

PORTFOLIO OF LEGAL AFFAIRS

ANNUAL
REPORT
—2019—



CAYMAN ISLANDS
GOVERNMENT

WELCOME TO THE
2019 ANNUAL REPORT
FOR THE
PORTFOLIO OF LEGAL
AFFAIRS

This report has been prepared in accordance with the requirements stipulated in the Public Management and Finance Law (2018 Revision) for Ministries and Portfolios.

Inside This Report

9	Message from the Honourable Attorney General
11	Message from the Solicitor General
13	OVERVIEW
19	Our Highlights in 2019
21	Organisational Structure
23	Strategic Overview
27	LEGISLATIVE DRAFTING & REVIEW SERVICES
29	The Legislative Drafting Department (the “Drafting Department”)
33	The Law Reform Commission (the “Commission”)
37	The Law Revision Commission (the “Revision Commission”)
39	PROVISION OF LEGAL ADVICE, ANTI-MONEY LAUNDERING & COMPLIANCE SERVICES
41	The Solicitor General’s Office
43	The Anti-Money Laundering Unit (the “AMLU”)
45	FINANCIAL INTELLIGENCE SERVICES
47	The Financial Reporting Authority (the “FRA”)
51	LEGAL EDUCATION SERVICES
53	The Truman Bodden Law School
57	HUMAN RESOURCE MANAGEMENT
59	Overview on Human Resource Achievements
60	Staff Training
61	FINANCIAL STATEMENTS
63	Management Discussion and Analysis of Financial Results
65	Statement of Responsibility for the Financial Statements
66	Auditor General’s Report
68	Statement of Financial Position
69	Statement of Financial Performance
70	Statement of Changes in Net Assets/ Equity
71	Statement of Cash Flows
72	Notes to the Financial Statements
93	APPENDICES

About this Report

The requirement for an Annual Report is prescribed under section 44 of the Public Management and Finance Law (2018 Revision) (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 annual budget statement (including any amendments thereto) for that financial year.

The activities of the Portfolio are divided into four sections for reporting purposes:

- Legal Drafting & Review Services;
- Provision of Legal Advice, Anti- Money Laundering & Compliance Services;
- Financial Intelligence Services; and
- Legal Education Services

Section 1: Overview

Summarizes the Portfolio's overall responsibilities, describes its functions and activities, and shows the Portfolio's organisational structure.

Section 2: Legislative Drafting and Review Services

This section presents the services delivered by the Legislative Drafting Department, the Law Reform Commission and the Law Revision Commission.

Section 3: Provision of Legal Advice, Anti-Money Laundering & Compliance Services

This section provides an overview of the services that are delivered by the Solicitor General's Office and also the Anti-Money Laundering Unit.



Section 4: Financial Intelligence Services

This section provides an overview of services delivered by the Financial Reporting Authority.

Section 5: Legal Education Services

This section provides an overview of the services that are delivered by the Truman Bodden Law School.

Section 6: Human Resources Management

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

Section 7: Financial Statements

This section includes the Auditor General's report, a Management Discussion and analysis of the financial results for the Portfolio over the period, and the corresponding statements.

Section 8: Appendices

- **Glossary of Abbreviations:** Lists the abbreviations used in this report.
- **Governance & Risk Management:** Summarizes the various risks which the Portfolio is subjected to, and the associated measures implemented to mitigate those risks.
- **Contact Information:** This section includes the telephone and website information for each Department under the Portfolio.



Foreword

This Annual Report is for the **Portfolio of Legal Affairs** (the “Portfolio”).

The Portfolio advises and represents the Government, its affiliated bodies and statutory authorities on all legal matters and is responsible for legislative drafting, law revision, law reform, and local legal education and training through the Truman Bodden Law School. In addition, the Portfolio offers financial intelligence services and support to Government and its stakeholders in relation to anti-money laundering. The Portfolio is headed by the Honourable Attorney General.

The Annual Report outlines the Portfolio’s performance during the year from January 1st, 2019 to December 31st, 2019 in comparison to that which was outlined in the budget for the corresponding period.

This Annual Report complies with the requirements of the Public Management and Finance Law and covers three main areas:

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

The service delivery section outlines the interventions carried out by the Portfolio in furtherance of the Government’s policy outcome goals. It also provides commentary which explains material variances in performance when compared to budget.

The financial performance section shows the financial resources the Portfolio was afforded in the 2019 budget and the inputs purchased to provide services. The financial performance is presented in the form of financial statements prepared in accordance with International Public Sector Accounting Standards and the supporting notes to those financial statements.

The Report also includes a section on Governance which outlines the Portfolio’s efforts in the areas of governance, risk management, and other ancillary matters.

PORTFOLIO OF LEGAL AFFAIRS

“Dedicated to the provision of quality legal services and to upholding the rule of law in service to the Government and people of the Cayman Islands.”



Message from the Honourable Attorney General



I am pleased to present the Annual Report for the Portfolio of Legal Affairs for the fiscal year ended 31st December 2019. This report accords with section 44 of the Public Management and Finance Law (PMFL), which requires that I prepare and provide an Annual Report to the Auditor General for review.

The report highlights the achievements of the Portfolio, and explains the steps taken to further the Government's policy outcome goals to foster a culture of good governance; ensure equitability and justice in our society; promote the rule of law; and to make the Cayman Islands a center of excellence for legal education.

The PMFL requires the inclusion of the Portfolio's Financial Statements as part of the Annual Report. I am pleased that these financial statements are once again unqualified, and continue to demonstrate a culture of prudent fiscal management by the Portfolio and its leadership.

I wish to extend congratulations to Ms. Reshma Sharma on her formal appointment as Solicitor General. Ms. Sharma has been with the Government for over 14 years, and has ably led the Portfolio in an acting capacity since June of 2017. She is a fierce legal advocate and has capably represented the Government's position on a variety of matters including the first challenges under the Bill of Rights regarding same-sex marriages, age/nationality discrimination, and the compatibility of statutory immunity provisions excluding claims in medical negligence.

Her attention to detail and subtle nuances when dealing with even complex matters continue to be an invaluable asset within these Chambers.

Demand for legal services from client agencies showed a significant increase in 2019. The Portfolio effectively met this demand through quality advice to our clients, clear and accessible legislation, and advocacy to protect the interest and reputation of the Cayman Islands.

Our legislative drafting team prepared legislation for several Bills, including those to facilitate health care decisions, meet international obligations for tax cooperation and anti-money laundering, and domestic affairs relating to the regulation of our Financial Services industry.

Cayman has a well-developed legal and institutional framework that is reflective of our commitment to an effective anti-money laundering regime. In 2019, we enhanced that framework through various measures including the formal definition of “virtual assets”, which was brought into scope for anti-money laundering supervision.

Notwithstanding our leadership and continued work in this area, in March 2019, the Caribbean Financial Action Task Force (CFATF) made some 63 recommendations in its Mutual Evaluation Report (MER) and gave the Cayman Islands one year to implement specific measures to enhance the effectiveness of our anti-money laundering laws and practices.

In response, a dedicated task force, including our Premier, Deputy Governor, and several Cabinet Ministers met to oversee the implementation of a comprehensive action plan. The task force led several initiatives to remedy the identified shortcomings, which also included new and amended legislation.

I presented our first follow-up to the MER at the CFATF plenary in Antigua in November 2019. The follow-up report outlined the steps and progress made by our jurisdiction in addressing the recommendations, and the strong foundation created by the jurisdiction-wide, joined-up approach taken to timely address the various recommendations made. We now look forward to fully addressing the remaining recommendations in 2020.

“Our financial statements are once again unqualified, and continue to demonstrate a culture of prudent fiscal management by the Portfolio and its leadership.”

The Portfolio maintains a vibrant tradition of strong support to the Government. This tradition would not be possible without the ongoing dedication and hard work of staff within the Solicitor’s General’s Office, Legislative Drafting and Review Services, the Financial Reporting Authority, the Law School, and the Anti-Money Laundering Unit.

I would like to extend my thanks and appreciation to those staff for another year of significant achievements, and for their professionalism, continued dedication and hard work throughout the year.

Sincerely,

Honourable Samuel Bulgin, QC, JP
Attorney General
Portfolio of Legal Affairs
28th February 2020

Message from the Solicitor General

I am honoured to present this Annual Report for 2019 in my capacity as Solicitor General of the Portfolio of Legal Affairs. This report covers the fiscal year ended 31 December 2019, provides an account for the resources entrusted to my stewardship, and highlights the work and achievements of the various departments within the Portfolio.

As with 2018, 2019 continued to be an invigorating year for the Solicitor General's Office (SGO) in relation to its advisory work and litigation. The scope of requests for legal advice increased and Crown Counsel represented Government and other public entities in approximately 31 litigation matters before the Grand Court and Court of Appeal. Counsel's work encompassed novel points of human rights, constitutional and public law such as the right to same-sex marriage and the lawfulness of legislation relating to the first people-initiated referendum to be held in the Cayman Islands under the Cayman Islands Constitution Order 2009. These are landmark cases in the history of these Islands and will no doubt lead to the development of the local jurisprudence in the respective areas of law. In addition to the provision of legal advice, the SGO team also delivered training to Government and public bodies – the provision of guidance and training to stakeholders has been recognized as an excellent means of developing capacity within agencies and helping officers to navigate the often complex scheme of their enabling legislation.

The Legislative Drafting Department continued to carry a heavy legislative agenda – its work involved more than 100 pieces of legislation during the year, of which the most significant was the Referendum (People-initiated Referendum Regarding the Port) Law, 2019. Legislative Counsel were also tasked with changes to various pieces of financial services legislation to ensure ongoing compliance with international financial and anti-money laundering requirements.

The Commission continued its work on a range of areas identified for legal reform. It submitted its final paper on litigation funding. It also published a number of papers and draft legislation for public consultation on topical issues including mortgages and foreclosures, the decriminalization of suicide and anti-bullying. A number of its ongoing projects will continue into 2020.

The Law Revision Department continued its work commenced in 2018 on the iLaws Work Flow System. It is hoped that this will be completed and ready for launch in 2020. In addition, the Department undertook the revision of several pieces of legislation and provided policy papers on current issues of national and international importance including the implications of Brexit for this jurisdiction.

Following the publication of the CFATF Mutual Evaluation Report in March 2019, the AMLU and FRA were heavily involved in the implementation of various measures and initiatives to meet some of the 63 Recommended Actions for the Cayman Islands. Their work included dedicated outreach and training across the private and public sectors on matters ranging from targeted financial sanctions, terrorist and proliferation financing, block chain and cryptocurrency, undertaking significant IT enhancements to improve the delivery of certain key services and the recruitment of additional personnel.

"I have long held the firm view that as strong as we are as individuals, we are never as strong as when we come together as a team, working together in pursuit of one common laudable objective."

The AMLU's work was supported by the appointment of a National Coordinating team comprising three highly qualified members with experience in criminal and regulatory law. The demands upon these agencies will continue unabated in 2020.

For the academic year 2018/2019, the Truman Bodden Law School continued to deliver high-quality legal education services to the Islands with a cohort of approximately 80 students enrolled in its various programs, as well as a range of extra-curricular events including lectures from eminent legal professionals, both local and international. The institution was re-validated by the University of Liverpool for a further period of 5 years.

The Portfolio's ability to deliver these services would not be possible without a cadre of dedicated staff who rise to the inevitable challenges that arose in the course of the year. The demands upon them were many, and in some instances, onerous but the results achieved and the valuable assistance provided to our respective clients is testament to their professionalism and commitment to their work.

I have long held the firm view that as strong as we are as individuals, we are never as strong as when we come together as a team, working together in pursuit of one common laudable objective. The team work displayed across 2019 has reinforced the importance of that belief, and I must extend my sincere thanks and congratulations to all of the Portfolio staff for their contributions over 2019 as well as to the Honourable Attorney General for his constant support and invaluable guidance.

Lastly, I would pay tribute to the Portfolio staff for recognizing the importance of civic duty and giving back to the community. I am particularly proud of the scope of initiatives taken throughout 2019 – some of which are detailed in this report – and the enthusiasm with which my teams approached them.

Yours sincerely,

Reshma Sharma
Solicitor General | Chief Officer,
Portfolio of Legal Affairs





SECTION

1



Overview

General Overview

Who We Are

The Portfolio of Legal Affairs is comprised of the following departments:

- Solicitor General's Office
- Legislative Drafting Department
- Law Revision Commission
- Law Reform Commission
- Truman Bodden Law School
- Financial Reporting Authority
- Anti- Money Laundering Unit

What We Do

The provision of legal advice and legal education services

Our Customers

The customers for all of the Portfolio's activities are the Attorney General, Government agencies and the general public (save in respect of legal advice and representation which is not provided to the general public).

Where We Are

All our services are located within the Cayman Islands and offices are situated at the Cayman Island's Government Administration Building.



**The Portfolio's
scope of
activities
involves:**



The provision of legal advice and legal representation to the Government, Government Agencies and Statutory Authorities;



Acting on behalf of Government, Government Agencies and Statutory Authorities in civil litigation and tribunal proceedings;



Drafting of legislation;



The provision of legal education and training;



Provision of financial intelligence services to the Attorney General;



Law revision services; and



Law reform services.



Financial Overview

	2019 Actual	2019 Target
Financial Performance Measures:		
Revenue from Cabinet	7,117	7,332
Revenue from Ministries, Portfolios, Statutory Authorities and Government owned Companies	100	100
Revenue from Others	520	780
Total Revenue	7,737	8,212
Expenses	7,213	8,212
Operating Surplus	524	0
Net Worth:		
Total Assets	3,342	2,840
Total Liabilities	942	603
Net Worth	2,400	2,237
Cash Performance:		
Cashflow from operating activities	(955)	191
Cashflow from investing activities	(213)	0
Cashflow from financing activities	(305)	0
Change in cash balances	(1,473)	191
Financial Performance Ratios:		
Currents Assets: Current Liabilities	2.84:1	4.30:1
Total Assets: Total Liabilities	3.55:1	4.71:1
Human Capital Measures:		
Total full-time equivalent staff employed	58	69
Physical Capital Measures:		
Value of Total Assets	3,342	2,840
Asset Replacements: Total Assets	0.07	0
Book Value of Assets: Costs of those assets	22.5%	10%
Depreciation: Cash flow on asset purchases	75%	0

Our Highlights in 2019

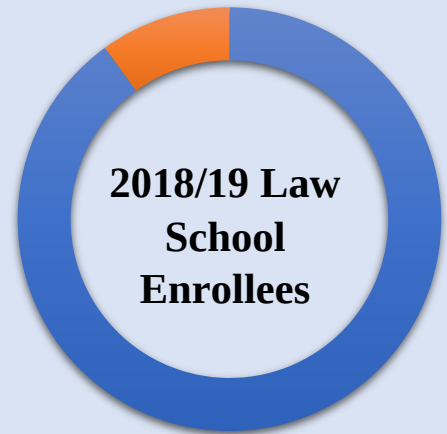
The Solicitor General's Office provided legal advice for approximately

373

requests from various Government Ministries, Portfolios and Statutory Authorities on a wide range of subject matters *(this is an increase of over 100 compared to the prior year)*

80

Undergraduate and Postgraduate students were enrolled at the Law School for the 2018/19 academic year



■ Caymanians ■ Non-Caymanian

90% Caymanian
10% Non-Caymanian

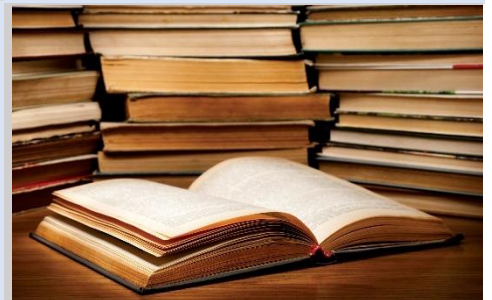


More than

1,771 pages

of legislations were edited and proofed by the Law Revision Commission

The Law School underwent its five-year institutional re-validation exercise



2

Final reports were submitted to the Attorney General by the Legislative Reform Commission during 2019

Several AML/CFT/CFP related laws were amended to ensure technical compliance with FATF standards and to enhance the jurisdiction's effectiveness in the fight against ML/TF and PF

AMLU coordinated the developed a comprehensive document entitled *"Money Laundering Typologies & Trends"*



1,138

Suspicious Activity Reports were received by the Financial Reporting Authority

The Drafting Department continued with a heavy legislative programme that exceeded over

