand in 2016 and \$8 thousand in 2015.

Note 13: Gains / (Losses)

During the period, the Ministry disposed of assets that were held for purposes of producing outputs. Internal approval was obtained to dispose of these assets.

In the year ended 30 June 2012, the Ministry incurred a net loss on revaluation of property amounting to \$5.5m. This amount has been netted against the current year net revaluation surplus and disclosed in the income statement consistent with the requirements of IPSAS 17.

Actual Prior Year	Description	Actual Current Year	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
1,097	Loss on Impairment of Asset	-	-	-	-
1	Net loss on disposal of property, plant and equipment	2	-	-	(2)
-	Gains on disposal/revaluations of property, plant & equipment	(5,513)	-	-	5,513
1	Net (gain) / loss on foreign exchange Transactions	(15)	-	-	15
1,099	Total losses/ (gains)	(5,526)	-	-	5,526

Note 14: Reconciliation of net cash flows from operating activities to surplus/ (deficit)

Prior Year		Actual Current Year	Original Budget	Final Budget	Variance (Budget vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
(4,139)	Surplus/(deficit) from ordinary activities	4,390	-	-	(4,390)
	Non-cash movements				
9,271	Depreciation	9,113	6,473	6,473	(2,640)
1,097	Impairment of Asset	-	-	-	-
-	(Gain) on revaluation/disposal of property plant and equipment	(5,511)	-	-	5,511
386	Provision for bad debt	304	-	-	(304)
(364)	Increase in receivables	(272)	-	-	272
(209)	Increase in receivables - Cabinet	(1,755)	-	-	1,755
-	Decrease in receivables - Other Current Assets	102	276	276	174
(3,764)	Decrease in payables	(1,446)	(1,098)	(1,098)	348
1	Increase in payables - Other Government agencies	-	-	-	-
68	Increase in provisions relating to employee costs	18	-	-	(18)
2,347	Net cash flows from operating activities	4,943	5,651	5,651	708

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

Note 15: Contingent liabilities and assets

In relation to legal matters, estimates are developed by the Office of the Attorney General who is charged under the Constitution with the handling of the defence in these matters, using the current facts and known circumstances. The factors considered in developing the legal provisions include the merits and jurisdiction of the litigation, the nature and number of other similar current and past litigation cases, the nature of the subject matter of the litigation, the likelihood of settlement and current state of settlement discussions, if any.

The Ministry is routinely engaged in litigation arising in the ordinary course of its business. It is the Government's policy to rigorously assert its position in such cases and if unsuccessful, it does not expect the outcome to materially affect the results of operations or financial position. There are no contingent liabilities at the date of these financial statements.

Note 16: Commitments

Prior Year Actual \$'000	Type	Over year or less \$'000	One to Five Years \$'000	Over Five Years \$'000	Total \$'000
Capital Commitments					
-	Property, plant and equipment	5,754	-	-	5,754
-	Total Capital Commitments	5,754	-	-	5,754
Operating Commitments					
11,626	Other operating commitments	637	76	-	713
11,626	Total Operating Commitments	637	76	-	713
11,626	Total Commitments	6,391	76	-	6,467

Capital commitments

In the 15/16 fiscal year, the main capital commitment related to the New John Gray Campus construction project. The Ministry has continued works on this project and other minor capital works contracts/ asset purchase commitment.

Operating commitments

The Ministry currently has short term leases for the premises it occupies in the George Town and West Bay. Most leases are up for renewal within 1-5 years. The amounts disclosed above are future commitments are based on the current rental rates and the remaining lease period.

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 17: Explanation of major variances against budget

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

Statement of financial performance

Cabinet revenue

Revenue from Cabinet was \$1.2 million below budget due to corresponding operational savings. This resulted in less output revenue being billed to Cabinet.

Other Revenue

Revenue from other sources was \$685 thousand above budget due mainly to revenue from fees from the Department of Education Services and pensions administration being more than budgeted.

Personnel Costs

Personnel costs were \$194 thousand below budget mainly due to savings on budgeted healthcare costs.

Supplies and consumables

Supplies and consumables were \$1.8 million below budget due to restrictions on Government wide budgetary spending to maintain required fiscal cash savings along with prudent monitoring of spend. There were also lower than expected billing of utilities.

Depreciation and amortization

Depreciation and amortization expenses were \$2.6 million more than budget due to the effects of the componentization of assets which resulted in a higher depreciation expense than forecasted.

Statement of financial position

Cash and cash equivalents and investments

The actual year-end cash balances were \$33.5 million below budget due to \$36 million in term deposits classified under investments. This indicates the high level of liquidity of the Ministry which is attributable to its strategy and associated processes for managing cost-effectiveness and settling our biggest receivables in a timely manner.

Debtors and other receivables

The actual year-end debtors and other receivables balances were \$2.3 million above the original budget mainly due to the timing of payments due to the Ministry.

Property Plant and Equipment

Fixed assets were \$40 million below the original budget mainly due to the underutilized capital allocation and the flow through effects of back dated significant impairment of work-in-progress which occurred after the budget preparation date, partially offset by revaluation gains at 30 June 2016 that were not budgeted for.

