

2020

ANNUAL REPORT



**MINISTRY OF
COMMUNITY AFFAIRS**
CAYMAN ISLANDS GOVERNMENT

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FOREWORD BY THE MINISTER

I am pleased to present the Annual Report of the Ministry of Community Affairs (“the Ministry”) for the 2020 financial year in accordance with Section 69 of the Public Management and Finance Act (2018 Revision).



The year started with a number of national challenges and in March 2020 the Cayman Islands had its first confirmed case of COVID-19. This triggered the implementation of our COVID-19 response plans which involved the closing of the borders, the introduction of the hard and soft curfew regimes and other public health measures to help eradicate the novel virus in the community and to protect health and life.

However, key segments of our economy, such as the tourism/hospitality, construction, retail and health sectors would be under prolonged and considerable strain. It was also understood that the adverse effects of COVID-19 would be felt by all residents, Caymanians and non-Caymanians alike. Social protection measures, therefore, were taken to: a) manage the situation which had an adverse effect on people’s well-being; b) reduce social and economic risk and vulnerability; and c) alleviate deprivation and ensure persons were able to meet their basic needs.

Consequently, the Ministry received emergency supplementary funding to ensure the most vulnerable in our country and those negatively impacted by the COVID-19 pandemic were protected. With the approval of this funding, the Government took proactive measures to ensure that the vulnerable populations were able to mitigate the economic and social risks associated with the COVID-19 pandemic such as unemployment, exclusion, sickness, disability and old age.

The Ministry played, and continues to play, an integral role in rebuilding and strengthening the resilience of our children, families, communities and social security system. I have every confidence that our Islands and our people will emerge stronger from the challenges we have faced and the Government remains resolute as we work to help the Cayman Islands grow and recover.



FOREWORD BY THE CHIEF OFFICER



Along with the Minister, I am pleased to present the Annual Report of the Ministry of Community Affairs for the year ending 31 December 2020. The objective of this Annual Report is to communicate who we are, what we do and our accomplishments each year to the general public.

In March 2020, with the support of the Government's emergency funding, the Ministry acted quickly in the face of the emerging COVID-19 crisis to ensure that the most vulnerable persons in our community had access to financial support. Those persons who are already vulnerable – older persons, persons with disabilities, the unemployed and low income families – faced considerable hardships.

The Ministry worked tirelessly to ensure that its agencies were supported in order to continue to provide essential, quality services to the people of the Cayman Islands in the face of unprecedented demands for our services as a result of the unexpected COVID-19 pandemic. Innovation, creativity and rapid policy responses became key to our ability to address the emerging social security issues presented by the COVID-19 crisis and remain agile throughout.

Despite the challenges presented by the COVID-19 pandemic, recognising the critical role that private citizens and non-government agencies play in human services and the advancement of our people, the Ministry continued to use our partnerships with Government and non-government entities to assist us in achieving our vision. The Ministry also used this time to take the necessary steps to enhance services and meet the needs of older persons in a more timely, effective and efficient manner. Hence, in September 2020, the Ministry obtained Cabinet approval to realign its services to older persons by establishing the Older Persons Active Ageing Centre ("the OPAAC") – a multi-agency resource centre dedicated solely to the needs and welfare of older persons. It is anticipated that the OPAAC will be operational in early 2021.

The Ministry was also able to achieve some of its planned projects such as the opening of Habakkuk House in partnership with the Department of Children and Family Services in order to ensure that separate specialist care can be provided for adults and children with special needs. The Needs Assessment Unit also launched the pilot programme "NAU is in Our District". This pilot programme was created to meet with those who need our help the most in their communities.