100

Pieces of Legislation

The FRA published

72

Financial Sanctions Notices on its website

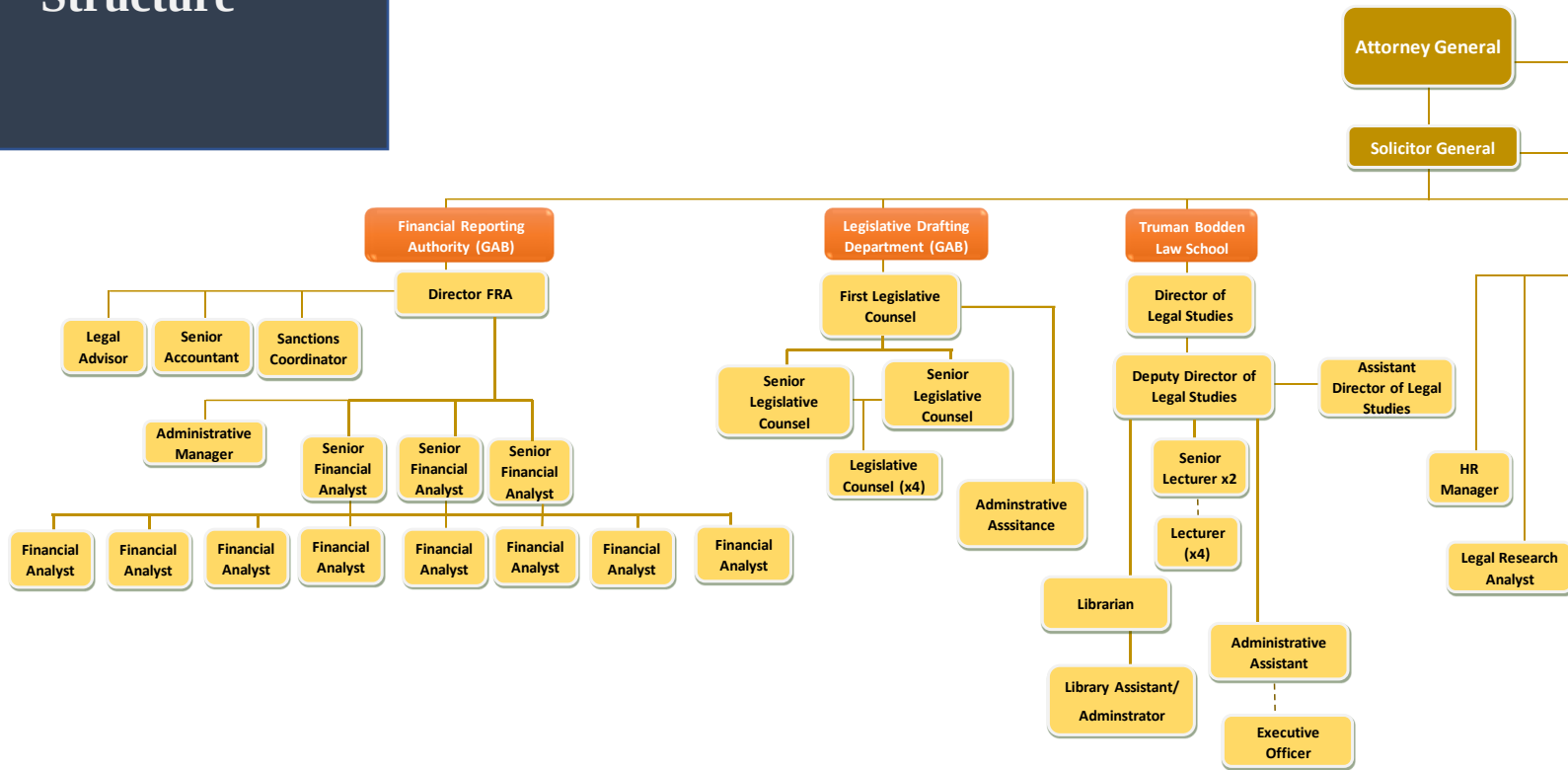


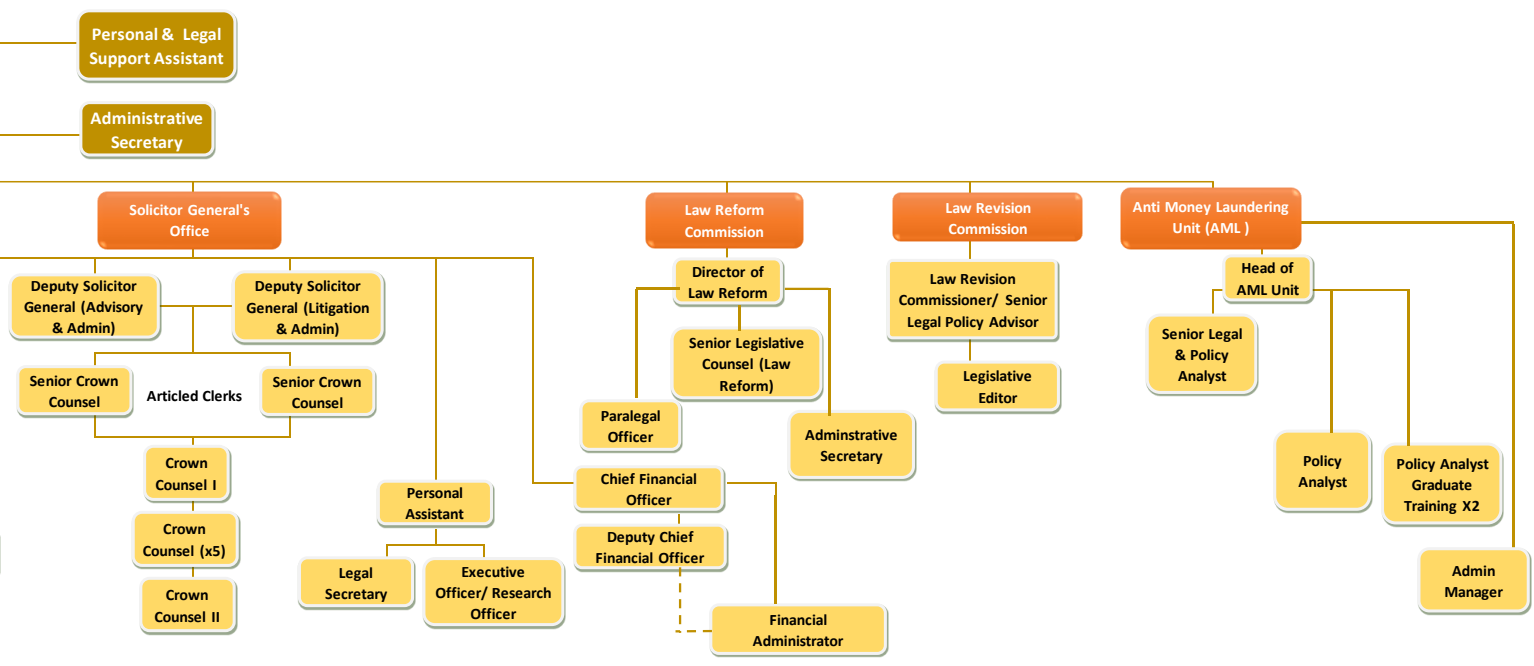
The FRA closed

331

cases during the Reporting Period

Our Organisational Structure





Strategic Overview

The Portfolio of Legal Affairs advises the Government and its affiliated bodies, statutory boards and corporations, on all legal matters, and is responsible for legislative drafting, law revision, law reform and legal education through the Cayman Islands Law School.

The Portfolio is comprised of the following:

1. **Solicitor General's Office:** Provides legal advice and representation, on behalf of the Attorney General to public entities. The legal advice spans the full spectrum of the exercise of the duties and responsibilities of public entities, including guidance on the exercise of statutory powers and the interpretation of statutory provisions.

The Solicitor General's Office also represents public entities in proceedings before the Grand Court and the Court of Appeal when the decisions of the Government are subject to any form of legal challenge, and in proceedings before statutory tribunals, such as the Planning Appeal Tribunal and the Immigration Appeal Tribunal.

2. **Legislative Drafting Department:** Empowers the Legislature to make laws for the peace, order and good governance of the Cayman Islands. The Legislative Drafting Department is responsible for the provision of an efficient legislative drafting service, including related legislative advice for the Government.

Drafting instructions are provided to the Legislative Drafting Department through the Cabinet. Instructing officers may be Ministries, Portfolios and Government departments, and drafting instructions are usually received from the Chief Officer of the relevant Government Department. As such, the Portfolio acts on the instructions of the relevant Government Department with respect to the development of legislation.

3. **Law Revision Commission:** operates under the authority of the Law Revision Law (1999 Revision). The operational role of the Law Revision Commission is to produce an annual revision and consolidation of all the laws of the Cayman Islands that have been amended during the previous 12 months.

In addition, the Law Revision Commission produces annually, a consolidated index of laws and regulations containing additional legal measures, including United Kingdom statutory instruments. Such revisions and the Index are published as Supplements to the Official Gazette and are intended to supply information to the public in general, and to the legal profession in particular.

4. **Law Reform Commission:** was established by the Law Reform Commission Law No. 6 of 2005 and commenced operation on 16 September 2005. In accordance with the Law, the Commission's mandate is to study and keep under constant review the statutes and other laws comprising the laws of the Cayman Islands with a view to its systematic development and reform.

5. **Truman Bodden Law School:** Exists pursuant to Section 20 of the Legal Practitioners Law (2015) which makes provision for the establishment by the Governor (in consultation with the Legal Advisory Council) of a local system of legal education.

The establishment of the Law School followed a feasibility study (The Fairest Report) which was commissioned in order to facilitate the legal training of Caymanian individuals interested in pursuing a career in legal practice.

As the Law School was therefore originally established as a vocational school for the training of lawyers, it made sense for it to form part of the Attorney General's Chambers where it has remained ever since.

6. **Financial Reporting Authority:** is primarily responsible for receiving, analysing, requesting and disseminating disclosures of financial information, concerning the proceeds of criminal conduct, suspected proceeds of criminal conduct, money laundering, suspected money laundering, or the financing of terrorism which is derived from any criminal offence committed in these islands. The FRA is also responsible for ensuring the implementation of targeted financial sanctions with respect to terrorism, terrorism financing (TF), proliferation, proliferation financing, and other restrictive measures related to anti-money laundering (AML) and combatting the financing of terrorism (CFT) and proliferation (CFP) from and within the Cayman Islands.

The Sanctions Coordinator plays a critical role in the implementation and enforcement of these targeted financial sanctions and other restrictive measures, and in developing and enhancing the jurisdiction's AML/CFT regime, while ensuring ongoing compliance with international standards and best practices.

7. **Anti- Money Laundering Unit:** was established in 2014 out of the need for greater AML/CFT cooperation and coordination among relevant competent authorities at the operational level.

The Key Strategic Ownership Goals for the Portfolio of Legal Affairs in 2019 are as follows:

- Ensuring optimum use of Government resources so that the delivery of services is effective and efficient;

- Ensuring that the Portfolio continues to be adequately resourced with competent and qualified staff;

- Provision of appropriate training to ensure the continuing education and development of all staff;

- Provision of optimum legal services to the Government and Government entities;

- Ongoing training of articulated clerks;

- The continuing professional education of all staff;

- Development of and maintaining appropriate legal research tools and databases; and

- The maintenance of equipment conducive to the production of the Portfolio's outputs.

Strategic Overview (continued)

Our 2019 Strategic Goals centered around three main themes:

1. Ensuring optimum use of Government resources so that the delivery of services is effective and efficient;
2. Investing in capacity building through staff training and development;
3. Becoming digitally enabled by developing tools, databases and equipment for output production.

Ensuring Optimum Use of Recourses

Our 2019 services were delivered at 12% below the costs anticipated in the 2019 Budget. This resulted in savings of around \$1 million which will go back to the Cabinet by way of surplus repayment or through reduced billings for Outputs.

Most of our 2019 savings accrued from lower than expected spending in Personnel Costs. Our fiscal plans called for the early recruitment of a number of positions; however, those positions remained vacant for most of year, and required staff to find efficient and innovative ways to maintain service delivery.

The lower staffing complements also had the unintended impact of savings in training costs due to the inability of some staff to take time out of the office to pursue professional development. Conversely, our Crown Counsel provided training to a number of other agencies including staff at the Criminal Records Office, Joint Intelligence Unit, Department of Children and Family Services and the National Conservation Council.

Notwithstanding the reduced costs incurred, the Solicitor General's Office (SGO) provided legal advice in response to approximately 373 requests. This represented an increase of over 100 when compared to 2018. The SGO also represented Government and other public entities in approximately 31 matters before the Grand Court and Court of Appeal, and 32 matters before statutory tribunals.

Our Law School saw 80 undergraduate and post graduate students enrolled for the 2018/ 2019 year. Approximately 90% of these students were Caymanian or Cayman Residents. The School underwent its five-year institutional re-validation exercise in March 2019.

The review panel from the University of Liverpool left with the undertaking that they would recommend a renewal of the undergraduate and postgraduate partnership between the institutions for a further five years. This recommendation follows three days of intensive meetings with students and staff.

In Law Revision, some 36 revisions of local legislation were carried out in 2019. This necessitated the careful study, editing and proof-reading of over 1,771 pages of legislation, and the updating of some six hundred cross references.

Our Law Reform Commission issued two final reports, advanced eleven projects through research, and initiated the drafting of seven pieces of legislation including the Health Care Decisions (Amendment) Bill, 2019; The Private Funding of Litigation Bill, 2019; and the Education (Amendment) Bill, 2019.

The Law Reform Commission also assisted with the drafting of some twenty-nine additional pieces of Legislation during the year.

Our Legislative Drafting Department is the beneficiary of most of the assistance rendered by the Law Reform Commission. In 2019, the Drafting Department continued with a heavy legislative programme which generally exceeds one hundred pieces of legislation made or enacted annually.

The Cayman Islands is subjected to continuous review and evaluation by international bodies including the Caribbean Financial Action Task Force (CFATF). Following the quality and consistency review of 2018, the jurisdiction was placed on a one-year observation period and required to show measurable progress against sixty-three recommendations.

The Portfolio's Anti-Money Laundering Unit (AMLU) worked on coordinating the response to these recommendations through outreach, presentations, guidance and feedback to relevant parties. The Unit also developed new documentation to provide practical guidance and increase awareness.

Invest in capacity building through staff training and development

Our 2019 fiscal plans called for the investment of some \$157 thousand for the recruitment and training of staff. This budget was underspent by \$86 thousand due to staff workload and the cover required for unfilled vacancies. Notwithstanding, the Portfolio facilitated a number of training interventions with staff attendance at forums discussing anti-money laundering; human rights; refugee protection appeals; and countering proliferation financing.

Leadership training was also offered through the Portfolio of the Civil Service in 2019 and a number of our staff benefitted. This training was augmented by presentations on the new Data Protection Law.

Staff from our Law School also contributed academic papers to internationally recognized law journals, and presented papers at local and international law conferences in diverse jurisdictions. Further development was also delivered through staff seminars which facilitate a wide range of legal discussions for the benefit of participants.

Become digitally enabled by developing tools, databases and equipment for output production

Our Law Revision Commission took the digital lead in 2019 by updating the format of Cayman Islands Legislation and workflow system in February 2019. The updated legislation format utilises full page printing and includes hyperlinks within the legislation thereby providing greater clarity and accessibility for all users of Cayman Islands legislation.

The new system will also allow the Clerk of the Legislative Assembly to track and communicate Committee-stage amendments which will enhance efficiency in the production of new laws.

The Commission also worked on the introduction of the Cayman Islands Legislation Website which, in addition to providing online access to all current legislation, also provides access to historic or ‘point in time’ legislation.

This work will augment the efficiency of the Portfolio’s staff by expanding access to information.

Some \$66 thousand was invested in new software during fiscal year 2018. The software was in use for the full year in 2019 and helped to improve the Portfolio’s efficiency during the period.

SECTION

2

Legislative Drafting & Review Services

Legislative Drafting Department (the “Drafting Department”)

The Legislative Drafting Department consists of seven legislative counsels who are all qualified attorneys-at-law with a wealth of legislative drafting experience.

Work is concentrated in three main categories:

- Drafting primary legislation (Bills);
- Drafting subordinate legislation (Regulations and Orders, Directions, Rules etc.); and
- Advising on proposals for legislation and statutory interpretation.

The primary legislation passed by the Legislative Assembly each year is but a part of the quantum of legislation prepared during that year by Legislative Counsel. The Drafting Department produces a large amount of primary legislation which eventually may not be needed by Cabinet, and subordinate legislation, most of which is made only by the Cabinet.

In 2019, the Drafting Department continued with a heavy legislative programme which generally exceeds one hundred pieces of legislation annually. Below is a list of some of the legislation which were made or enacted in 2019, and a list of other legislation that are due to be considered by the Government in 2020.