Creditors and other payables

Creditors, accruals and other payables were \$4.8 million less than the original budget mainly due to the timing of payments against forecast.

Equity

Equity was \$30.4 million less than budget mainly due to the impact of prior year changes after the budgeting phase, partially offset by gains on revaluation of buildings and the surplus for the year that were not budgeted for.

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 17: Explanation of major variances against budget continued

Statement of cash flows

Cash from operating activities

The small budget variance in cash from operating activities is due to the timing of payments and the delay in receipting of mainly Cabinet revenue.

Cash from investing activities

The budget variance in cash from investing activities is due to less cash usage than budgeted for in the equity injection for asset purchases.

The variance on investment purchases is a result of the deposits' maturity terms. Deposits were budgeted to be placed on 90 days terms and classified as cash and cash equivalent; however the fixed deposits were placed for 365 days and are now classified as Investments.

Cash from financing activities

The budget variance in cash from financing activities is due to cash receipts related to the previous fiscal year being received in the current fiscal year.

NOTE 18: Related party and key management personnel disclosures

Related party disclosure

The Ministry is a wholly owned entity of the government from which it derives a major source of its revenue. The Ministry and its key management personnel transact with other government entities on a regular basis. These transactions were provided free of cost during the financial year ended 30 June 2016.

Key management personnel

Key management personnel salaries paid by this Ministry are summarised below.

Actual Prior Year \$000	Description	Actual Current Year \$000	Number of persons
1,186	Salaries & other short-term employee benefits	1,140	11
1,186	Total	1,140	

The Ministry does not have the capability to grant any loans to anyone. No loans were granted to key management personnel or their close relatives during the financial year.

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 19: Events occurring after reporting date

In June 2016, the Central Tenders Committee accepted the recommendation to award the contract for the Completion of the New John Gray High School Gymnasium: Phase 2 of the Overall Project for the value of \$5.5 million. The Gymnasium was handed over to the school on 8 May 2017 post successful completion of construction. Utilizing the multi-step business case development and assessment, a Strategic Outline Case was developed to consider the best way forward to complete the rest of the New John Gray High School. Further to this, KPMG was awarded the contract to complete an Outline Business Case in mid-2017 for the completion of the full New John Gray High School.

Subsequent to the May 2017 elections, the formation of the Ministry changed and the name of the Ministry changed to “Ministry of Education, Youth, Sports, Agriculture & Lands”. The responsibility of the Department of Labour & Pensions and National Workforce Development Agency, the Education Quality Assessment Unit, and the Gender Affairs Unit, were transferred out of the Ministry from 1 July, 2017. Department of Agriculture, Department of Sports, the Cadets Corps, the Youth Services Unit, Sister Islands Sports and the Lands & Survey Department were added to the portfolio of the Ministry.

Effective 1 September 2018, Cetonya Cacho was appointed Acting Chief Officer.

NOTE 20: Prior Period Adjustment

The prior year adjustments of \$546 thousand relates to previous periods’ system related issues in the general and sub ledgers for property, plant and equipment that were reconciled in 2015/16.

NOTE 21: Financial instrument risks

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

Credit risk

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

Currency and interest rate risk

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

Liquidity risk

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

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

**NOTES TO THE FINANCIAL STATEMENTS OF THE
MINISTRY OF EDUCATION, EMPLOYMENT & GENDER AFFAIRS
FOR THE YEAR ENDED 30 JUNE 2016**

NOTE 22: Segment reporting

The Ministry segment report is prepared on the basis of two major areas: education & training and employment. Operations of the education, gender and training services include provision of these services to *primary and secondary students and also training of adults with disabilities and provision of library services*. Operations in employment include the services provided in administering of the labour and pension law and enforcement of the same and the work of national workforce development.

	Education, Gender & Training		Employment		Consolidated	
	15/16	14/15	15/16	14/15	15/16	14/15
In 000s (Thousands)	\$000	\$000	\$000	\$000	\$000	\$000
Revenue						
Outputs from Cabinet	72,521	68,215	2,496	1,757	75,017	69,972
Other revenue	961	995	1,146	1,348	2,107	2,343
Total Revenue	73,482	69,210	3,642	3,105	77,124	72,315
Expenses				-		
Salaries and Wages	49,481	46,542	2,757	2,106	52,238	48,648
Other expenses	19,849	27,220	647	586	20,496	27,806
Total Expenses	69,330	73,762	3,404	2,692	72,734	76,454
Surplus/ (Deficit) from Operating Activities	4,152	(4,552)	238	413	4,390	(4,139)
Assets						
Current Assets	72,864	63,700	230	124	73,094	63,824
Fixed Assets	213,277	181,450	221	163	213,498	181,613
Total Assets	286,141	245,150	451	287	286,592	245,437
Liabilities						
Current Liabilities	2,360	3,842	83	29	2,443	3,871
Total Liabilities	2,360	3,842	83	29	2,443	3,871
Capital	283,781	241,308	368	258	284,149	241,566