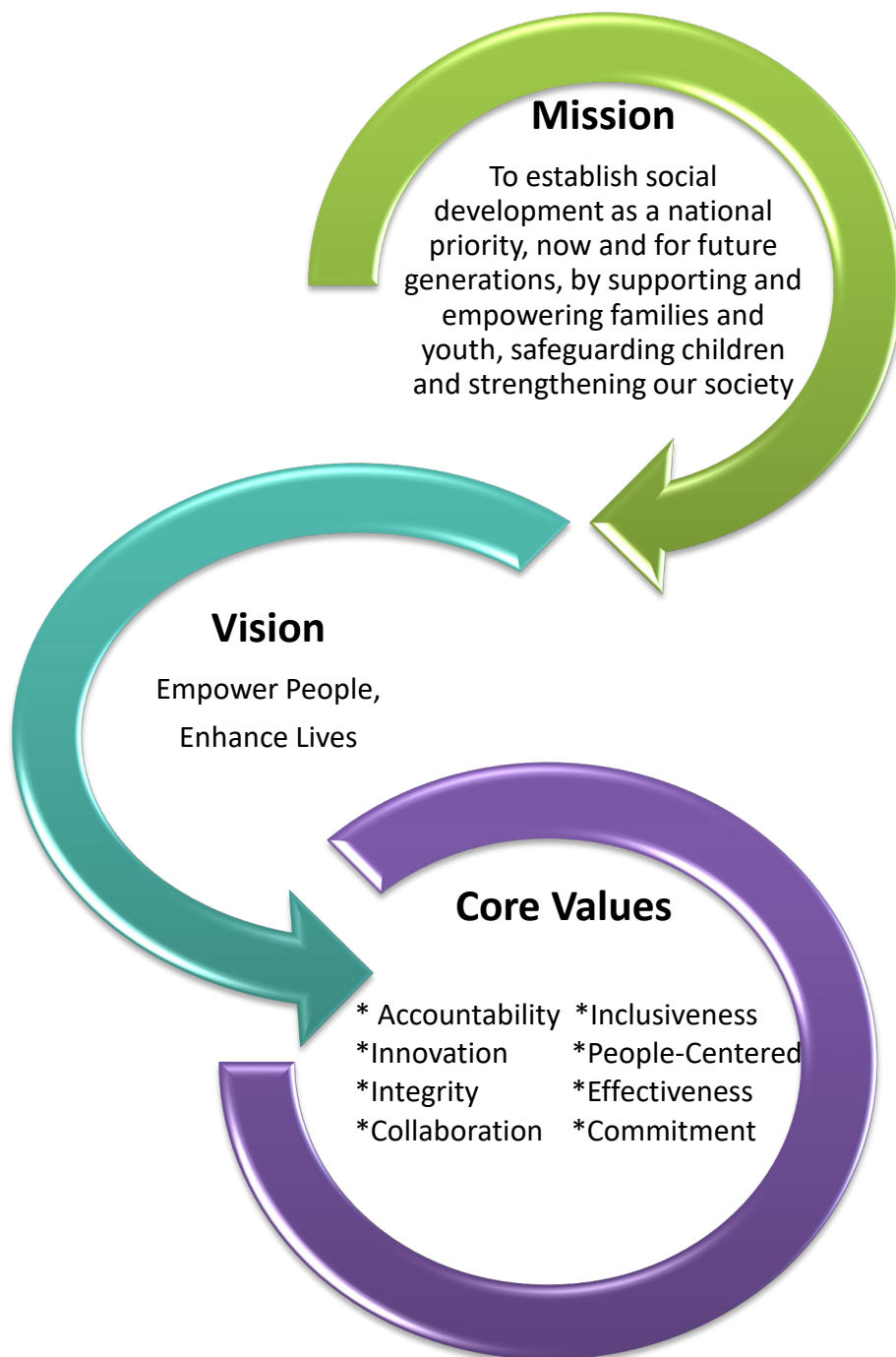
I take this opportunity to thank all the hardworking staff who continued to deliver essential services to the community in a crisis where extraordinarily high demands were placed on them. They went above and beyond, and I could not be more grateful and proud of our team.



ABOUT US

I. Nature and Scope of Activities

The Ministry of Community Affairs (“the Ministry”) are driven by its Mission, Vision and Core Values below:



The main activities of the Ministry are to:

- Provide policy advice and administrative support to the Honourable Minister.
- Ensure adequate emergency response capacity.
- Provide advice, governance and monitor the performance of Boards and Government Companies under the Ministry.
- Provide collaboration with key stakeholders on social and gender issues.
- Provide the full scope of services in human resources management under a centralised structure to all its entities.
- Develop legislation of matters concerning the subjects under the Ministry.
- Administer the Seamen and Ex-Servicemen Ex-gratia Benefits.
- Administer the Housing Repairs Assistance (HRA) Programme.