Legislation made or enacted in 2019:

- International Tax Co-Operation (Economic Substance) (Amendment of Schedule) Regulations, 2019;
- Public Holidays Order, 2019;
- Special Economic Zones (Cayman Enterprise City) (Amendment) Order, 2019;
- Non-Profit Organisations (Amendment) Law, 2018 (Commencement) Order, 2019;
- Non-Profit Organisations (Registration Application) (Amendment) Regulations, 2019;
- Beneficial Ownership (Limited Liability Partnership) Regulations, 2019;
- Data Protection Law, 2017 (Commencement) Order, 2019;
- Data Protection Regulations, 2018;
- Traffic (Amendment) Law, 2018 (Commencement) Order, 2019;
- Traffic (Amendment) Regulations, 2019
- International Tax Co-operation (Economic Substance) (Amendment of Schedule) (No.2) Regulations, 2019;
- Health Practice Law (Medical Tourism Provider and Medical Tourism Facility) (Cayman IVF Limited) Order, 2018;
- Airports Authority (Safeguarding) Regulations, 2019;
- Civil Aviation (Investigation of Air Accidents and Incidents) Regulations, 2019;
- Development and Planning (Amendment) Regulations, 2018;
- Bills of Exchange (Amendment) Law, 2019;
- Builders (Amendment) Law, 2019;
- Design Rights Law, 2019;
- Trusts (Amendment) Law, 2019;
- Health Care Decisions Law, 2019;
- Monetary Authority (Amendment) Law, 2019;
- Criminal Justice (International Co-operation) (Amendment of Schedule) Order, 2019;
- Anti-Money Laundering (Amendment) Regulations, 2019;
- Freedom of Information (Amendment) Law, 2018 (Commencement) Order, 2019;
- Trusts (Amendment) Law, 2019 (Commencement) Order, 2019;
- Directors Registration and Licensing (Amendment) Law, 2019;
- Securities Investment Business (Amendment) Law, 2019;

- Anti-Money Laundering (Amendment) (No.2) Regulations, 2019;
- Traffic (Public Passenger Vehicles) (Amendment) Regulations, 2019;
- Companies (Amendment) Law, 2019;
- Limited Liability Companies (Amendment) Law, 2019;
- Limited Liability Partnership (Amendment) Law, 2019;
- Mutual Funds (Amendment) Law, 2019;
- Insurance (Amendment) Law; 2019;
- Building Societies (Amendment) Law, 2019;
- Cooperative Societies (Amendment) Law, 2019;
- Banks and Trust Companies (Amendment) Law, 2019;
- Trusts (Amendment) (No.2) Law, 2019;
- Money Services (Amendment) Law, 2019;
- Monetary Authority (Amendment) (No.2) Law, 2019;
- Auditors Oversight (Amendment) Law, 2019;
- Public Management and Finance (Amendment) Law, 2019;
- Public Service Pensions (Amendment) Law, 2019;
- Public Lands (Amendment) Law, 2019;
- Trusts (Transparency) Regulations, 2019;
- Private Trust Companies (Amendment) (No.2) Regulations, 2019;
- Customs Tariff (Amendment of Schedule 1) Order, 2019;
- International Tax Co-operation (Economic Substance) (Amendment of Schedule) (No.3) Regulations, 2019;
- Criminal Procedure Rules, 2019;
- Companies (Amendment) Law, 2019 (Commencement of Section 5) Order, 2019;
- Limited Liability Companies (Amendment) Law, 2019 (Commencement of Section 3) Order, 2019;
- Limited Liability Companies (Fees) (Amendment) Regulations, 2019;
- Accountants (Quality Assurance) (Amendment) Regulations, 2019;
- Public Holidays (No.2) Order, 2019;
- Public Holidays (No.2) Order, 2019;
- Builders (Amendment) Law, 2019 (Commencement) Order, 2019;
- Securities Investment Business (Registration and Deregistration) Regulations, 2019;
- Public Service Pensions (Contribution Rates) Regulations, 2019;
- Referendum (People-initiated Referendum Regarding the Port) Law, 2019;
- Referendum (People-initiated Referendum Regarding the Port) (Referendum Question) Regulations, 2019;
- Referendum (People-initiated Referendum Regarding the Port) (Referendum Day) Notice, 2019;
- Port (Amendment) Regulations, 2019;
- Advance Passenger Information Law, 2018 (Commencement) Order, 2019;
- Advance Passenger Information (Amendment) Law, 2018 (Commencement) Order, 2019;
- Traffic (Public Passenger Vehicles) (Amendment) (No. 2) Regulations, 2019;
- Public Service Pensions (Ex-Gratia Uplift Payments) (Amendment) Regulations, 2019;
- Criminal Justice (International Cooperation) (Amendment of Schedule) (No.2) Order, 2019;
- Money Services Businesses (Amendment) Regulations, 2019;
- Referendum (People-initiated Referendum Regarding the Port) (Amendment) Regulations, 2019; and
- Appropriation (Financial Years 2020 and 2021) Law, 2019.

Some of the Legislation proposed for 2020 are as follows:

- Banks and Trust Companies (Amendment) Bill;
- Children (Amendment) Bill;
- Fair Employment Opportunity Commission Bill;
- Parliamentary Commission Bill;
- Mutual Funds (Amendment) Bill;
- Private Funds Bill;
- Monetary Authority (Amendment) Bill;
- Companies (Amendment) Bill;
- Limited Liability Companies (Amendment) Bill;
- Limited Liability Partnership (Amendment) Bill;
- International Tax Co-operation (Economic Substance) (Amendment) Bill;
- Health Practice (Amendment and Validation) Bill;
- Referendum Bill;
- Reporting of Savings Income Information (European Union) (Repeal) Bill;
- Roads (Naming and Numbering) Bill;
- Special Economic Zones (Amendment) Bill;
- Trusts (Amendment) Bill;
- Tourism Bill;
- Tourist Accommodation (Taxation) Bill;
- Tourism Attractions Authority Bill;
- Matrimonial Causes Bill;
- Family Property (Rights of Spouses) Bill;
- Maintenance Bill;
- Surveillance Devices Bill;
- Immunity and Indemnity Provisions Bill;
- Explosives Bill;
- DNA Identification Bill;
- Customs Tariff Bill;
- Financial Assistance Bill and Regulations;
- Coast Guard Bill;
- Presumption of Death Bill;
- Defence Bill;
- Criminal Procedure Code (Amendment) Bill;
- Firearms (Amendment) Bill;
- Legal Practitioners (Amendment) Bill;
- Strata Titles Bill;
- Contempt of Court Bill;
- Pharmacy Bill;
- Investigatory Powers Bill;
- Penal Code (Amendment) Bill;
- Payments Clearing and Settlement Oversight Bill;
- Consolidation of the Liquor Licensing Law and the Music and Dancing (Control) Laws;
- Pesticides Control Bill;
- Virtual Assets Bill;
- Customs and Border Control (Amendment) Bill;
- Immigration (Transition) (Amendment) Bill;
- Mental Health (Amendment) Bill;
- Standards in Public Life Regulations;
- Tourism Regulations;
- Anti-Money Laundering (Single Family Office) Regulations;
- Limited Liability Partnership (Fees) Regulations;
- Monetary Authority (Administrative Fines) (Amendment) Regulations;
- Beneficial Ownership (Companies) (Amendment) Regulations;
- Beneficial Ownership (Limited Liability Companies) (Amendment) Regulations;
- Beneficial Ownership (Limited Liability Partnership) (Amendment) Regulations;
- National Conservation (Marine Parks) Regulations;
- National Conservation Council (Licence and Permit) (Amendment) Directives;
- Port (Amendment) Regulations;
- Health Practice (Amendment) Regulations;
- Mental Health (Amendment) Regulations;
- Personnel (Amendment) Regulations;
- Explosives Regulations;
- Pharmacy Regulations;
- Public Lands Regulations;
- Traffic Control (Amendment) Regulations;
- Aircraft (Landing and Parking Fees) Regulations;
- Children's Cases (Amendment) Regulations;
- Children (Secure Accommodation) (Amendment) Regulations;
- Customs (Bonded Duty-Free Shop) Regulations;
- Judges' and Magistrates' Emoluments and Allowances (Amendment) Order;
- Mutual Funds (Annual Returns) (Amendment) Regulations;
- National Honours and Awards Regulations;
- Public Lands Regulations;
- Roads (Naming and Numbering) Regulations; and
- Dangerous Substances (Amendment) Regulations.

Looking Ahead

The Legislative Department will continue its work on over one hundred pieces of legislation to support the Government's policies in 2020. This work will be carried out with the able assistance of the **Law Reform Commission**.

Legislative Drafting Department

“We are responsible for the provision of an efficient legislative drafting service, including related legislative advice for the Government.”

The Law Reform Commission (The Commission)

About Us:

The work of the Law Reform Commission primarily consists of conducting legal research, carrying out public and governmental consultation, preparing reports on law reform topics, and drafting reform legislation.

During the year, the Law Reform Commission advanced its law reform process on several projects, each of which seeks to address important legal issues with a view to making recommendations that will improve the administration of justice and protect the rights of our people when certain infractions are committed.

Final Reports

Litigation Funding

The Law Reform Commission submitted its Final Report entitled “A Review of Litigation Funding in the Cayman Islands – Conditional and Contingency Fee Agreements”. This Report is supported by the “Private Funding of Litigation Bill, 2019” and the “Private Funding of Litigation Regulations, 2019”. The principal aim of the proposals is one of codification and legalisation of conditional fee agreements. The agreements are used in civil cases and can be of particular value where a person does not qualify to obtain legal aid and cannot afford to pay a retainer.

Contempt of Court

The Commission continued its work towards the finalization of its report on Contempt of Court. On conclusion the report will be submitted to the Attorney General during the first quarter of 2020. The report discusses the issues of contempt in the face of the court, contempt by publication and contempt by disobedience of a court order, and is supported by the Contempt of Court Bill, 2019 and the Penal Code (Amendment) Bill, 2019. Both pieces of legislation seek to introduce provisions that will provide for partial codification of the law of contempt.

Current Projects/ Research Areas

The other projects forming part of the Commission’s work during 2019 which will continue into 2020 are as follows:

Mortgages and Foreclosures

The Commission considered stakeholder comments received on its Discussion Paper entitled “The Enforcement of Mortgage-type Security Over Real Estate: Is Reform of the Law Necessary?”

The review seeks to consider whether it is necessary to reform the law relating to the enforcement of mortgage-type securities over land and, in particular, over residential properties. This request followed a heightened level of public comment and concern, regarding the number of such procedures, colloquially referred to as “foreclosures”.

On conclusion of final deliberations, the Commission will determine what legislative measures, if any, should be introduced to address the issues and such recommendations will form the basis of the Commission’s Final Report.

Consumer Protection

Following the review of comments made on its Consumer Protection and Guarantees Bill, 2017, the Commission worked on finalising legislative proposals seeking to introduce the safeguard of interests of consumers and provide adequate remedies when consumer standards are breached.

These proposals are in response to comments the Commission received on its Discussion Paper entitled “Entrenching Consumer Supremacy in Cayman Islands Legislation.”

Decriminalisation of Suicide

The Commission published for public consultation its discussion paper entitled “Decriminalisation of Suicide” and reviewed the comments received from stakeholders. The Paper reviews the relevant provisions of the Penal Code against the relevant provisions of the laws of various jurisdictions and makes recommendations for the decriminalisation of suicide and the retention of assisted suicide.

The recommendations were supported by the Penal Code (Amendment) Bill, 2019 and the Health Care Decisions (Amendment) Bill, 2019.

Anti-Bullying

The Commission published for public consultation the Education (Amendment) Bill, 2019 and the Anti-Bullying (Schools) Regulations, 2019 and considered the stakeholders’ comments received in response to the draft proposals. The proposals seek to introduce provisions which will define bullying, prohibit bullying conduct and impose obligations on relevant persons to prevent bullying conduct.

Severance of Joint Tenancies

The Commission published for stakeholder comment the draft Registered Land (Amendment) Bill and draft Registered Land (Amendment) Rules. The legislation seeks to introduce provisions to allow for the unilateral severance of joint tenancy agreements.

Penal Code Review

The Commission commenced the research phase of the review of the Penal Code 2019 Revision for the compatibility of the Penal Code provisions with the Bill of Rights, Freedoms and Responsibilities set out in the Constitution of the Cayman Islands. The Commission intends to prepare a Discussion Paper based on the research.

Interpretation Law Modernisation

The Commission commenced the research phase of the review and modernisation of the Interpretation Law (1995 Revision). A number of the rules of interpretation have already been identified as requiring review based on the enactment of the Constitution and other laws, many of which affect the general principles of interpretation, gender of words, nomenclature, commencement of laws, penalties and other matters contained in the Interpretation Law.

Other Areas Under Examination

Appeals Tribunal

The Commission commenced its review of appeals tribunals in the Cayman Islands. The review is aimed at determining whether a provision should be put in place to establish a permanent appeals tribunal in substitution for the current arrangements for separate appeal tribunals for planning, immigration, labour and other matters.

Usury

The Commission is examining whether there is legislation in the Cayman Islands relating to Usury that prohibits the charging of illegal or excessive interest on contracts relating to the lending of money, either at common law or by way of statute.

Reform of the **Defamation Law**.

Reform of the **Succession and Wills Law**.

Other Review and Legislative Drafting Services provided by the Law Reform Commission in 2019

During the period, the Commission worked collaboratively with the Legislative Drafting Department on various pieces of legislation.

The Commission initiated drafting of the following legislation:

- Anti-Bullying (Schools) Regulations, 2019
- Contempt of Court Bill, 2019 and the Penal Code (Amendment) Bill, 2019
- Education (Amendment) Bill, 2019
- Health Care Decisions (Amendment) Bill, 2019
- Penal Code (Amendment) Bill, 2019
- Private Funding of Litigation Bill, 2019
- Private Funding of Litigation Regulations, 2019

The Legislative Drafting Department requested the staff of the Commission to assist with the drafting and/or review the following legislation:

- International Tax Co-operation (Economic Substance) (Amendment of Schedule) Regulations, 2019
- International Tax Co-operation (Economic Substance) (Amendment of Schedule) (No. 2) Regulations, 2019
- Traffic (Amendment) Regulations, 2019
- Traffic (Amendment) Law (Commencement) Order, 2019
- International Tax Co-operation (Economic Substance) (Amendment of Schedule) (No. 3) Regulations, 2019
- International Tax Co-operation Tax Co-operation (Economic Substance) (Amendment) Bill, 2020.

- Private Funds Bill, 2019
- Private Funds Regulations, 2019
- Private Funds (Savings and Transitional) Regulations, 2019
- Mutual Fund (Amendment) Law 2019
- Monetary Authority (Amendment) Bill, 2019
- Tax Authority (Amendment) Bill, 2019
- Tax Information Authority (International Tax Compliance) (Common Reporting Standard) (Amendment) Regulations, 2019
- Tax Information Authority (International Tax Compliance) (United States of America) (Amendment) Regulations, 2019
- Legal Services Bill, 2019
- Trusts (Amendment) Bill, 2019
- Limited Liability Partnerships (Amendment) Bills, 2019
- Limited Liability Partnerships (Amendment) Bills, 2019
- Companies (Amendment), 2019
- Standards in Public Life Regulations, 2019
- Traffic (Public Passenger Vehicles) (Amendment) Regulations, 2019
- Customs (Bonded Warehouses) (Amendment) Regulations, 2020
- Referendum (People-initiated Referendum Regarding the Port) (Referendum Day) Notice, 2019
- Referendum (People-initiated Referendum Regarding the Port) Bill, 2019
- Freedom of Information (Amendment) Bill, 2019
- The Companies (Amendment)(No.2) Bill, 2019
- The Limited Liability Companies (Amendment)(No.2) Bill, 2019;
- The Limited Liability Partnership (Amendment) (No.2) Bill, 2019
- Anti-Money Laundering (Amendment) (No.3) Regulations, 2019



The Law Reform Commission

“Our Mandate is to study and keep under constant review the statutes and other laws comprising the law of the Cayman Islands with a view to its systematic development and reform.”

The Law Revision Commission (the “Revision Commission”)

Our Aim

The aim of the Law Revision Commission is to present statute-based laws in effect in the Cayman Islands in its clearest form at any given time and thereby to facilitate the administration of justice, access to justice, law enforcement, legal education, research, law reform, and the efficient use of the law.

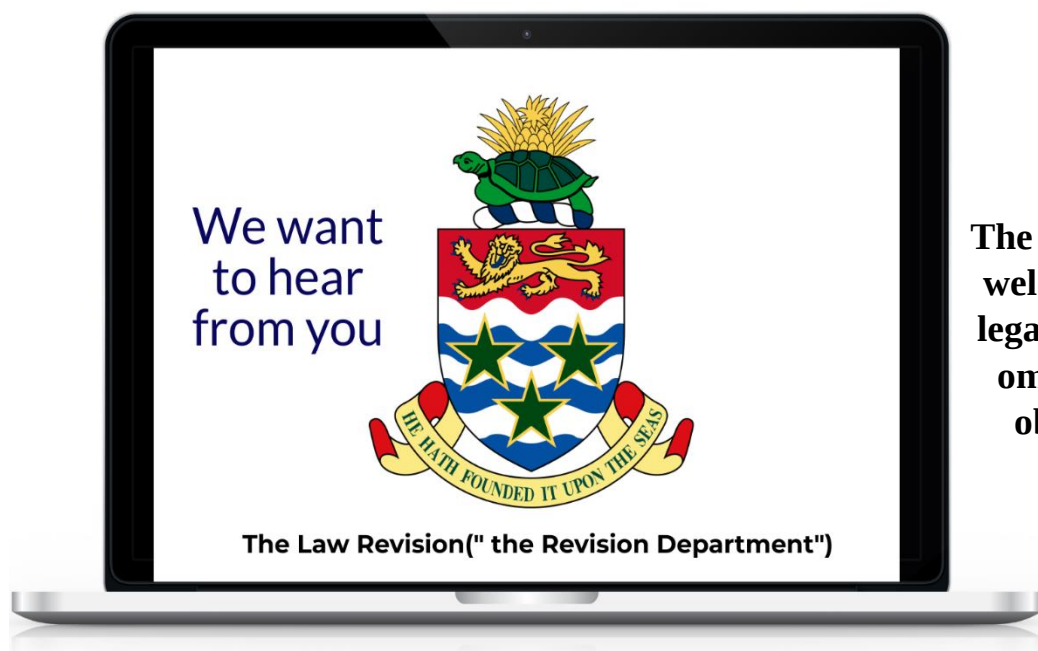
Our Structure

Our Department is headed by the Law Revision Commissioner who is assisted by the Legislative Editor.

Our Activities

The activities of the Law Revision Commission include the following:

Revising the Statute Books	Ensuring that the statute-book of more than 900 pieces of legislation for the Cayman Islands are regularly revised, and that an up-to-date status of the law is produced annually and made accessible to the public.
Publishing the Annual Consolidated Index of Laws	Preparing and publishing an annual consolidated index of laws of the Cayman Islands which includes the compendia of related laws in order to ensure easy accessibility of and reference to the laws.
Managing the Database of revised laws	Managing the database of the revised laws by continuously updating the consolidated index as new laws are made and brought into effect.
Reviewing superior court decisions	Continuously reviewing and analysing decisions of superior courts, particularly in the area of human rights, in order to ascertain their effect on legislation and making proposals for review of the affected laws.



The Law Revision Commission welcomes comments from the legal profession on any errors, omissions or inconsistencies observed in the law of the Cayman Islands.

Achievements of the Law Revision Commission during 2019

The Revision Commission had yet another successful year as we accomplished significant undertakings during the reporting period.

New Initiatives in 2019

1. Introduction of updated format of Cayman Islands Legislation and workflow system in February 2019 as approved by Cabinet in 2018.