II. Functions and Activities

- The Departments and Units that fall under the Ministry are:

Department of Children and Family Services (DCFS) protects and promotes the rights and welfare of children, the elderly and families through the use of interventions, public education, advocacy and community-based programmes that serve to strengthen family bonds and build stronger communities. This is accomplished through the provision of social services to the people of the Cayman Islands including social work services, services to the general adult population, older persons and persons with disabilities, foster care and adoption services, and the placement of vulnerable children in residential homes.

Needs Assessment Unit (NAU) assists citizens that are unable to support their families or themselves financially due to disability, underemployment, unemployment and other hardships.

Gender Affairs Unit (GAU) provides gender mainstreaming through research, policy advice, gender analysis of legislation, policies, operations and programmes within the Ministry and other government entities, as well as public education and sector or issue specific gender training. The Unit also provides administrative support for the Gender Equality Tribunal.

- The Government-Owned Company, Committee, Tribunal, and Statutory Board that fall under the Ministry are:

Children and Youth Services (CAYS) Foundation (Government Company) provides programmes of rehabilitation, education and social development skills for delinquent and at risk children in youth rehabilitation and care facilities owned by the Government.



Adoption Board receives applications for adoption from parents, guardians and prospective adopters and conducts investigations concerning the adoption of children for the consideration of the Court as per section 8 of the Adoption of Children Act (2003 Revision).

Oversight Committee for the Housing Repairs Assistance (HRA) Programme oversees the management of the HRA Programme which is provided to Caymanians who are either elderly and/or disabled or who have children in need that own and/or occupy their residential property and have been assessed by NAU.

Gender Equality Tribunal (GET) deals with discrimination complaints as they are submitted. The GET is made up of five members appointed by Cabinet. The Chairperson is an attorney-at-Law and the four other members have experience and qualifications in gender, social development, human rights, labour or related fields.

- The Programmes that are administered by the Ministry are as follows:

Seamen Ex-gratia Benefit whereby the Ministry provides ex-gratia benefits to retired Caymanian Seamen or their surviving spouse, in recognition of their contribution to the Islands. On-going communication is maintained between the Ministry and CISA to ensure a close working relationship.

Ex-Servicemen (Veterans) Ex-gratia Benefit In June 1994, Cabinet (formerly the Executive Council) granted approval for funding to provide financial assistance to Caymanian ex- servicemen who served in the armed forces during war time limited to service during World War I and II, the Trinidad Royal Navy Volunteer Reserve, the Homeguard, the Royal Fleet Auxiliary (supply), the armed forces of Great Britain, and the Merchant Marines.

HRA Programme the HRA Programme provides home repairs to Caymanians who are either elderly and/or disabled or who have children in need that own and/or occupy their residential property and have been assessed by NAU.



GOVERNANCE

I. Governing Legislation

The statutes that govern the major activities of the Ministry are:

- The Cayman Islands Constitution Order, 2009
- Public Service Management Act (2018 Revision)
- Personnel Regulations (2019 Revision)
- Public Management and Finance Act (2020 Revision)
- Financial Regulations (2018 Revision)
- Anti-Corruption Act (2019 Revision)
- Freedom of Information Act (2020 Revision)
- The Freedom of Information (General) (Amendment) Regulations, 2020
- Data Protection Act, 2017
- Data Protection Regulations, 2018
- National Archive and Public Records Act (2015 Revision)

II. Departments/Units Governing Legislation

The legislation that governs the major activities of the Ministry's Departments and Units, in addition to the aforementioned, are:

- Children Act (2012 Revision)
- Children Act Regulations, 2012
- Adoption of Children Act (2003 Revision)
- Adoption of Children Regulations (2003 Revision)
- Companies Act (2012 Revision)
- Youth Justice Act (2005 Revision)
- Poor Persons (Relief) Act (1997 Revision)
- Health Insurance Act (2013 Revision), Section 2
- Protection from Domestic Violence Act (2010)
- The Disabilities (Solomon Webster) Act, 2016
- The Older Persons Act, 2017
- Gender Equality Act, 2011

III. Ministry Policies and Directives

- Ministry of Community Affairs 2020 Hazard Management Plan
- Ministry of Community Affairs 2020 Continuity of Operations Plan
- Overtime, Comp Time/Time-off In-Lieu (TOIL) and Flexible and Additional Hours Policy
- Use of Personal Communication Equipment, Internet Media and Personal Radios in the Workplace



- Complaints Handling Procedures
- Anti-Bullying, Harassment and Discrimination Policy
- Policy on Internal Controls
- Whistle Blower Policy v2.2
- Code of Business Ethics and Conduct V4
- Fraud Policy v2.6
- Policy Offering or Receiving Hospitality Entertainment of Gifts (May 2017)
- Records and Information Management Standard V1.0 (May 2017)
- Eligibility Criteria for Seamen Ex-Gratia Benefits
- Fixed Asset Management Policy
- Fleet Management Policy
- Finance Policies and Risk Mitigating Controls



OUR PEOPLE

In 2020, the Ministry's leadership team experienced minor change, but with necessary rearrangement was once again well-positioned to continue its path towards meeting its mandate through a very challenging 2020. The current team possesses decades of progressive experience, knowledge, qualifications and expertise in the areas of social work, welfare, human resources, finance and accounting and government policy, directly related to the subject areas under the Ministry's remit.



Joan West-Dacres

Deputy Chief Officer

Ministry of Community Affairs



Teresa Echenique

Chief Officer

Ministry of Community Affairs



Debbie Webb-Sibbles

Deputy Chief Officer (Secondment)

Ministry of Community Affairs



Tamara Hurlston

Director

Needs Assessment Unit

Leadership Team



Paulinda Mendoza-Williams

Director

Department of Children and Family Services



Melissa Whorms

Chief Financial Officer (Acting)

Ministry of Community Affairs



Lilia Conolly

Chief Human Resources Officer

Ministry of Community Affairs



**MINISTRY OF
COMMUNITY AFFAIRS**
CAYMAN ISLANDS GOVERNMENT

I. Message from the Human Resources (HR) Team

The unprecedented global restrictions and changes resulting from the COVID-19 pandemic, and its impact on the welfare of our local economy and community was the biggest challenge faced by Ministry manpower in 2020. The shift in demand required a swift adjustment in daily operations and workforce management unrivaled by previous years. The senior management team rose to the occasion and managed to keep operations successfully open throughout, whilst extending service delivery not forming a part of its conventional mandate. The Ministry's agility and resilience in switching gears and direction to re-focus its operations and manpower was remarkable. The Ministry's ability to fulfil the unprecedented and urgent increase in demand for welfare services across all islands, for Caymanians and non-Caymanians alike, can rightfully be affirmed as the highlight of its achievements in 2020. Whilst overseas Learning and Development activity was halted for the majority of 2020 due to the COVID-19 pandemic, it was still a significant year of further professional development and up-skilling of staff members via various local and online platforms.

II. Message from the Finance Team

During this period of immense disruption and uncertainty resulting from the COVID-19 pandemic, it has been more important than ever to deliver on our objectives – strong financial management, effective internal controls and a commitment to excellent customer service. The Finance Team



has played a key role in the response to the pandemic as we have had to re-prioritize our work, reshape our internal workflows, and restructure our team to meet the increase in demand for the services our Ministry provides. We are confident in the effectiveness of our function within the Ministry as we lead and guide the senior management of the Ministry, Heads of Departments and their finance staff, even through these unprecedented times.

We will continue to look critically at the value added in our respective roles and re-evaluate where improvements can be made and innovation achieved. As we plan for the upcoming year, the strategic outlook for the 2021 financial year will be focused around the following key areas:

- Preparing for the upcoming Strategic Policy Statement & Budget process for 2022-2023.
- Review and enhancement around the internal controls that guide the control environment of the Ministry.
- Continued investment and development of human capital via training, conferences and other methods.
- Developing and implementing of effective succession plans for key positions within



Core Ministry and its Departments.

- Continued commitment to work more closely with and to provide guidance to Heads of Departments (HODs) and Finance Teams.

In culmination of another successful year, the financial statements for the year ended 31 December 2020 received another unqualified opinion from the Office of the Auditor General and thereafter, will be tabled in the House of Parliament pursuant to the requirement of the Public Management and Finance Act (2020 Revision).