- a) The updated legislation format utilises full page printing and includes hyperlinks within the legislation and thereby provides greater clarity and accessibility for all users of Cayman Islands legislation.
- b) The workflow system, among other benefits, provides the ability for the Clerk of the Legislative Assembly to track and communicate Committee-stage amendments made and thereby facilitate greater efficiency in the production of new laws.

2. Introduction of the Register of Subsidiary Legislation which is a system of registration for all subsidiary/delegated legislation.

- a) The Register of Subsidiary Legislation facilitates the indexation and management of legislation by providing a unique identification number for each item of Cayman Islands subsidiary/delegated legislation issued.

3. Introduction of the Legislation Gazette Edition and the Legislation Gazette Supplements as new options on the Cayman Islands Official Gazette website and thereby improving the efficiency for users who need to follow the legislative process and access legislation.

- a) The Legislation Gazette is dedicated to the publication of all primary and subsidiary/delegated legislation enacted/made in the Cayman Islands.
- b) In addition, all Bills going before the Legislative Assembly, all Proclamations issued by the Governor, any errata and United Kingdom Statutory Instruments which may have been extended to the Cayman Islands, are now published in the Legislation Gazette Edition.

4. Introduction of the Cayman Islands Legislation Website which in addition to providing online access to all current legislation also provides access to historic or 'point in time' legislation.

- a) At present, the Cayman Islands Legislation Website is currently only available to users within the Portfolio of Legal Affairs. The ready access to a complete archive of Cayman Islands Legislation will serve to enhance efficiency. The work in completing this archive remains ongoing.

Revisions

The Revision Commission completed and published 36 revisions of Cayman Islands legislation in 2019. The task of completing and publishing these revisions required the careful study, editing, and proof reading of in excess of 1,771 pages of legislation. All cross-references were updated which required researching and confirming in excess of 600 cross-references.

36

**Revisions
Of Legislation**

More than

1,771

**pages of legislation were
edited and proof-read**

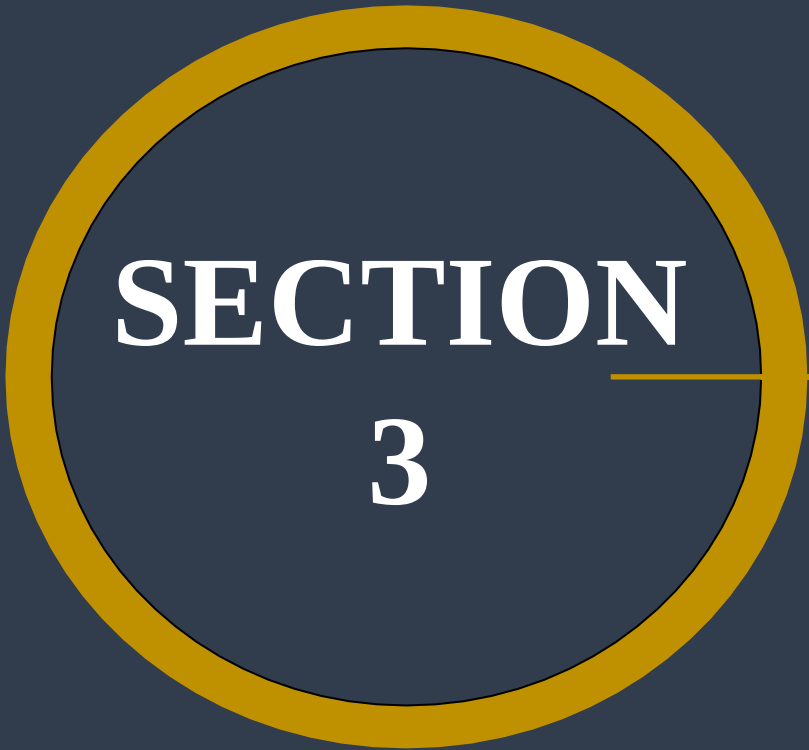
Consolidated Index

We completed the 2019 Consolidated Index (as at 30th April, 2019) which comprised of approximately 64 pages of legislation detailing: (1) the gazette references; (2) legislation that was in force (CIF), not in force (NIF), and part in force (PIF); as well as (3) other useful information such as changes in the names of legislation.

Legislation enacted in the United Kingdom (UK) via statutory instrument and extended to the Cayman Islands was also detailed in the Consolidated Index.

Legal Policy

Numerous papers on legal policy were also prepared at the request of the Hon. Attorney General.

A dark blue rectangular background with a large, thick, gold-colored circle centered within it. The word "SECTION" is written in white, serif, uppercase letters across the middle of the circle. Below it, the number "3" is written in the same style. A thin gold horizontal line extends from the right edge of the circle.

SECTION

3

**Provision of Legal
Advice, Anti- Money
Laundering &
Compliance Services**

The Solicitor General's Office

Achievements of the Solicitor General's Office

In 2019, the Solicitor General's Office ("SGO") provided legal advice in response to approximately 373 requests from various public entities on a wide range of subject matters and laws (including immigration, human rights, constitutional law, elections law, children and family law, employment, trusts and contracts) of varying complexity. This represented an increase of over 100 requests compared to 2018.

Of the total number of requests for advice, 112 were for the review/ preparation of contracts and agreements across the public sector. This also represented a significant increase in the volume of contract-related requests (almost twice the number of requests made in 2018).

The SGO also represented Government and other public entities in approximately 31 matters before the Grand Court and Court of Appeal, and 32 matters before statutory tribunals.

As in 2018, some of these cases raised novel issues of considerable public interest such as the scope of the constitutional right to marry in section 14 of the Bill of Rights, CI Constitution Order, 2009 (before the Grand Court and Court of Appeal); and the constitutionality of the Referendum (People-Initiated Referendum Regarding the Port) Law 2019 (the first law of its kind to provide for a people-initiated referendum pursuant to section 70 of the CI Constitution Order, 2009).

Other cases of note included the first appeal against an order of extradition made under the Extradition Act 2003 (Overseas Territories) Order 2016; habeas corpus applications challenging the restrictions on liberty of persons suspected of criminal offences; and the use of closed material procedures in judicial review proceedings.

At the Summary Court level, Crown Counsel were involved in 8 applications under Part IV of the Children Law (2012 Revision).

Crown Counsel continue to play an important role in providing legal support to various statutory boards/ entities. Some serve as members on the Medical and Dental Council, Health Practice Commission and Child Safeguarding Board. In relation to other entities such as the Adoption Board, Conditional Release Board and Expungement Board, Crown Counsel are designated to provide assistance on legal matters.

Outreach and Training

Over the course of 2019, Crown Counsel also provided training to the following agencies:

- Staff of the Criminal Records Office and Joint Intelligence Unit on the Criminal Records (Spent Conviction) Law;
- The National Conservation Council on administrative decision-making;
- The Department of Children and Family Services (Elderly and Special Needs Services team) on powers of attorney, wills and related legal issues; and
- The Department of Children and Family Services (children's teams) in relation to making applications to the Court under the Children Law and related legal issues.

Outreach and Training (continued)

Crown Counsel also attended training in various areas relating to their work including:

- Information Manager Basic Training and PDP Data Protection Training;
- Legal Framework for the new Refugee Protection Appeals Tribunal to be established;
- Human Rights (hosted by the Judicial Administration in collaboration with the Truman Bodden Law School);
- Countering Proliferation Financing (hosted by the FRA in collaboration with the UN Office of Drugs and Crime);
- Financial Action Task Force Standards (hosted by the Cayman Islands Monetary Authority in collaboration with the FATF); and
- Leadership and Management (held by the Portfolio of the Civil Service).

We provided legal advice in response to approximately

373

requests from various Government Ministries, Departments and Statutory Authorities on a wide range of subject matters and laws

(this represented an increase of over 100 new requests compared to the prior year).

Solicitor General's Office

“We provide legal advice and representation, on behalf of the Attorney General, to Government departments, and statutory boards and authorities.”

The Anti- Money Laundering Unit (the “AMLU”)

The **Anti-Money Laundering Unit** (the “AMLU”) is the secretariat for the Anti-Money Laundering Steering Group (the “AMLSG”), which is the AML/CFT policy-making body for the Cayman Islands as provided by section 5(2)(a) of the *Proceeds of Crime Law*.

The Head of the AMLU is also the chair of the Inter-Agency Cooperation and Coordination Committee (the “IACC”), which is a committee under the AMLSG. It is responsible under section 5(3B) of the *Proceeds of Crime Law* for (a) implementing the policies of the AMLSG; (b) facilitating coordination and cooperation among statutory authorities, departments of government or agencies tasked with regulation of anti-money laundering, counter terrorism financing, and counter proliferation financing (AML/CFT/CFP); and (c) assessing the risks to the Cayman Islands related to money laundering, terrorism financing, and proliferation financing (ML/TF/PF).

Key Developments in 2019

The Caribbean Financial Action Task Force (CFATF) Mutual Evaluation of the Cayman Islands

Following the on-site visit by the CFATF mutual evaluation team in December 2017 and the adoption of the mutual evaluation report (MER) by the CFATF in November 2018, the Cayman Islands MER underwent a quality and consistency review through the FATF before it was published in March 2019.

As a result of the findings in the MER, particularly with respect to effectiveness of 11 Immediate Outcomes, the Cayman Islands was placed on a one-year observation period by the FATF in which it was required to show positive and tangible progress in the effectiveness of its AML/CFT/CFP systems by the end of February 2020. The jurisdiction’s progress will be measured by the FATF’s Joint Group of the Americas against sixty-three specific recommended actions outlined in the MER.

During 2019, the AMLU worked on the coordination of the jurisdiction’s response to the sixty-three recommended actions, while participating in outreach to industry through live and recorded presentations and by providing support to competent authorities by way of guidance, feedback and training.

Further, the AMLU coordinated the development of a comprehensive document entitled *Money Laundering: Typologies & Trends* (published on the AMLU’s website), which will provide industry with practical guidance on the ML/TF/PF threats to the jurisdiction and will raise awareness of the methods and techniques relevant to the Cayman Islands.

In 2019, three risk assessments were completed at the national and sectoral levels related to (1) the Special Economic Zone, (2) Terrorist Financing, and (3) Excluded Persons under the *Securities Investment Business Law*. Another risk assessment of legal persons & legal arrangements, and one on the Cayman Islands as an international financial centre, were commenced in 2019 and are to be completed in the 1st quarter of 2020. In addition to its involvement in conducting these risk assessments, the AMLU led the revision and update of the jurisdiction’s AML/CFT National Strategy, which covered the four-year period 2019 – 2022 and was published on the AMLU’s website.

Finally, the AMLU worked on the coordination, completion, and submission of the jurisdiction’s First Follow-Up Report (the “FFUR”) to the CFATF on the progress made since the adoption of its MER by the CFATF in November 2018. The FFUR was submitted in September 2019.

Response to FATF and CFATF Surveys and Questionnaires

Five responses were made with respect to actions taken following the FATF Plenaries and the CFATF Plenaries in 2018 and 2019. The AMLU also responded to two questionnaires from the CFATF: 1) “Monitoring Developments in Cryptocurrency and Data Privacy Initiatives Questionnaire,” and 2) “CFATF Website Content Questionnaire.” Relevant private sector representatives were also informed of 1) a CFATF De-Risking survey for financial institutions, and an 2) FATF private sector consultation on a Draft Guidance on Digital Identity.

AML/CFT/CFP Legislative Changes

Several AML/CFT/CFP related laws were amended during 2019 to ensure technical compliance with FATF Standards and to enhance the jurisdiction's effectiveness in the fight against ML/TF and PF. Among the laws amended were the *Proceeds of Crime Law*, the *Securities Investment Business Law*, the *Non-Profit Organisations Law*, the *Money Services Business Law*, the *Companies Law*, the *Trusts Law*, the *Banks and Trust Companies Law*, the *Legal Practitioners Law*, and the *Anti-Money Laundering Regulations*.

Among others, amendments to the *Proceeds of Crime Law* and the *Anti-Money Laundering Regulations (AMLRs)*, were led by the AMLU. In relation to the *Proceeds of Crime Law*, amendments came into effect on 18th June 2019 and included:

- making property developers selling real estate without the use of a real estate agent subject to the *AMLRs*;
- making virtual asset services a relevant financial business, thereby laying the foundation for its regulation and supervision;
- making the FRA the central repository for information required by legislation such as cash transaction reports, wire transfer reports, and threshold-based declarations or disclosures;
- lowering the monetary threshold over which dealers in precious metals and stones must be supervised for AML/CFT/CFP purposes;
- strengthening inter-agency cooperation by going to the Anti-Corruption Commission representation on the AMLSG and the IACC;
- addressing the revisions and updates to the FATF Standards relating to Recommendations 2 (National cooperation and coordination), 18 (Internal controls and foreign branches and subsidiaries), and 21 (Tipping-off and confidentiality).

In relation to the *AMLRs*, the amendments addressed all preventative measures deficiencies identified in the MER and also included:

- enhancing the powers of AML/CFT Supervisory Authorities to request information from persons engaged in relevant financial business and to share that information with competent authorities for the purposes of conducting ML/TF/PF risk assessments;

- enhancing the framework for the imposition of administrative fines for breaches of the *AMLRs*;
- providing for the implementation of systems relating to terrorism financing, proliferation financing and targeted financial sanctions.

In 2019, the AMLU also conducted work on the removal of the AMLSG's List of Equivalent Jurisdictions from the *AMLRs*. These amendments are expected to come into force during the 1st quarter of 2020.

Outreach and Training

The AMLU provides outreach sessions with various entities conducting relevant financial business. During 2019, the AMLU provided outreach in relation to the full National Risk Assessment (NRA).

It conducted one outreach session on the full NRA to members of the Cayman Islands Compliance Association, in June 2019, and four outreach sessions between June and November of 2019 with representatives from the following sectors: dealers in precious metals & stones, lawyers, and real estate agents & developers. Additionally, the AMLU recorded a lesson on the results of the NRA, which has been uploaded to an eLearning platform and will be available for free to anyone who registers.

The AMLU delivered AML/CFT training to Cayman Islands Customs and Border Control recruits in July and August of 2019. In addition to an introduction to the AML/CFT legislative and institutional framework, the training included the cross-border transportation of currency and bearer negotiable instruments.

A dark blue rectangular background with a large, thick, gold-colored circle centered on the right side. The word "SECTION" is written in white, serif, all-caps font across the middle of the circle. Below it, the number "4" is written in the same font. A thin gold horizontal line extends from the right edge of the circle.

SECTION

4

Financial Intelligence Services

Financial Reporting Authority (the “FRA”)

Synopsis for the Financial Reporting Authority

The primary role of the Financial Reporting Authority (FRA) is to receive, analyse, request and disseminate disclosures of financial information, concerning the proceeds of criminal conduct, suspected proceeds of criminal conduct, money laundering, suspected money laundering, or the financing of terrorism which is derived from any criminal offence committed in these islands.

The FRA is also responsible for ensuring the implementation of targeted financial sanctions with respect to terrorism, terrorism financing, proliferation, proliferation financing, and other restrictive measures related to anti-money laundering (AML) and combatting the financing of terrorism (CFT) and proliferation (CFP) from and within the Cayman Islands. The Sanctions Coordinator plays a critical role in the implementation and enforcement of these targeted financial sanctions and other restrictive measures, and in developing and enhancing the jurisdiction’s AML/CFT regime, while ensuring ongoing compliance with international standards and best practices.

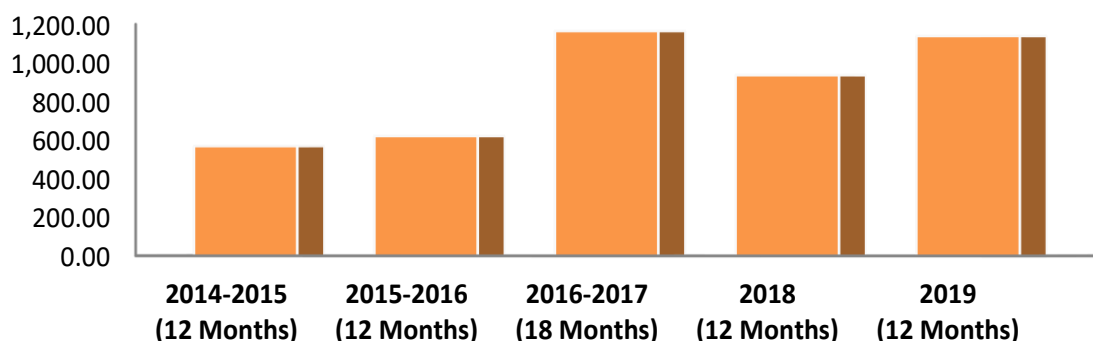
The following is a synopsis of the activities for the 12-month period January 1, 2019 to December 31, 2019 (the Reporting Period).

Receipt of Suspicious Activity Reports

The FRA received 1,138 suspicious activity reports (SARs) during the Reporting Period. There was a 22% increase in SARs received during the Reporting Period compared to the same period in 2018 (1,138 vs 935).

The FRA received SARs from 312 different reporting entities, not including the 45 overseas Financial Intelligence Units (OFIUs) that voluntarily disclosed information or requested information from the FRA. Banks continue to be the largest source of SARs (300 cases: 26%), followed by Money Services Businesses (202 cases: 18%), OFIUs (133 cases: 12%), Mutual Fund Administrators (83 cases: 7%), Company Managers / Corporate Services providers (78 cases: 7%) and Trust Companies (78 cases: 7%).

Number of Cases



	2014-2015 (12 Months)	2015-2016 (12 Months)	2016-2017 (18 Months)	2018 (12 Months)	2019 (12 Months)
Number of Cases	568	620	1,164	935	1,138

The five most common reasons for filing SARs were: (i) Suspicious Activity (476 cases: 42%); (ii) Fraud (233 cases: 20%); (iii) Corruption (89 cases: 8%); (iv) Money Laundering (88 cases: 8%); and (v) Tax Evasion (54 cases: 5%).