III. Message from the GAU

This year has been challenging yet interesting, both locally and globally, as the events of the year have highlighted many gender, diversity and equality issues. All the various challenges illuminated the inequalities which still exist in our community and the world. Thus, the necessity and importance of infusing and considering the diversity of a population in policy development and implementation, in addition to ensuring that efforts are made to be collaborative and inclusive in decision – making processes whenever possible.

The pandemic had varying impacts on men and women in areas such as health, paid and unpaid care work, employment, and also differently depending on whether one was an essential worker, parent, or pregnant woman. With regards to diversity, factors such as - age, physical and learning disabilities, being a person with specific needs, being a resident in an institutional setting, among other factors all influenced one's experience of the various regulations which were put in place. Some reports from other countries suggested extreme differences on how the pandemic was experienced on the basis of race, nationality, and immigration status.

The GAU was honored to be a part of a Government cross-ministerial working group focused on developing guidelines around the reopening of childcare services and family-friendly workplaces, as the regulations were gradually relaxed. The lessons highlighted and learnt through this pandemic, will continue to influence the work of the GAU, as it is estimated that the pandemic has negatively impacted the progress towards the United Nations Sustainable Development Goals 2030 Agenda and will significantly delay the achievement of the gender equality goals in particular. Hence, the requirement for the adoption of gender mainstreaming across sectors, support of this work, acknowledging its significance and recognising its ultimate purpose, must continue on a local and global level.



HUMAN CAPITAL MANAGEMENT - DISCUSSION AND ANALYSIS

I. Human Resources Analytics

In 2020, there were a total of 209 positions filled with 11 vacancies, for a total of 220 positions as per the budget. Our workforce at-a-glance is below:



Budgeted Headcount

2020	Ministry of CA	Needs Assessment Unit	Department of Children & Family Services	Total Positions Filled
Budgeted Headcount	20	32	168	220
Joiners	0	4	15	
Leavers	1	1	4	
Transfers	4	2	0	
Promotions	0	3	0	

Vacant Positions

Entity	Vacant Post	Number of Positions
Ministry	Chief Financial Officer	1
Gender Affairs	Policy Analyst	1
DCFS	Social Work Manager	1
DCFS	Housekeeper	2
DCFS	CCW I	1
DCFS	CCWII	2
DCFS	Social Worker	2
DCFS	Executive Officer I	1
Total vacant positions		11



Staff by Nationality

Employee by Nationality (FTE)	Children & Family Services	Core Ministry	Gender Affairs Unit	Needs Assessment Unit	Total FTE Headcount
Caymanian	84	17	1	32	134
Jamaican	58	-		-	58
American	2	-		-	2
British	3	-		-	3
Canadian	1	-		-	1
Dutch	1	-		-	1
Filipino	4	-		-	4
Guyanese	2	-		-	2
Irish	2	-		-	1
Trinidadian	3	-		-	3
Total position filled	159	17	1	32	209
Vacancies	9	1	1	-	11
Total	168	18	2	32	220
Percentage of Caymanian employment in total workforce	52.83%	100%	100%	100%	

Gender

Employees By Gender (FTE)	Children & Family Services	Core Ministry	Gender Affairs	Needs Assessment Unit	Total FTE Headcount
Female	150	14	1	26	191
Male	9	3		6	18
Total	159	17	1	32	209
Vacancies	9	1	-	-	11
Total positions	168	18	2	32	220



Age

Employees by Age (FTE)	Children & Family Services	Core Ministry	Gender Affairs Unit	Needs Assessment Unit	Total FTE Headcount
Under 35	20	2		15	37
35 - 39	15	1		4	20
40 - 44	16	3		4	23
45 - 49	26	3	1	4	34
50 - 54	23	3		1	27
55 - 59	26	1		2	29
60 - 65	31	4		1	36
66+	2	-		1	3

II. Learning and Professional Development

In 2020, the Ministry continued in its support of employees in seeking and pursuing every possible opportunity for learning and development, geared towards a mutual benefit for employer and employee.