In an effort to provide a more detailed breakdown of what types of activities were deemed suspicious by SAR filers, the FRA has broken down the 476 cases of ‘Suspicious Activity’ by the following sub-categories:

1. Unusual conditions or circumstances: 190 cases
2. Transactions that appear to be structured to avoid reporting thresholds: 94 cases
3. Inconsistent with client profile: 75 cases
4. Inadequate and / or inconsistent information: 63 cases
5. Activities that appear to lack economic purpose: 28 cases
6. High volume transactions: 26 cases

Analysis of SARs

The FRA completed the analysis of 515 cases during the Reporting period, comprising: 385 of the 1,138 new cases received during the Reporting Period, 96 of the cases carried forward from 2018, 12 of the cases carried forward from 2017, 15 of the cases carried forward from Jul-Dec 2016, 6 of the cases carried forward from 2015/16, and 1 case carried forward from 2014/15.

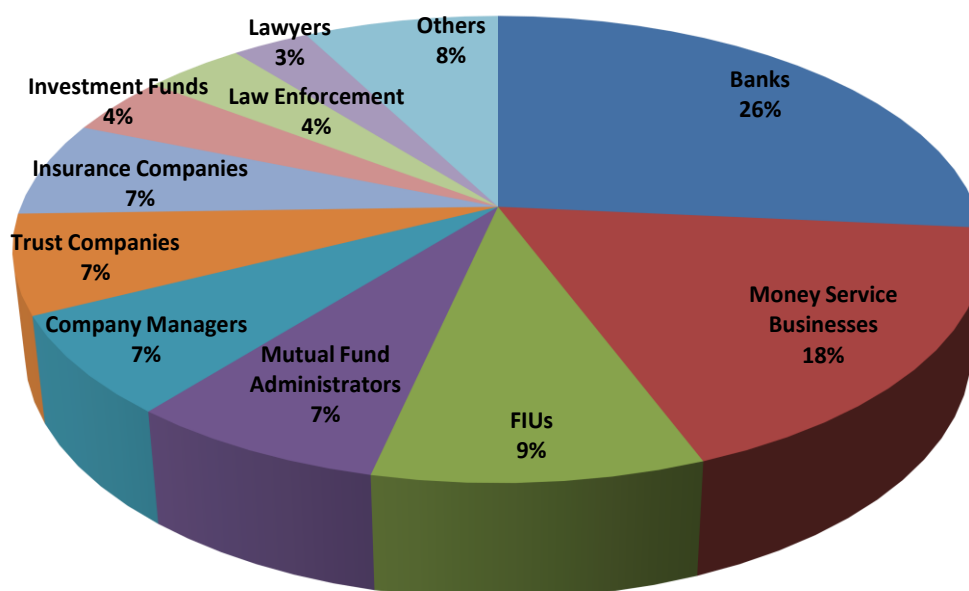
Dissemination of SARs

The FRA closed 331 cases during the Reporting Period, comprising: 210 of the 1,138 new cases received during the Reporting Period, 84 of the cases carried forward from 2018, 12 of the cases carried forward from 2017, 18 of the cases carried forward from Jul-Dec 2016, 6 cases carried forward from 2015/16 and 1 case carried forward from 2014/15. Of the 210 cases closed, 80 resulted in a disclosure, 40 were deemed to require no further immediate action, 69 were replies to requests from FIUs, and 21 were replies to requests from local competent authorities.

Financial Sanctions regarding TF and PF

During the Reporting Period the FRA published 72 Financial Sanctions Notices on its website. The FRA subscribes to the Email Alert provided by the Office of Financial Sanctions Implementation within UK HM Treasury, advising of any changes to United Nations, European Union and UK financial sanctions in effect. The FRA forwards these notices automatically to local law enforcement agencies and competent authorities, converts it to a Cayman Notice and publishes the Cayman Financial Sanctions Notice on its website.

Receipt of SARs by Sector



In September 2019 a link was added to the FRA's website allowing anyone to subscribe to automatically receive sanctions notices by email. In October 2019 the FRA developed an "automatic emailer" mechanism for the Notices to be disseminated directly to competent authorities, LEAs, supervised individuals and entities and anyone who subscribed at the same time they are published on the FRA website.

Other Key Initiatives

FRA staff spent significant time during the Reporting Period meeting obligations regarding the jurisdiction's 4th Round Mutual Evaluation by the Caribbean Financial Action Task Force ("CFATF"). The key activities included: preparing and implementing an action plan to address the relevant recommended actions stated in the Mutual Evaluation Report (MER); attending monthly committee and working group meetings; preparing monthly update reports; providing statistics for and participating in various risk assessment working groups; prepare the First Follow Up Report that was tabled at the CFATF Plenary in November 2019. The FRA remains committed to the ongoing activities concerning the Mutual Evaluation process.

Outreach Events

Staff of the FRA engaged in the following Outreach events covering one or more of the following topics: functions of the FRA, SAR statistics, SAR reporting obligations, and obligations regarding targeted financial sanctions related to terrorist financing and proliferation financing:

1. Two (2) presentations at industry association events.
2. Eighteen (18) presentations at events organized by a Law Enforcement Agency, Competent Authorities, Self-Regulatory Bodies or the National Coordinator's Office.
3. Three (3) presentations to Government Departments.
4. One (1) presentation to the compliance staff of a large financial institution, at their request.
5. Eleven (11) 1-on-1 meetings with Money Laundering Reporting Officers.

Training and Development

Staff of the FRA attended the following training events during the Reporting Period:

1. Counter Proliferation Finance Course – presented by the United Nations Office on Drugs and Crime (5 staff attended the 2-day event)
2. Financial Sanctions Implementation – presented by the Office of Financial Sanctions Implementation United Kingdom (2 staff attended the 2-day event)
3. Introduction to the World of Blockchain – presented by the Cayman Islands Institute of Professional Accountants (7 staff attended the 0.5-day event)
4. Intelligence Analysis and Research - presented by the Research and Intelligence Support Centre United Kingdom (2 staff attended the 10-day event)
5. AML / CFT Best Practices for Cryptocurrencies and Initial Coin Offerings seminar – hosted by FTS Consulting (5 staff attended the 0.5-day event)
6. Advanced Strategic Analysis Course – presented by the Egmont Group (1 staff attended the 5-day event)
7. Introduction to Cryptocurrencies – presented by the Royal Cayman Islands Police Service (RCIPS) / Association of Caribbean Commissioners (1 staff attended the 0.5-day event)
8. Money Laundering Seminar – presented by the Office of Director of Public Prosecutions (ODPP) (2 staff attended the 2-day event)
9. Terrorist Financing Investigations – presented by the ODPP and RCIPS (7 staff attended the 1-day event)
10. FATF Standards Training – presented by FATF TREIN (2 staff attended the 5-day event)

Training and Development(continued)

11. Tracing Digital Assets for AML Compliance – presented by the Blockchain Association of the Cayman Island (1 staff attended the 1-hour event)
12. 18th Annual AML and Financial Crime Conference – presented by the Association of Certified Anti-Money Laundering Specialists (2 staff attended the 2.5-day event)
13. 15th Annual Anti-Money Laundering / Compliance and Financial Crime Conference – presented by GCS Advisory (4 staff attended the 2-day event)
14. Misuse of Legal Persons – presented by the National Coordinator’s Office (4 staff attended the 0.5-day event)
15. 2nd Annual International AML & Financial Crime Conference - Caribbean – presented by the Association of Certified Anti-Money Laundering Specialists (1 staff attended the 2.5-day event)
16. Professional Certificate in Anti-Money Laundering and Countering the Financing of Terrorism – presented by the International Centre for Parliamentary Studies UK - (1 staff attended the 5-day event)

Representing the FRA

Staff members represented the FRA at the following events:

1. Egmont Group Heads of FIU of the Americas Region Meeting (2 staff attended)
2. 49th CFATF Plenary (1 staff attended)
3. 26th Plenary of the Egmont Group of Financial Intelligence Units (1 staff attended)
4. 50th CFATF Plenary (2 staff attended)

SECTION

5

Legal Education Services

Truman Bodden Law School (the “Law School”)

About Us

The Truman Bodden Law School exists pursuant to Section 20 of the Legal Practitioners Law (2015 Revision), which provides for the establishment of a local system of legal education.

The Law School has been in operation since 1982, and is an internationally recognised institution, affiliated to the University of Liverpool in the United Kingdom, which validates and awards the undergraduate degree programme (LL.B) and the postgraduate degree and diploma in International Finance (LL.M). The Law School is also affiliated with Oxford Brookes University in the United Kingdom which validates and awards the postgraduate Diploma in Legal Practice, following successful completion of the Professional Practice Course.

Thereafter, following the completion of 18 months Articles of Clerkship, trainees will be called to the Cayman Islands bar.

Our Mission

The aim of the Law School, in partnership with Liverpool and Oxford Brookes universities in the provision of its undergraduate and postgraduate programmes, is to provide students with a standard of tertiary level legal education equivalent to that prevailing in the United Kingdom and at other recognized providers of legal education across the common law world.

In doing so, the Law School aims to provide an environment for its students that encourages and enables them to achieve their full potential in the pursuit of knowledge and academic excellence.

The Law School seeks to promote awareness of the legal, ethical, and moral issues relevant in the development of legal rules and in the practice of law.

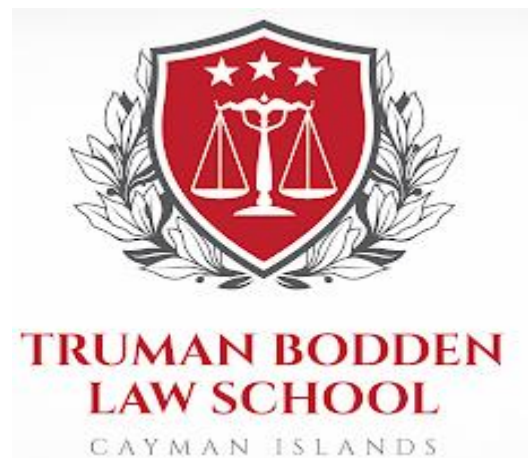
The courses offered by the Law School are intended to be of benefit not only to those students who wish to enter the legal profession, but also to those having a variety of other professional career aspirations.

The Law School seeks to promote awareness of the legal, ethical, and moral issues relevant in the development of legal rules and in the practice of law.

The courses offered by the Law School are intended to be of benefit not only to those students who wish to enter the legal profession, but also to those having a variety of other professional career aspirations.

80

**Undergraduate and post graduate students
enrolled in 2019**



90%

**of them are Caymanian or Cayman
residents**

The 2018/2019 Academic Year

The 2018/19 academic year saw another strong cohort of new enrolments with the year consisting of approximately 80 undergraduate and postgraduate students, 90% of whom are Caymanian or Cayman residents.

The LL.B and PPC graduates although small in number in 2019, made up in quality for what lacked in quantity with almost a third of each class graduating with the highest available classifications (First Class degrees (LL.B) and Distinctions (PPC)). Such results are comparable to those of leading UK providers of tertiary level legal education.

LLM / PG (Dip) in International Finance

During the period under review, students were offered the opportunity to enroll into the LL.M and PGDip programmes in International Finance: Law & Regulation on a full as well as part time basis for the first time. As noted above, both programmes are awarded and validated by the University of Liverpool.

Course content includes financial markets, banking law, international solvency, money laundering and corporate governance, and is structured over five semesters. The primary purpose of the programme is to provide students with the knowledge and skills in both the legal and policy aspects of international finance.

Notable visitors to the law school during 2019

In addition to the visit to TBLS of senior University of Liverpool academic and administrative staff as part of the validation panel in March 2019, other notable visitors to the law school during 2019 included Professor Warren Barr, Head of the Liverpool Law School, who was the keynote speaker at the Law School's Graduation Ceremony in July and Dr Matt Shillito, Director of Studies for the Cayman programmes who visited the Law School and held meetings with the academic staff in November.

Law School staff research activities

Law School staff continued to contribute academic papers to internationally recognized law journals and to present papers at local and international law conferences in diverse jurisdictions, ranging from Aruba, the UK, the US, Italy and Hong Kong.

The Law School's staff seminar series continued to

to be active during 2019 and provided a forum for a wide range of legal discussions. Deputy Director, Scott Atkins and Senior Lecturer, Dr. Derek O'Brien have also recently written academic textbooks, copies of which have been donated to the Law School's law library.

Extra Curricula Opportunities

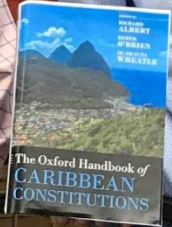
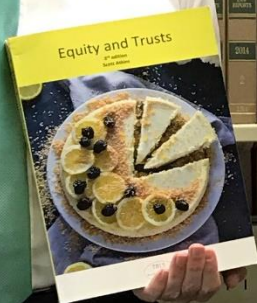
Throughout 2019, the Law School continued its mission of offering students a wide range of extra-curricular lectures and activities to underpin, strengthen and support their studies. These included visits and lectures given by the President of the Cayman Islands Court of Appeal, Sir John Goldring, US District Judge (and alumnus of Liverpool University), Wendy Beetelestone, and local and international lawyers and senior government officers. Lecture topics were diverse, covering subject matter which ranged from the new Data Protection legislation; crypto currencies; alternative dispute resolution; the Hillsborough Stadium Football disaster inquiry; Freedom of Information legislation and the US travel ban on persons from, in particular, Muslim countries. In conjunction with CILPA, the law school also continued to host CILPA articulated clerk's seminar series also open to all law school students.

University of Liverpool five yearly institute re-validation review visit

In March 2019, the Law School underwent a five year institutional re-validation review visit which was conducted by a six-member panel of University of Liverpool representatives. The core visit comprised three days of intensive meetings with students and staff. Following a successful three days of meetings, the panel subsequently confirmed (making no requirements) that it would be recommending a renewal of the undergraduate and postgraduate partnership between the institutions for a further period of five years. The resultant new institutional agreement accordingly re-affirms the strong relationship between the institutions until January 2025.

Looking Ahead

2020 will witness another successful cohort of graduates from the Truman Bodden Law School. Great virtues are cultivated over the life of each student journey, and we look forward to their participation in the legal profession through decency, bravery, and compassion.





Our Law School aims to provide an environment for its students that encourages and enables them to achieve their full potential in the pursuit of knowledge and academic excellence.



SECTION
6



Human Resource Management

Overview of the Human Resource Management

Our agile and capable staff are the Portfolio's most valuable asset. The quality of our services is enhanced by the professionalism, dedication, and productivity of our employees

2019 was a busy but successful year for Human Resources. Our team numbered 58 staff at the close of the fiscal year.

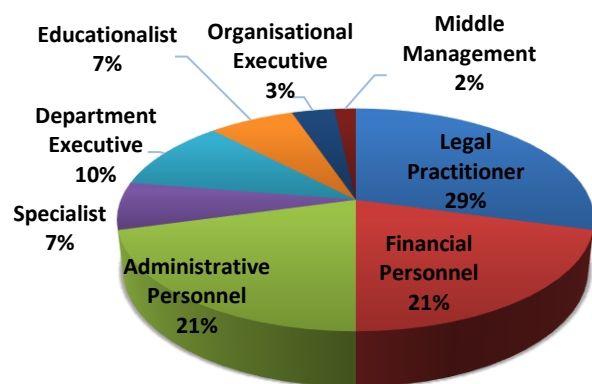
During the period, we successfully recruited 9 new staff, a Paralegal Officer, Legislative Editor, Crown Counsel (Civil), Executive Office/Records Officer, Senior Financial Analyst, Deputy National Coordinator, and 3 Financial Analysts. The team was temporarily augmented by 2 Student interns who ably assisted with the execution of various duties.

Our acting Solicitor General was officially confirmed in the role following a successful acting period. Ms Reshma Sharma has served in the Government for over 14 years and has a wealth of knowledge and experience representing the Government in diverse legal matters.

Our staff complement compromise a diverse group of professionals from 13 countries. The diversity reflects the clients we serve as well as our local communities.

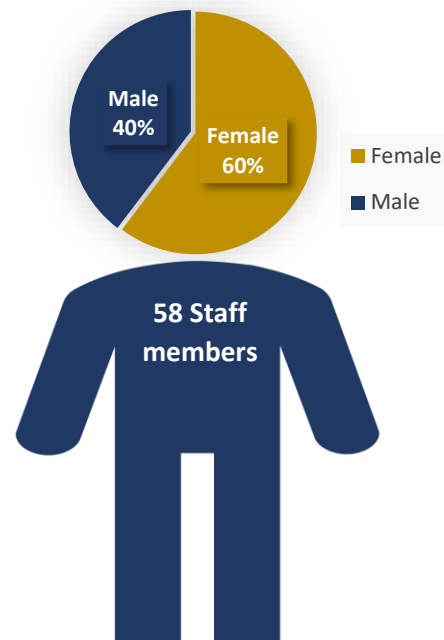
Of our 58 staff, 60% of them are females and 40% are males.

29% of our staff are classified as Legal Practitioners, followed by Financial Personnel at 21% and Administrative Personnel at 21%.