Members of staff and management across the Ministry and its entities pursued a variety of learning and development activity. The DCFS and NAU also continued to invest in their staff to ensure pertinent training was upheld, particularly where it formed a part of their role requirements:

Human Resources

The Ministry's Chief HR Officer, Ms. Lilia Conolly, achieved two (2) professional HR accreditations in 2020 from the Human Capital Institute in the USA, in addition to a renewal of her globally recognised Senior Certified HR Professional (SHRM-SCP) designation. Ms. Conolly fulfilled all requirements via ongoing recertification credits from the Society of Human Resources Management in the USA. Both professional certifying bodies are globally recognised. Ms. Conolly also underwent training in Conducting Workplace Investigations as the representative for the Ministry, via the Portfolio of the Civil Service and a UK provider. That training, combined with other training received in the past, was geared at equipping her and other participants across the Government in managing reports of alleged Anti-Bullying, Harassment and Discrimination (BH&D) within their respective Ministries/Departments/Portfolios.



Ms. Conolly, along with other members of staff and management across the Ministry and its entities, also pursued a variety of additional learning and development activity in Leadership, Change Management, Mental Health Aide, amongst others. Said learning and development activity was focused on acquiring key knowledge in these areas, with the intent of applying these enhanced skills in their relevant roles.

Finance

The Finance Team continued with training and development, despite the challenges faced with the COVID-19 pandemic.

- The Acting Chief Financial Officer (ACFO), the Deputy Chief Financial Officer (DCFO) of Operations, and Financial Administrator successfully completed a two-day training with Peakford Management Consultants on Leadership and People Management in September 2020.
- The team completed the Cyber-Security Awareness Training to increase their awareness of cyber threats/attacks and to better understand what we need to do in our work environment to guard against them.
- The team attended Procurement training hosted by the Central Procurement Office to enhance working knowledge of the Procurement Act.

The team also acquired on-the-job training in key roles within the Ministry as a result of the pandemic:

- The DCFO of Reporting was appointed to act as the CFO for the remainder of 2020 (8 months).
- The Financial Administrator had the opportunity to act as the DCFO of Reporting as a result of the team restructuring (5 months).
- Cross-training between the Acting DCFO of Reporting and the DCFO of Operations.

- The ACFO and the DCFO of Operations were 2 of the 25 participants selected from a field of 48 applicants to secure a place in the Leadership Cayman Programme in December 2020. Both team members were sponsored by the Civil



Service College of the Cayman Islands. The Leadership Cayman Programme is a six-



month intensive leadership course, introduced by the Cayman Islands Chamber of Commerce that enables class members to develop new skills and learn an abundance of vital information about the Cayman Islands' community and business sector. The programme is scheduled to commence on January 29th 2021, with bi-weekly seminars on a range of different topics, learning from expert and local leaders, government officials and keynote speakers.

Policy

Despite 2020 being an unprecedented and challenging year, the Senior Policy Analyst (Human Services) continued her training and development by participating in online courses dealing with the subjects of change management, leadership and people management, corporate governance and board evaluation, as well as the timely webinar 'Rapid Response in Policy Development and Delivery for Policy Practitioners' provided through the Policy Coordination Unit in the Cabinet Office. In addition, the Senior Policy Analyst was selected to be a member of the Childcare Policy Working Group; a group consisting of representatives from the Ministry of Education, Youth, Sports, Agriculture, and Lands, Ministry of Community Affairs and Cabinet Office tasked to provide recommendations, solutions and requested deliverables that assisted with the introduction of childcare provisions at various COVID-19 suppression levels.

GAU

The Senior Policy Analyst (Gender, Diversity & Equality), the sole GAU staffer, was sponsored by the Ministry to attend a number of online training sessions in 2020. In order to continue to enhance her skills in management she, along with other Ministry colleagues, participated in three courses provided by Peakford Management Consultants – Change Management; Leadership & People Management; and Corporate Governance , Board Performance & Evaluation .

With regards to job-specific knowledge, the Senior Policy Analyst attended the Diversity, Equity and Inclusion Conference provided online by The Conference Board. This conference was extremely valuable given the global current events in 2020, such as the political and racial tension in the U.S.A.; the "Black Lives Matter" movement; the discussions and eventual passing of legislation in the Cayman Islands with regards to Civil Partnership; the effects of COVID-19 on employment and especially that of already marginalised groups (such as older persons, persons with disabilities, ex-offenders, neurodiversity within the population); mental health in the workplace; and management of the various effects of the pandemic on women, men, caregivers and families, as well as other categories of people and nations with specific demographic features.