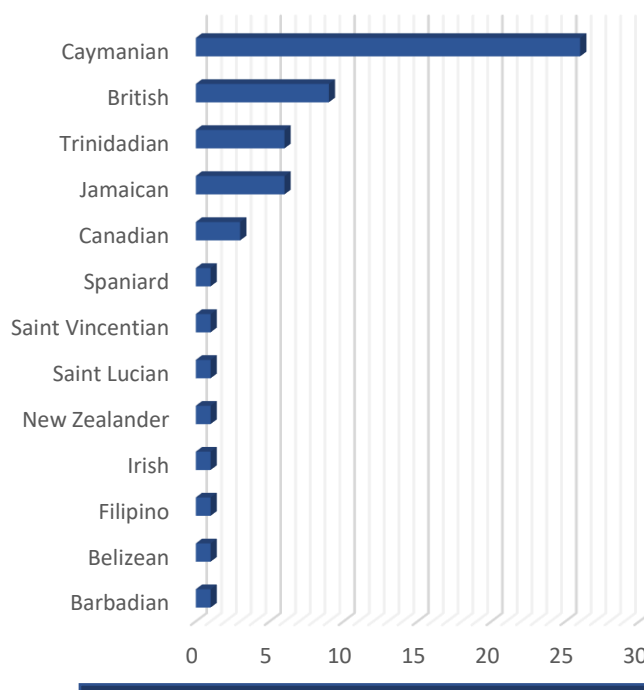


Job classification

Gender Distribution



Nationality Distribution



The dedication and commitment of our staff is evident by their length of tenure within the Portfolio. Staff had an average length of service of 6.81 years at the end of the fiscal year. Almost 30 percent had a tenure of more than 10 years.

Staff Training

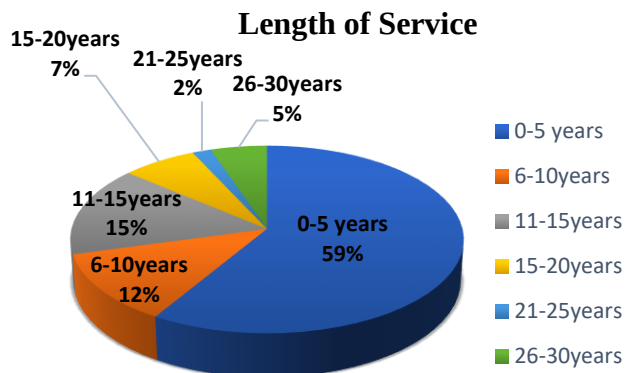
We are creating career pathways by assisting our employees to understand and develop the skills and experience necessary for progression.

During the year, staff engaged in numerous local and international training and professional development activities.

Such training interventions are crucial enablers to ensure our staff remain on the cutting edge of developments and changes in the legal profession.

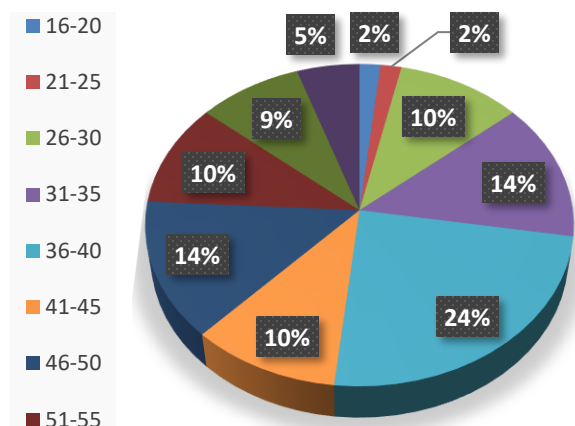
Accounts of our 2019 training interventions are listed throughout the report.

The Portfolio of Legal Affairs is a learning organization. Support for the training and development of our staff, enhances our organizational capabilities, builds trust and confidence among our stakeholders, and allows us to continue delivering high quality service to our client agencies and the Honourable Attorney General.

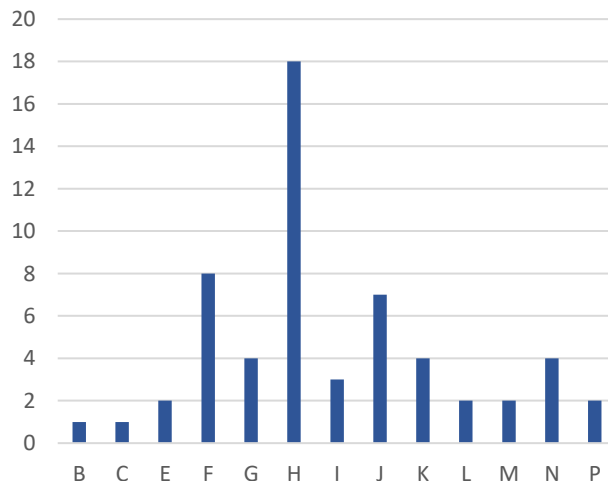


Average Length of Service: 6.81 years

Age Distribution



Salary Grade Distribution





SECTION

7



Financial Statements

Management Discussion and Analysis of Financial Results

Results of Operations

Revenue

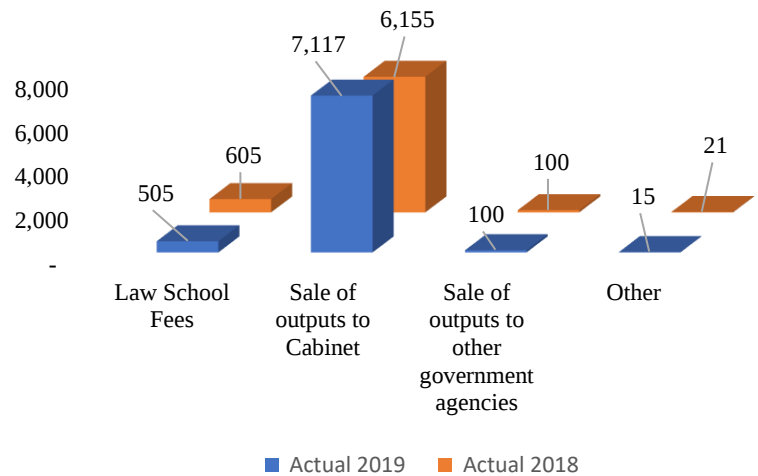
Our 2019 revenue of \$7.7 million showed an increase of \$856 thousand (12.4%) over the previous fiscal year, but fell short of budget expectations by \$475 thousand (5.8%). Year-on-year revenue growth was led by an increase in the sale of outputs to Cabinet (\$962 thousand). This was partially offset by lower revenue from Law School Fees (\$100 thousand) while the Sale of Services to other Government agencies remained stable.

In relation to the budget, \$215 thousand of the decrease relates to a reduction in billings to Cabinet. This was done to ensure revenue was more in line with actual expenditure. There was also a shortfall of \$270 thousand in Law School revenue due to student withdrawals, re-sitters, and transfers. These variances were minimally offset by an increase of \$10 thousand in miscellaneous revenues, including fees for applications for recognition as Legal Practitioners, invigilation, etc.

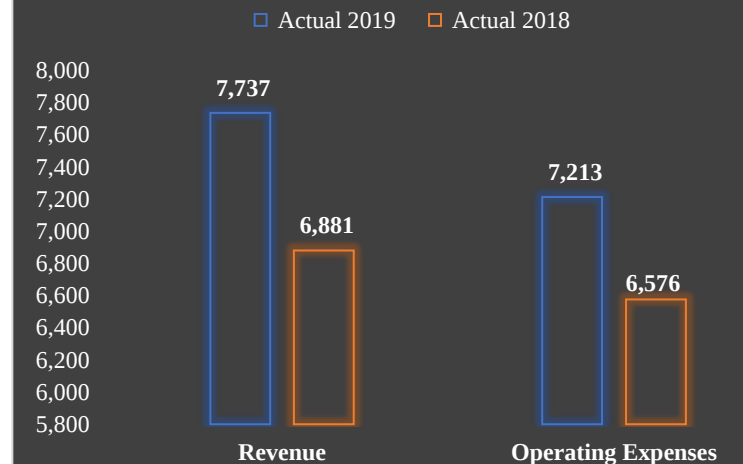
Expenses

Total expenses for the year amounted to \$7.2 million.

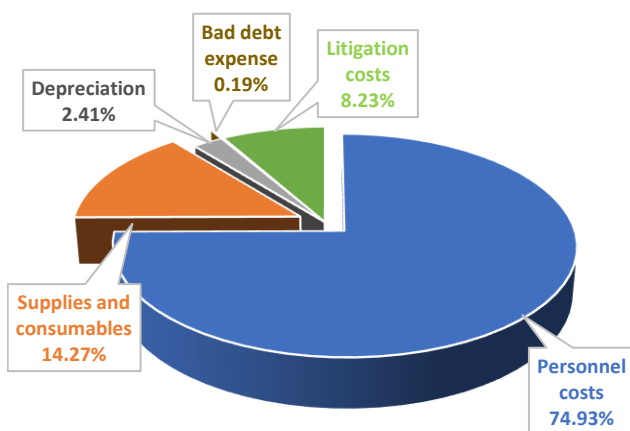
Revenue Comparison



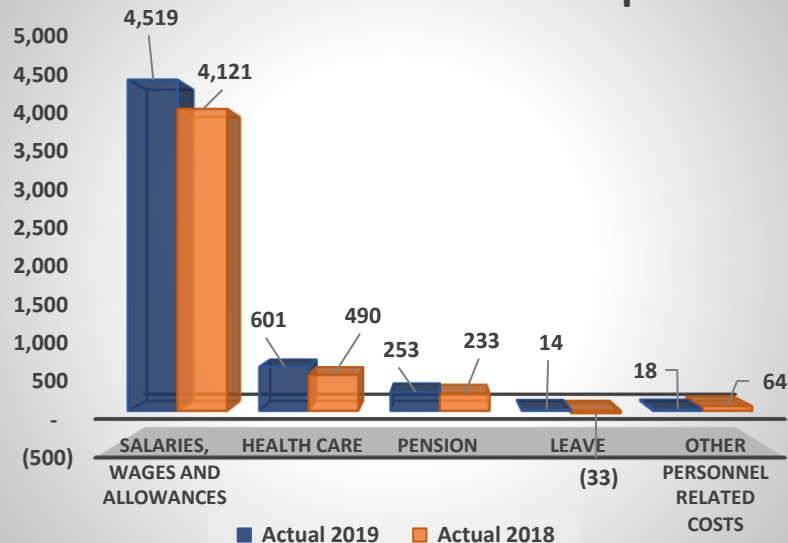
Revenue & Operating Expenses Comparison



Operating Expenses Analysis YTD DEC 2019



Personnel Cost Comparison



During the year, the Portfolio saw a reduction in accruals and other liabilities due to the timely settlement of those obligations.

In accordance with the Public Management & Finance Law, the Portfolio is allowed to retain a portion of its net operating surplus as determined by the Minister of Finance. A surplus payable of \$524 thousand was recorded as at 31 December 2019, as the Minister of Finance has not yet confirmed whether the Portfolio can retain the surplus achieved during this year. The surplus achieved during the year was unbudgeted; since the Portfolio accrues a significant portion of its annual revenue from the Cabinet, it is not allowed to budget for a surplus from the delivery of those services.

Net-Worth

The Portfolio recorded closing net assets of \$2.4 million at the end of 2019. This was 7% above budget expectations and 5% above the prior year's closing position. The receipt of \$110 thousand in Equity Investment by the Cabinet largely explains both the variance and the change in position from the prior fiscal year.

Conclusion

The operating results and financial position show another strong year for the Portfolio of Legal Services. Management efficiently fulfilled service expectations and operated at a surplus position for both years of the 2018-2019 budget through the exercise of prudent fiscal management.

Fiscal Position

Current Assets

The 2019 fiscal year ended with a cash balance of \$698 thousand. This was \$1.5 million lower than the 2018 position, and \$1.1 million less than the budget anticipated. The decreased cash position is owing to the impact of outstanding receivables from the Cabinet amounting to \$1.6 million at the fiscal year-end. The outstanding receivables coupled with an unbudgeted surplus of \$524 thousand largely explain the variance in cash balances relative to the budget and change in comparison to the prior fiscal year.

The other current assets of the Portfolio largely consist of Prepayments and other Receivables. Both had immaterial balances at the fiscal year-end.

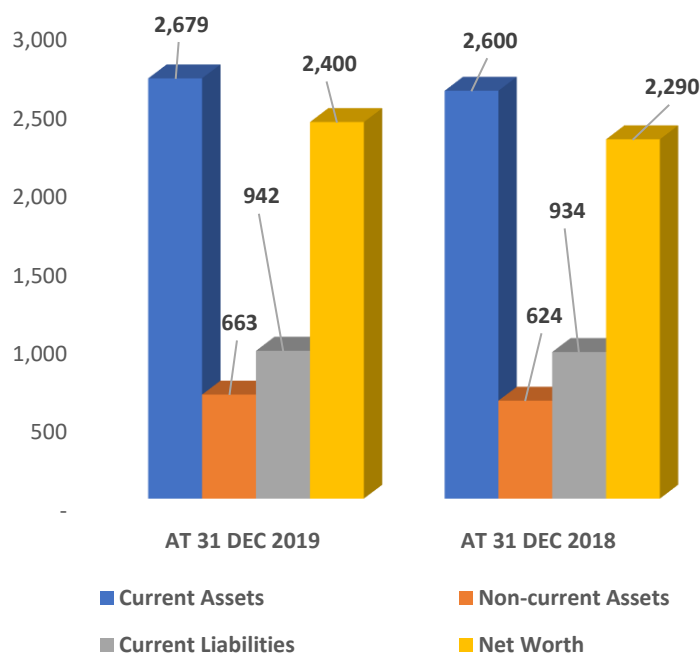
Fixed Assets

The net value of property plant and equipment increased by \$52 thousand over the closing balance of 2018 and was \$367 thousand higher than the budget anticipated. The budget variance largely stemmed from lower depreciation expenses owing to the deferred replacement of assets during the fiscal year and the addition of \$209 thousand in new assets during the year.

Liabilities

Closing liability was 56% above budgeted levels, and largely in line with the closing position of 2018.

Financial Position Analysis 2019 VS 2018



Statement of Responsibility for the Financial Statements

These financial statements have been prepared by the Portfolio of Legal Affairs in accordance with the provisions of the *Public Management and Finance Law (2018 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 (2018 Revision)*.

As Solicitor General 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 Portfolio of Legal Affairs.

As Solicitor General and Chief Financial Officer, we are responsible for the preparation of the Portfolio of Legal Affairs' financial statements, representation and judgments made in these statements.

The financial statements fairly present the financial position, financial performance and statement of cash flows for the year ended 31 December 2019.

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

- (a) Completely and reliably reflect the financial transactions of the Portfolio of Legal Affairs for the year ended 31 December 2019;
- (b) fairly reflect the financial position as at 31 December 2019 and performance for the year ended 31 December 2019;
- (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 are carried out by its agent. The Office of the Auditor General and its agent have been provided access to all the information necessary to conduct an audit in accordance with International Standards on Auditing

p.p.



Ms. Reshma Sharma
Solicitor General

Date: 30 April 2020



Mrs. Tiffany Ebanks
Chief Financial Officer

Date: 30 April 2020

Auditor General's Report

To the Solicitor General and the Members of the Legislative Assembly

Opinion

I have audited the financial statements of the Portfolio of Legal Affairs (the "Portfolio"), which comprise the statement of financial position as at 31 December 2019, the statements of financial performance, changes in net assets/ equity and cash flows for the year then ended, 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 Portfolio as at 31 December 2019, and its financial performance and its cash flows for the year then ended 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 Portfolio 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 Portfolio, 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.

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 Portfolio'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 Portfolio or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Portfolio'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 judgement 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 Portfolio'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 Portfolio'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. However, future events or conditions may cause the Portfolio to cease to continue as a going concern.
- 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) of the *Public Management and Finance Law (2018 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 2020
Cayman Islands

Statement of Financial Position

PORTFOLIO OF LEGAL AFFAIRS
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	Current Year Actual	Approved Budget	Final Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>						
Current Assets						
Cash and cash equivalents	2, 17	698	1,786	1,786	1,088	2,171
Receivables from exchange transactions	3, 17, 18	1,885	728	728	(1,157)	309
Other Receivables	3	8	4	4	(4)	6
Prepayments	17	88	78	78	(10)	114
Total Current Assets		2,679	2,596	2,596	(83)	2,600
Non-Current Assets						
Property and equipment	4, 17	611	244	412	(367)	559
Intangible Assets	5	52	-	162	(52)	65
Total Non-Current Assets		663	244	574	(419)	624
Total Assets		3,342	2,840	3,170	(502)	3,224
Current Liabilities						
Trade Payables	6, 18	2	11	11	9	2
Accruals and other liabilities	6, 17	256	400	400	144	469
Unearned revenue	7, 17	8	-	-	(8)	20
Employee entitlements	8	152	192	192	40	138
Surplus payable	9, 17, 18	524	-	-	(524)	305
Total Current Liabilities		942	603	603	(339)	934
Total Liabilities		942	603	603	(339)	934
Net Assets		2,400	2,237	2,567	(163)	2,290
Net Assets/Equity						
Contributed Capital		2,400	2,237	2,567	(163)	2,290
Total Net Assets/Equity		2,400	2,237	2,567	(163)	2,290

The accounting policies and note on pages 72-91 form part of these financial statements.

Statement of Financial Performance

PORTFOLIO OF LEGAL AFFAIRS
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Current Year Actual	Approved Budget	Final Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>						
Revenue						
Sales of outputs to Cabinet	11, 17, 18, 20	7,117	7,332	7,455	215	6,155
Sale of outputs to other Government Agencies	11,17,18,20	100	100	100	-	100
Sale of outputs to others	11,17,20	520	780	780	260	626
Total Revenue		7,737	8,212	8,335	475	6,881
Expenses						
Personnel costs	12,17,18,20	5,405	6,206	6,145	801	4,875
Supplies and consumables	13,17	1,030	1,154	1,258	124	967
Depreciation	4,5	174	191	191	17	170
Bad debt expense		14	5	5	(9)	(8)
Litigation costs	14,17	594	655	735	61	579
Loss/(Gain) on disposal of property and equipment		1	-	-	(1)	2
Gains on foreign exchange transactions		(5)	1	1	6	(9)
Total Expenses		7,213	8,212	8,335	999	6,576
Surplus for the year		524	-	-	(524)	305

The accounting policies and note on pages 72-91 form part of these financial statements.

Statement of Changes in Net Assets/ Equity

PORTFOLIO OF LEGAL AFFAIRS
STATEMENT OF CHANGES IN NET ASSETS/ EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Contributed Capital	Accumulated Surpluses	Total Net Assets/ Equity	Approved Budget	Final Budget	Variance (Budget vs Actual)
<i>(expressed in Cayman Islands dollars and in thousands)</i>						
Balance at 31 December 2017	2,217	-	2,217	2,217	2,217	-
Equity investment from Cabinet	73	-	73	20	20	(53)
Surplus for the year 2018	-	305	305	-	-	(305)
Surplus repayable for the year 2018	-	(305)	(305)	-	-	305
Balance at 31 December 2018	2,290	-	2,290	2,237	2,237	(53)
Equity investment from Cabinet	110	-	110	-	330	(110)
Surplus for the period 2019	-	524	524	-	-	(524)
Surplus repayable for the year 2019	-	(524)	(524)	-	-	524
Balance at 31 December 2019	2,400	-	2,400	2,237	2,567	(163)

The accounting policies and note on pages 72-91 form part of these financial statements.

Statement of Cash Flows

PORTFOLIO OF LEGAL AFFAIRS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Current Year Actual	Approved Budget	Final Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>						
Cash flows managed on behalf of Cabinet						
Operating Activities						
Cash received						
Sale of goods and services - third party		506	775	775	269	626
Sale of goods and services to other government agencies		98	100	100	2	100
Sales to Cabinet		5,651	7,278	7,401	1,627	6,274
Other receipts		-	5	5	5	-
Cash used						
Personnel costs		(5,391)	(6,206)	(6,145)	(815)	(4,908)
Supplies and consumables		(1,819)	(1,761)	(1,945)	58	(1,377)
Net cash flows from (used by) operating activities	15	(955)	191	191	1,146	715
Investing Activities						
Cash used						
Purchase of property, plant and equipment	4	(213)	-	(330)	213	(145)
Net cash flow from (used by) investing activities		(213)	-	(330)	213	(145)
Financing Activities						
Cash received						
Equity injections from Cabinet		-	-	330	-	73
Cash used						
Repayment of surplus	9,18	(305)	-	-	305	(1,600)
Net cash flows from (used by) financing activities		(305)	-	330	305	(1,527)
Net increase/(decrease) in cash and cash equivalents held		(1,473)	191	191	1,664	(957)
Cash and cash equivalents at beginning of year		2,171	1,595	1,595	(576)	3,128
Cash and cash equivalents at the end of the year		698	1,786	1,786	1,088	2,171

The accounting policies and note on pages 72-91 form part of these financial statements.

Portfolio of Legal Affairs

Notes to the Financial Statements

For the year ended 31 December 2019

Description and principal activities

The Portfolio of Legal Affairs (the “Entity”) is a Government-owned entity as defined by section 2 of the *Public Management and Finance Law (2018 Revision)* and is domiciled in the Cayman Islands.

The Entity provides a wide range of legal services including legal advice and representation in litigation to the Government, its affiliated entities and some statutory authorities. It is responsible for the provision of other legal services such as legislative drafting, law reform and law revision. It provides financial intelligence services and support to Government and other stakeholders in anti-money laundering initiatives via the Financial Reporting Authority and the Anti-Money Laundering Unit. Legal education and training is provided by the Truman Bodden Law School. The Entity is headed by the Hon. Attorney General. Its principal activities and operations include all activities carried out in terms of the outputs purchased by the Cabinet as defined in the Annual Plan and Estimates for the Government of Cayman Islands for the year ended 31 December 2019.

The principal address of the Entity is located on the 4th Floor of the Government Administration Building, 133 Elgin Avenue, George Town, Grand Cayman. As of 31 December 2019, the Entity had 58 employees (2018: 55).

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.

New and revised accounting standards issued that are not yet effective for the financial year beginning 1 January 2019 have not been early adopted by the Entity.

Certain new accounting standards have been published that are not mandatory for the 31 December 2019 reporting period and have not been early adopted by the Entity. The Entity’s assessment of the impact of these new standards is set out below.

IPSAS 41, Financial Instruments was issued in August 2018 and shall be applied for financial statements covering periods beginning on or after 1 January 2022. IPSAS 41 establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement. It is anticipated that IPSAS 41 will not have a significant impact on the Entity’s financial statements. This will be assessed more fully closer to the effective date of adoption.

Portfolio of Legal Affairs
Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Note 1: Significant accounting policies (continued)

IPSAS 42, Social Benefits was issued in December 2018 and shall be applied for financial statements covering periods beginning on or after 1 January 2022. IPSAS 42 defines social benefits and determines when expenses and liabilities for social benefits are recognized and how they are measured. It is anticipated that IPSAS 42 will not have an impact on the Entity's financial statements, but this will be assessed more fully closer to the effective date of adoption.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. There have been no significant changes to the accounting policies during the year ended 31 December 2019.

(a) Basis of preparation

These financial statements have been prepared on a going concern basis. The financial statements are presented in Cayman Islands dollars and the measurement base applied to these financial statements is the historical cost basis.

(b) Reporting Period

The current reporting period is for the 12 months commencing 1 January 2019 and ending 31 December 2019.

(c) Budget amounts

The 2019 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 2019 budget was presented in the 2019 Annual Budget Statement of the Government of the Cayman Islands and approved by the Legislative Assembly on 27 November 2017.

During the year, Cabinet approved Supplementary funding under Section 11(5) for capital of \$130 thousand and the Finance Committee of the Legislative Assembly approved Supplemental funding under Section 12 of the Public Management Finance Law (2018 Revision) for capital \$200 thousand and operating expenditures of \$473 thousand for the Entity. As at 31 December 2019, a Supplementary Bill for 2019 had not yet been presented to the Legislative Assembly.

At the end of the year, Cabinet approved a reallocation of funds in the amount of \$350 thousand from the Portfolio of Legal Affairs operational budget to another Government entity to cover a shortfall. As at 31 December 2019, the appropriation changes had not yet been approved by the Legislative Assembly.

(d) Judgments and estimates

The preparation of financial statements in accordance with International Public Sector Accounting Standards requires judgments, estimates, and assumptions affecting the application of policies and reported amounts of assets and liabilities, revenue and expenses.

Note 1: Significant accounting policies (continued)

d) Judgments and estimates (continued)

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 judgement are receivables from exchange transactions and property and equipment. 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 that is affected by those revisions.

(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 deferred as a liability until it is earned.

The Entity 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 when incurred on the accrual basis of accounting. In addition, an expense is recognised for the consumption of the estimated fair value of contributed goods and services received, when an estimate can realistically be made.

(g) Operating leases

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

(h) Cash and cash equivalents

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

(i) Prepayments

The portion of amounts paid for goods and services in advance of receiving goods and services has been recognised as a prepayment.

(j) 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 recognised 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.

Note 1: Significant accounting policies (continued)**(j) Property and equipment (continued)**

Depreciation is expensed on a straight-line basis at rates stipulated below 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 lives of the improvements, whichever is shorter.

<u>Asset type</u>	<u>Estimated useful life</u>
• Computer hardware and software	3 – 10 years
• Office equipment and furniture	3 – 10 years
• Motor vehicles	3 – 10 years
• Other equipment	5 – 10 years
• Leasehold improvements	over the 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 amounts. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use in service.

Disposals

Gains and losses on disposals 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.

(k) Employee benefits

Employee entitlements to salaries and wages, annual leave, long service leave, retiring leave and other similar benefits are recognised in the Statement of Financial Performance when they are earned by employees. Employee entitlements to be settled within one year following the year-end are reported as current liabilities at the amount expected to be paid. Pension contributions for employees of the Entity are paid to the Public Service Pension Fund (the "Fund") and administered by the Public Service Pensions Board (the "Board"). Contributions of 12% on basic salary (employer 6% and employee 6%) are made to the Fund by the Entity. Contributions of 12% on acting and duty allowances (employer 6% and employee 6%) are made to the Fund by the Entity.

(l) Financial instruments

The Entity is party to financial instruments as part of its normal operations. These financial instruments include cash and cash equivalents, receivables from exchange transactions, other receivables, trade payables, accruals and other liabilities, employee entitlements and surplus payables, all of which are recognised in the statement of financial position.

Portfolio of Legal Affairs
Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Note 1: Significant accounting policies (continued)

(l) Financial instruments (continued)

Classification

A financial asset is classified as any asset that is cash, a contractual right to receive cash or another financial asset, or exchange financial instruments under conditions that are potentially favourable.

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.

Recognition

The Entity recognizes 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.

De-recognition

A financial asset is derecognised when the Entity 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 has expired.

(m) Provisions and contingencies

Provisions are recognised 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 recognised but are disclosed in the financial statements when an inflow of economic benefits is probable.

Note 1: Significant accounting policies (continued)

(n) Foreign currency

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

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

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

(o) Revenue from non-exchange transactions

The Entity receives various services from other Government entities for which payment is made by the Cayman Islands Government. These services include but are not limited to accommodation in the central government building, computer repairs and software maintenance by the Computer Services Department and human resources management by the Portfolio of the Civil Service.

The Entity has designated these non-exchange transactions as Services in-Kind as defined under IPSAS 23 - Revenue from non-exchange transactions. When fair values of such services can be reliably estimated then the non-exchange transaction is recorded as an expense and an equal amount is recorded in other income as a service in-kind. Where services in-kind offered are directly related to construction or acquisition of a fixed asset, such service in-kind is recognised in the cost of the fixed asset.

(p) Impairment

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

Portfolio of Legal Affairs

Notes to the Financial Statements (continued)

For the year ended 31 December 2019

Note 2: Cash and cash equivalents

As at 31 December 2019 the Entity held no restricted cash balances (31 December 2018: \$0). No interest was earned during the year on the amounts held in these bank accounts (31 December 2018: \$0).

Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Operational Current Account - KYD	548	892	344	1,929
Payroll Current Account - KYD	15	21	6	17
Operational Current Account - USD	135	873	738	225
Cash and cash equivalents	698	1,786	1,088	2,171

Note 3: Receivables from exchange transactions 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 Entity and review of specific debtors. Expected losses have been determined based on an analysis of the Entity's losses in previous periods.

Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Sale of outputs to Cabinet	1,618	552	(1,066)	-
Outputs to other government agencies	110	1	(109)	177
Sale of goods and services	186	207	21	158
Provision for doubtful debts	(29)	(32)	(3)	(26)
Net Trade receivables	1,885	728	(1,157)	309

As at 31 December 2019 and 2018, the ageing analysis of receivables under exchange transactions is as follows:

Receivables from exchange transactions	Current Year (Gross)	Approved Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Current	1,178	-	(1,178)	140
Past due 31-60 days	611	678	67	4
Past due 61-90 days	33	50	17	36
Past due 90 and above	63	-	(63)	129
Total Trade Receivables	1,885	728	(1,157)	309

Portfolio of Legal Affairs
Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Note 3: Receivables from exchange transactions and other receivables(continued)

As at 31 December 2019 and 2018, other receivables are composed of:

Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Advances	1	1	-	-
Dishonoured cheques	1	1	-	1
Other	6	2	(4)	5
Total Other Receivables	8	4	(4)	6
Less: provision for doubtful debts	-	-	-	-
Net Total Other Receivables	8	4	(4)	6

As of 31 December 2019, receivables from exchange transactions are all due within one year (2018: all due within one year) from the financial position date.

Changes in the provision for doubtful debts, in total for receivables from exchange transactions and other receivables, during the year ended 31 December 2019 and 2018 are as follows:

Movements in the provision of doubtful debts are as follows:

Description	Current Year Actual	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>		
Balance at 1 January 2019	26	34
Additional provisions made during the year	14	(8)
Receivables written off during the year	(11)	-
Provision for Doubtful Debts	29	26

Note 4: Property and equipment

Cost of Property and equipment

	Furniture and Fittings	Computer Hardware	Office Equipment	Other assets	Motor Vehicles	Total Property Plant and Equipment
<i>(expressed in Cayman Islands dollars and in thousands)</i>						
Balance as at 31 December 2017	10	18	34	2,347	14	2,423
Additions	1	3	9	82	-	95
Disposals	-	-	(8)	-	-	(8)
Balance as at 31 December 2018	11	21	35	2,429	14	2,510

Portfolio of Legal Affairs
Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Note 4: Property and equipment (continued)

Cost of Property and equipment (continued)

	Furniture and Fittings	Computer Hardware	Office Equipment	Other assets	Motor Vehicles	Total Property Plant and Equipment
Balance as at 31 December 2018	11	21	35	2,429	14	2,510
Additions	-	5	-	104	100	209
Disposals	-	-	(5)	(3)	-	(8)
Balance as at 31 December 2019	11	26	30	2,530	114	2,711

Accumulated Depreciation

	Furniture and Fittings	Computer Hardware	Office Equipment	Other assets	Motor Vehicles	Total Property and Equipment
<i>(expressed in Cayman Islands dollars and in thousands)</i>						
Balance as at 31 December 2017	4	14	24	1,742	5	1,789
Disposals	-	-	(6)	-	-	(6)
Depreciation Expense	1	2	5	157	3	168
Balance as at 31 December 2018	5	16	23	1,899	8	1,951
Balance as at 31 December 2018	5	16	23	1,899	8	1,951
Disposals	-	-	(5)	(3)	-	(8)
Depreciation Expense	1	4	5	133	14	157
Balance as at 31 December 2019	6	20	23	2,029	22	2,100
Net Book value 31 December 2018	6	5	12	530	6	559
Net Book value 31 December 2019	5	6	7	501	92	611

As of 31 December 2019, other fixed assets are composed of:

Description	Cost	Accumulated depreciation	Carrying value	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Library books	2,468	1,978	490	508
Lease improvements	51	47	4	14
Security System	11	4	7	8
Total other fixed assets	2,530	2,029	501	530

Portfolio of Legal Affairs

Notes to the Financial Statements (continued)

For the year ended 31 December 2019

Note 5: Intangible assets

<u>Cost of Intangible Assets</u>	Computer Software	Work in Progress	Total Intangible Assets
<i>(expressed in Cayman Islands dollars and in thousands)</i>			
Balance as at 31 December 2017	3	-	3
Additions	66	-	66
Disposal/ Derecognition	-	-	-
Balance as at 31 December 2018	69	-	69
Balance as at 31 December 2018	69	-	69
Additions	-	4	4
Disposal/ Derecognition	-	-	-
Balance as at 31 December 2019	69	4	73

<u>Accumulated Depreciation</u>	Computer Software	Work in Progress	Total Intangible Assets
<i>(expressed in Cayman Islands dollars and in thousands)</i>			
Balance as at 31 December 2017	2	-	2
Eliminate on Disposal/Derecognition	-	-	-
Amortization Expense	2	-	2
Balance as at 31 December 2018	4	-	4
Balance as at 31 December 2018	4	-	4
Eliminate on Disposal/Derecognition	-	-	-
Amortization Expense	17	-	17
Balance as at 31 December 2019	21	-	21
Net Book value 31 December 2018	65	-	65
Net Book value 31 December 2019	48	4	52

Portfolio of Legal Affairs

Notes to the Financial Statements (continued)

For the year ended 31 December 2019

Note 6: Trade Payables, accruals and other liabilities

Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Creditors	2	11	9	2
Accrued Expenses	192	397	205	108
Creditors other government agencies	60	-	(60)	358
Other	4	3	(1)	3
Total payables under exchange transactions, other payables and accruals	258	411	153	471

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

Note 7: Unearned revenue

In the latter part of 2019, the Law School collected fees for courses which will be held in 2020. These amounted to \$8 thousand (2018: \$20 thousand).

Note 8: Employee entitlements

Details	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
<i>Employee entitlements are represented by:</i>				
Annual leave	152	192	40	138
Total employee entitlements	152	192	40	138

The leave entitlements are calculated based on current salary paid to those employees who are eligible for this benefit.

Portfolio of Legal Affairs

Notes to the Financial Statements (continued)

For the year ended 31 December 2019

Note 9: Surplus payable

Surplus payable represents surplus of \$524 thousand as at 31 December 2019 (2018: \$305 thousand). Under the *Public Management & Finance Law (2018 Revision and 2019 Amendment)* section 39 (3) (f), the Entity may “retain such part of its net operating surplus as is determined by the Minister of Finance”. Therefore, the Entity has recorded a surplus payable to Government in the amount of \$524 thousand as at 31 December 2019, as the Minister of Finance has not confirmed whether the Entity can retain the surplus achieved during this year. During the year the Entity paid to Cabinet surplus payable in the amount of \$305 thousand (2018: \$1,600 thousand).

Note 10: Revenue from non-exchange transactions

During the year ended 31 December 2019, the Entity received services in-kind in the form of accommodation in the central government building as well as 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 11: Revenue

Description	Current Year Actual	Approved Budget	Final Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Law School Fees	505	775	775	270	605
Sale of outputs to Cabinet	7,117	7,332	7,455	215	6,155
Sale of outputs to other government agencies	100	100	100	-	100
Other	15	5	5	(10)	21
Total Sale of Goods & Services	7,737	8,212	8,335	475	6,881

Note 12: Personnel costs

Description	Current Year Actual	Approved Budget	Final Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Salaries, wages and allowances	4,519	5,229	5,122	710	4,121
Health care	601	636	666	35	490
Pension	253	294	310	41	233
Leave	14	11	11	(3)	(33)
Other Personnel related costs	18	36	36	18	64
Total Personnel Cost	5,405	6,206	6,145	801	4,875

Portfolio of Legal Affairs

Notes to the Financial Statements (continued)

For the year ended 31 December 2019

Note 13: Supplies and consumables

Description	Current Year Actual	Approved Budget	Final Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>					
Supplies and Materials	70	72	72	2	59
Purchase of services	228	191	191	(37)	220
Utilities	92	117	117	25	98
Travel and Subsistence	90	120	141	30	88
Recruitment & Training	71	157	240	86	24
Lease of property and equipment	347	346	346	(1)	346
Reference materials	74	86	86	12	88
Audit and inspection fees	37	41	41	4	39
Repairs and maintenance	21	24	24	3	5
Total Supplies & Consumables	1,030	1,154	1,258	124	967

Note 14: Litigation costs

The Attorney General's Chambers provides litigation and legal advisory services to the Government and its Ministries, Portfolios and departments. During the year ended 31 December 2019, the use of legal services from outside of the Government was authorized by the Attorney General's Chambers to augment the delivery of its litigation and legal advisory services. The costs for these external legal services were \$594 thousand (2018: \$579 thousand).