In addition, the Senior Policy Analyst participated in several other learning opportunities provided by international and regional bodies covering public policy, gender, labour, domestic violence, and social protection systems with particular relevance to the COVID-19 crises. These included:

- Rapid policy development and delivery for Policy Practitioners provided by The International Centre for Government Excellence.
- XXI International meeting on Gender Statistics – The challenges for the generation and use of gender statistics in the context of COVID -19, presented by the National Institute for Women of Mexico (INMUJERES), the National Institute of Statistics and Geography (INEGI), the Division for Gender Affairs of the Economic Commission for Latin America and the Caribbean (ECLAC), and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women).
- Mainstreaming Gender in Development Finance in the Caribbean: Policies, Data, Action Plans- presented by Caribbean Development Bank.
- Saving jobs, creating new ones and making people more employable: Shaping good labour market policies for post COVID-19 response - presented by International Labour Organisation & ECLAC.
- Domestic Violence & Faith-Based Interventions.
- Domestic Violence and COVID-19.
- Leaving No One Behind in the Caribbean: Building resilience through universal social protection- workshop presented by Economic Commission for Latin America and the Caribbean, ILO, CCRIF-SPC, UN-Habitat.
- Re-thinking welfare and employability services for people with health and disability-related barriers to work: Challenges for policy post-COVID-19 - presented by Strathclyde Business School.
- Care in Latin America and the Caribbean during COVID-19: Towards Comprehensive Systems to Strengthen Response and Recovery’ – presented by the Division for Gender Affairs of ECLAC.
- Population impacts and policy responses to the COVID-19 pandemic in the Caribbean-presented by ECLAC.

The Senior Policy Analyst in the GAU also attended online sessions on Managing a Remote Workforce, Coaching, Innovation, and Leadership hosted by the Portfolio of Civil Service’s Civil Service College. She also took part in several webinars hosted by the Government’s Wellness Committee, HR.com, CIPD and other organisations covering human resource management, pay gaps, talent management, workplace inclusion, leadership, engagement, suicide prevention, sexual and reproductive rights, mental health, and labour relations.

A positive consequence of the inability to meet face to face due to the pandemic was the fact that there were many opportunities to participate in online conferences and international



meetings, many of which had they been held face to face the cost for official travel would have been prohibitive. Additionally, with the Government implementing flexible and remote working policies this enabled staff to attend online learning opportunities in different time zones (sometimes outside of normal workday hours) and in private, quiet settings which were conducive to uninterrupted learning activities.

NAU

In 2020, although staff were unable to participate in regular training initiatives during the first to third quarters due to the need to focus all efforts on the impact of the COVID-19 crisis on our people, the NAU continued to place an emphasis on professional development to ensure that all staff members were properly equipped with the necessary tools to effectively carry out their duties and recommenced training sessions in the final quarter of 2020.

Due to the COVID-19 Pandemic, Zoom and Microsoft Teams became familiar tools and training platforms at the NAU. A variety of online training was arranged for staff including virtual attendance to the following webinars and online courses offered through Degreed:

- Re-thinking Welfare and Employability Services Post-COVID-19, University of Strathclyde.
- Leadership & People Management Skills Training For the Results-Based Leaders, Peakford Consultants.
- Stigma, Shame and Poverty: How can we change the toxic narrative on poverty?, Poverty Alliance.
- Mental Health First-Aid Awareness Course.
- Cyber-Security Awareness Training.
- Anti-Bullying, Harassment and Discrimination Training.



The staff also participated in a well-deserved and long-awaited Staff Retreat facilitated by Mr. Ormond Williams of OAWilliams Consulting. The team building and leadership seminar was well received and spoken of highly by all staff.



DCFS

In 2020, the DCFS staff participated in conferences, courses and webinars such as CPR and First Aid Training; the Cayman Islands Health Care Conference; Elderly Abuse; Food Handling Course; Impact of Trauma on Children course; Ending Cycles of Domestic Violence; APMG Better Business Cases (BBC) Practitioner Level; APMG Better Business Cases (BBC) Foundation Level; Understanding Anxiety, Depression and CBT; Understanding Depression and Low Mood in Young People; Management and Leadership: Growing as a Manager; Cyber-Security Awareness Training; Disability Awareness Sensitivity Training; Mental Health Webinar; and training in Understanding Sexual Abuse Examinations in Investigation and Prosecution Efforts and the Prosecution of Child Neglect Cases.