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

Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Surplus for the year	524	-	(524)	305
Non-cash movements				
Depreciation expense	174	191	17	170
Provision for bad debts	14	-	(14)	(8)
Gain on disposal of property and equipment/fx	(3)	-	3	(7)
Debts written off	(11)	-	11	2
Changes in current assets and liabilities:				
Decrease/(increase) in receivables from exchange transactions	(1,466)	4	1,470	127
(Increase)/decrease in other receivables and prepayments	24	(4)	(28)	(8)
Increase/(decrease) in trade payables and accruals	(213)	-	213	255
(Decrease) in unearned Revenue	(12)	-	12	(88)
(Decrease)/increase in employee entitlements	14	-	(14)	(33)
Net cash flows from operating activities	(955)	191	1,146	715

Portfolio of Legal Affairs

Notes to the Financial Statements (continued)

For the year ended 31 December 2019

Note 16: Commitments

Type	One year or less	One to five Years	Over five Years	Prior Year Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Operating Commitments				
Non-cancellable accommodation leases	320	1,152	-	155
Total Operating Commitments	320	1,152	-	155

The Entity has one medium-to long-term lease for the term of 5 years for the property occupied by the Truman Bodden Law School at 11 Dr. Roy's Drive, in George Town. The lease expires on June 30, 2024. The amounts disclosed above as future commitments are based on the current rental rates.

Note 17: Explanation of major variances against original budget

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

Statement of Financial Position

Cash and cash equivalents

The \$1,088 thousand decrease in year-end cash and cash equivalents in comparison to the budgeted amount can be attributed to the fact that Cabinet funding of \$1,618 thousand was not received at year-end and an unbudgeted surplus was achieved of \$524 thousand.

Receivables from exchange transactions

The increase of \$1,157 thousand from budget is primarily due to Cabinet funding and amounts due from other Ministries not received at year-end attributing to the variance in amounts of \$1,066 thousand and \$109 thousand respectively.

Property and equipment and intangible assets

The increase in actual property and equipment of \$367 thousand over budget is primarily due to accumulated depreciation being lower than budgeted as assets were placed in service later in the year.

Intangible assets were over budget by \$52 thousand due to the acquisition of new software in 2018 now valued at \$48 thousand and an additional purchase of \$4 thousand.

Accruals and other liabilities

The decrease of \$144 thousand from the budget is due primarily to invoices being paid before year-end and not carried over to be settled in the next year.

Unearned Revenue

The increase of \$8 thousand from the budget is due to Law School Fees collected in late 2019 for courses to be held in 2020. As well, unearned revenue was not considered in the budget.

Note 17: Explanation of major variances against original budget (continued)

Statement of Financial Position (continued)

Surplus payable

The Entity had a surplus of \$524 thousand in the current year as there were favorable variances noted for personnel costs and supplies and consumables as discussed below. Also, the budget is prepared on a break-even basis and no surplus would have been budgeted.

Statement of Financial Performance

Revenue

The \$215 thousand decrease from budget for sale of outputs to Cabinet is as a result of a reduction in Cabinet revenue billed. This was done to ensure revenue was more in line with actual expenditure. There was also a shortfall in the Law School revenue of \$270 thousand due to student withdrawals, re-sitters and transfers. Miscellaneous revenues increased by \$10 thousand and these are ad hoc and can vary each year. These include fees for applications for recognition as Legal Practitioners, invigilation etc.

Sales of outputs to others

The \$260 thousand decrease from budget is due primarily to the shortfall in Law School revenue as a result of student withdrawals, re-sitters and transfers.

Personnel costs

Actual personnel costs are lower than budget by \$801 thousand primarily because of the non-fulfillment of budgeted positions or the filling of those positions at later dates than anticipated. A number of vacant posts were not filled during the financial period.

Supplies and consumables

The net decrease of \$124 thousand to budget is primarily due to decreases in recruitment and training of \$86 thousand, travel and subsistence of \$30 thousand, utilities of \$25 thousand, reference materials of \$12 thousand, supplies and materials of \$2 thousand and repairs and maintenance of \$4 thousand.

There was an offset as purchase of services increased by \$37 thousand. Refer to note 13. Not included in the budget were professional fees not attributable to litigation fees of \$46 thousand and the hosting of the Regional Attorney General's conference of \$15 thousand. These were offset by decreases in miscellaneous fees of \$17 thousand and freight and shipping of \$7 thousand.

The notable decrease in recruitment and training of \$86 thousand is due to the fact that budgeted training did not materialize during the year, mainly due to delayed recruitment and vacancy of posts.

The decrease in travel and subsistence of \$30 thousand is as a result of reduced travelling by the Attorney General's Chambers.

Portfolio of Legal Affairs

Notes to the Financial Statements (continued)

For the year ended 31 December 2019

Note 17: Explanation of major variances against original budget(continued)

Statement of Financial Performance (continued)

Supplies and consumables (continued)

The decrease in utilities of \$25 thousand is directly related to the savings in electricity for the Law School as a result of lower than budgeted fuel surcharge rates.

Reference materials budgeted for were not purchased resulting in a reduction of \$12 thousand.

Litigation costs

Professional fees are budgeted as contingencies for the defense of the Government in litigation as well as the provision of legal advice to Government, and vary from year to year depending on the number and complexity of cases. This expense was \$61 thousand lower than budgeted, due to the variable nature of matters arising.

Note 18: Related party and key management personnel disclosures

Related party disclosure

The Entity is a wholly-owned entity of the Government from which it derives a major source of its revenue. The Entity transacts with other government entities on a regular basis. These transactions were provided free of cost during the year ended 31 December 2019. They were consistent with normal operating relationships between entities and were undertaken on terms and conditions that are normal for such transactions.

Statement of financial position	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)	31 December 2018 Actual
<i>(expressed in Cayman Islands dollars and in thousands)</i>				
Receivables from exchange transactions	1,828	728	(1,100)	177
Surplus payable	524	-	(524)	305
Surplus paid during the year	305	-	(305)	1,600
Trade payables	2	11	9	2
Statement of financial performance				
Sale of goods and services	7,117	7,332	215	6,155
Sale of outputs to other government agencies	100	100	-	100

Portfolio of Legal Affairs
Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Note 18: Related party and key management personnel disclosures (continued)

Key management personnel

Key management personnel are also considered to be related parties. For the year ended 31 December 2019, there are seven (2018: seven) full-time and one part-time equivalent personnel considered at the senior management level. The total remuneration includes: regular salary, allowances, pension contributions and health insurance contributions. Total remuneration for the members of senior management for the year ended 31 December 2019 was \$1,057 thousand (2018: \$1,045 thousand). There were no loans made to key management personnel or their close family members for the year ended 31 December 2019 (2018: \$0).

Note 19: Financial instrument risks

The Entity is exposed to a variety of financial risks including credit risk, exchange risk and liquidity risk. The Entity's risk management policies are designed to identify and manage these risks, to set appropriate risk limits and controls, and to monitor the risks and adhere to limits by means of up-to-date and reliable information systems. These risks are managed within the parameters established by the Financial Regulations (2018 Revision) as amended.

Credit risks

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Entity. Financial assets which potentially expose the Entity to credit risk comprise cash and cash equivalents and receivables from exchange transactions and other receivables.

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

The Entity is also exposed to a significant concentration of credit risk in relation to receivables from exchange transactions, significant portions of which are due from other Government entities. No credit limits have been established. As at December 31 2019, no provision for doubtful debts (2018: \$0) has been made on these receivable as none of these accounts are impaired and management considers these debts to be recoverable in full.

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

Liquidity risk

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

Portfolio of Legal Affairs

Notes to the Financial Statements (continued)

For the year ended 31 December 2019

Note 19: Financial instrument risks (continued)

The ability of the Entity to meet its debts and obligation is dependent upon its ability to collect the debts outstanding to the Entity on a timely basis. In the event of being unable to collect its outstanding debts, it is expected that the Government would temporarily fund any shortfalls the Entity would have with its own cash flows. As at December 31 2019, all of the financial liabilities with the exception of surplus payable were due within three months of the year end dates (2018: three months).

Exchange rate risk

The Entity does not have significant exposure to currency exchange rate risk as the Cayman Islands dollar is pegged to the United States Dollar.

Note 20: Segment reporting

For the year ended 31 December 2019:

	Legal Drafting & Review & Modernization of Laws	Litigation & Legal Advice	Ministerial Advice to the Attorney General	Financial Intelligence Services	Law School	Total
<i>(expressed in Cayman Islands dollars and in thousands)</i>						
Revenue						
Sale of outputs to Cabinet	1,392	1,763	1,585	1,327	1,050	7,117
Sale of outputs to other Government agencies	-	100	-	-	-	100
Sale of outputs to others	-	-	10	-	510	520
Total Revenue	1,392	1,863	1,595	1,327	1,560	7,737
Expenses						
Personnel costs	1,188	943	1010	1074	1,190	5,405
Other expenses	41	757	292	91	627	1,808
Total Expenses	1,229	1,700	1,302	1,165	1,817	7,213
Surplus for the year	163	163	293	162	(257)	524

Portfolio of Legal Affairs

Notes to the Financial Statements (continued)

For the year ended 31 December 2019

Note 20: Segment reporting (continued)

For the year ended 31 December 2018:

	Legal Drafting & Review & Modernization of Laws	Litigation & Legal Advice	Ministerial Advice to the Attorney General	Financial Intelligence Services	Law School	Total
<i>(expressed in Cayman Islands dollars and in thousands)</i>						
Revenue						
Sale of outputs to Cabinet	1,094	1,406	1,472	1082	1,101	6,155
Sale of outputs to other Government agencies	-	100	-	-	-	100
Sale of outputs to others Donation	-	-	14	-	612	626
Total Revenue	1,094	1,506	1,486	1082	1,713	6,881
Expenses						
Personnel costs	949	994	916	966	1,050	4,875
Other expenses	41	430	552	74	604	1,701
Total Expenses	990	1,424	1468	1040	1,654	6,576
Surplus for the period	104	82	18	42	59	305

The Entity does not maintain a separate monitoring of total assets, total liabilities and capital cost for each segment. The Entity segment report is prepared on the basis of five major department activities:

1. Legislative drafting and the review and modernization of laws: This includes the drafting of legislation and regulations for the Government and the study and review of statutes and other laws of the Cayman Islands with a view to their systematic development and reform.
2. Litigation and legal advice: The provision of legal advice and representation to Government Ministries, departments and statutory entities on civil matters and the provision of international legal assistance.
3. Advice/secretarial support to the Attorney General: This includes advice and support provided by the Anti-Money Laundering Unit as well as law revision and related policy advice on matters relating to legislation.
4. Financial intelligence services: This includes receipt of financial intelligence (suspicious activity reports (SARs) under the Proceeds of Crime Law, the Misuse of Drugs Law, and Terrorism Law and facilitating requests for financial intelligence from overseas counterparts.

Note 20: Segment reporting (continued)

5. Legal education: The Truman Bodden Law School falls under the remit of the Entity. The Law School offers the LL.B (Honours) degree programme, part time and full time, the Professional Practice Course (“PPC”), the postgraduate Diploma (“Pg.Dip”) and the Master of Laws (LLM) in International Finance (on a full and part-time basis). The Law School is affiliated with the University of Liverpool and also with the Oxford Brookes University in the UK. There are 94 students registered in total as at 31 December 2019 (31 December 2018: 90).

Note 21: Subsequent events

In preparing these financial statements management has evaluated and disclosed all material subsequent events up to 30 April 2020 which is the date that the financial statements were available to be issued.

On March 11, 2020, The World Health Organisation officially declared the COVID-19 outbreak a pandemic. The global and local measures put in place to contain the spread of COVID-19 have caused significant disruption to business and economic activity. While the disruption is currently expected to be temporary, the financial effects on the Entity will depend on factors such as (i) the duration and spread of the outbreak, (ii) the restrictions and advisories from Government, (iii) the effects on the financial markets, and (iv) the effects on the economy overall, all of which are highly uncertain. While the Entity expects this matter may impact its operating results, the financial impact and duration cannot be reasonably estimated at this time.



*Our financials
are once again
unqualified*



SECTION

8



Appendices

Glossary of Abbreviations

AMLR	Anti-Money Laundering Regulations
AMLSG	Anti-Money Laundering Steering Group
AMLU	Anti-Money Laundering Unit
CFATF	Caribbean Financial Action Task Force
CFT	Combating the Financing of Terrorism
CIMA	Cayman Islands Monetary Authority
DNFBP	Designated Non-Financial Businesses and Professions
FATF	Financial Action Task Force
FRA	Financial Reporting Authority
FSHA	Financial Services & Home Affairs
FSP	Financial Services Providers
IACC	Inter-Agency Coordination Committee
IESBA	International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants
IM	Immediate Outcomes
IPAC	Institute of Public Administration Canada
IPSAS	International Public Sector Accounting Standards
ISAs	International Standards on Auditing

LL.B	Bachelor of Laws
MCPI	Ministry of Commerce, Planning and Infrastructure
MER	Mutual Evaluation Report
NRA	National Risk Assessment
OBU	Oxford Brookes University
OFIU	Overseas Financial Intelligence Units
OFSI	Office of Financial Sanctions Implementation
PCL	Proceeds of Crime Law
PMFL	Public Management and Finance Law
POCS	Portfolio of the Civil Service
PPC	Professional Practice Course
QLD	Qualifying Law Degree
SAR	Suspicious Activity Reports
SRA	Solicitors Regulatory Authority
TCQ	Technical Compliance Questionnaire
TF	Terrorist Financing
TL	Terrorism Law
WG	Working Group

Governance & Risk Management

The Portfolio of Legal Affairs is subject to normal risks associated with most public agencies. For the year 2019, those risks include:

Human Capital Risks

- Loss or absence of key staff along with their expertise and experience;
- Insufficient Administrative Support; and
- Performance risks.

Infrastructure Risks

- Physical and electronic/cyber security;
- Natural disasters including hurricanes, fires and other perils; and
- File storage and retrieval.

Business Specific Risks

- Loss or destruction of files;
- Failure to provide accurate or timely advice; and
- Conflicts of interest.

The Portfolio effectively managed these risks during the 2018 year without material interruption to operations. Some measures taken included implementing an electronic case file management system which should improve alternative storage, considering incentives to encourage staff retention such as provision of training opportunities and salary reform (within CIG permitted parameters and whether by monetary or non-monetary means) to minimise salary disparity as between public and private sector.

The Portfolio will continue to develop the appropriate strategies to manage future risks as part of an overall risk management framework.

Contact Information

General Enquiries

Office of the Attorney General
5th Floor
Government Administration Building
133 Elgin Avenue
Box 104
Grand Cayman KY1-9000
CAYMAN ISLANDS
P: (345) 946-0022
F: (345) 946-0019
W: www.pola.gov.ky
E: info.pola@gov.ky

Truman Bodden Law School

54 Edward St., 2nd & 3rd Floor
Old CIBC Building, George Town
Box 1568
Grand Cayman, KY1-1110
CAYMAN ISLANDS
P: (345) 945-0077
F: (345) 946-1845
E: Mitchell.Davies@gov.ky

Anti-Money Laundering Unit

Attorney General's Chambers
5th Floor
Government Administration Building
133 Elgin Avenue
Box 136
Grand Cayman KY1-9000
CAYMAN ISLANDS
P: (345) 946- 0022
W: www.amlu.gov.ky
E: AMLU@gov.ky

Freedom of Information

P: (345) 946-0022
F: (345) 946-0019
Information Manager: Claire Allen

Law Revision Commission

4th Floor
Government Administration Building
133 Elgin Avenue
Box 136
Grand Cayman, KY1-9000
CAYMAN ISLANDS
E: LawRevisionCommission@gov.ky

Solicitor General's Office

4th Floor
Government Administration Building
133 Elgin Avenue
Box 136
Grand Cayman, KY1-9000
CAYMAN ISLANDS
P: (345) 244-2405

Legislative Drafting Department

4th Floor
Government Administration Building
133 Elgin Avenue
Box 2248
Grand Cayman KY1-1107
CAYMAN ISLANDS
P: (345) 244-2365
P: (345) 946-0022
E: Cheryl.Neblett@gov.ky

Financial Reporting Authority

4th Floor
Government Administration Building
133 Elgin Avenue
Box 1054
Grand Cayman, KY1-1102
CAYMAN ISLANDS
P: (345) 945-6267
F: (345) 945-6268
W: www.fra.gov.ky
E: financialreportingauthority@gov.ky

Law Reform Commission

4th Floor
Government Administration Building
133 Elgin Avenue
Box 136
Grand Cayman KY1-9000
CAYMAN ISLANDS
P: (345) 244-2338
P: (345) 946-0022
W: CILawReform@gov.ky

PORTFOLIO OF LEGAL AFFAIRS



CAYMAN ISLANDS
GOVERNMENT

www.gov.ky