III. Rewards and Recognition

The Ministry continues to place professional development, fair and equity in compensation and performance reward and recognition of all employees as an ongoing priority year-on-year, in line with the obligation of being a good employer:

Ministry Administration

In October 2020, the Ministry was the highlight of the most recent Employee of the Year Award event, proudly featuring the most Employee of the Month winners in a single year. Three of its staff members were nominated, with Ms. Leisa Welcome – Employee of the Month for September – being awarded the coveted top spot as Employee of the Year. Ms. Sheneka Moore, Employee of the Month for August, and Mr. Joel Burke, the Employee of the Month for April, were also finalists in the Employee of the Year Award alongside Ms. Welcome. In December 2020, Ms. Leisa Welcome was also presented with the President’s Appreciation Award from the Cayman Islands Seafarer’s Association in recognition of her work with the administration of the Seamen Ex-gratia Benefit.





Leisa Welcome presented with the 2019 Employee of the Year Award by the Hon. Deputy Governor, Franz Manderson



Leisa Welcome with the Hon. Deputy Governor, Franz Manderson and the group of finalists of the 2019 Employee of the Year Award



On 27 August 2020, the Public Accounts Committee (PAC) awarded the Ministry with a special certificate – the 2018 Audit Efficiency Award. This Award was given for the quick and efficient completion of the audit, receiving an unqualified opinion with no ISA260 control points raised and for getting the annual report tabled promptly. The Ministry was also awarded for receiving an unqualified audit opinion for 2019.



Deputy Governor Franz Manderson, Chief Officer Teresa Echenique, Acting CFO Melissa Whorms and PAC Member David Wight

DCFS

DCFS staff attended the DCFS Awards Recognition Dinner at Pedro St. James. The ceremony centred on the giving of long service, individual, team and manager certificates, culminating in the presentation of the inaugural Social Worker of the Year – Joyce Hylton Award.

The DCFS recognised 40 staff who served the organisation and the people of the Cayman Islands by presenting Long Service Awards for 20 years and more. The Social Worker and Adult Special Needs Employee of the Year Awards were also given to staff selected by their peers who represented the core values and professional practice of Social Work and Community Care Work. Both Long Service and Employee of the Year recipients were given certificates, plaques and monetary gifts. His Excellency the Governor, Mr. Martyn Roper; Deputy Governor Hon. Franz Manderson; Community Affairs Councillor Mr. Austin Harris and the Chief Officer Ms. Teresa Echenique were in attendance.

The evening culminated in the presentation of the inaugural Joyce Hylton Award to the Social Worker of the Year to Mrs. Tempora Wesley. The award was sponsored and presented by representatives of the Hylton family and the estate of the late Mr. Mike Simmons.





Teams and staff honoured at the ceremony included the Family, Youth and Elderly Services teams, as well as the Department's Community Development officers, Multi-Agency Safeguarding Hub (M.A.S.H), and the Adoption and Foster Care, Cayman Brac, Adult Special Needs, Administration and Finance teams.



Ms. Tempora Wesley, the Social Worker of the Year, with her Joyce Hylton Award



NAU

Over 2020, the NAU continued to encourage, support and recognise the efforts and contributions of staff. Due to the COVID-19 pandemic, however, nominations for the Deputy Governor's Award and the Chief Officer's Award were not able to be made.

The NAU is proud to have had 3 internal promotions during 2020. Ms. Melissa Smith was promoted to Deputy Director in June 2020. Ms. Tricia Skyers-Palacio and Ms. Melissa McLaughlin were promoted to the position of Supervisor in October 2020.

The staff of the NAU continued to achieve academically over the year and the following academic achievements were celebrated:

- Ms. Melissa McLaughlin completion of Master Degree in Human Resources Management.
- Ms. Shiann Powery completion of Bachelor of Law Degree with Honours.
- Ms. Rochella Moya completion of Associate of Arts Degree in Social Work.
- Ms. Tamara Hurlston completion of ILM 5 Certification.

NAU staff also participated in special days of recognition and events in the last quarter of 2020 to give back to the community and help vulnerable people:



Seniors Rock Dress Down Day in support of Meals on Wheels





Cayman Islands Government Giving Tree Initiative



RESPONSE TO THE COVID-19 PANDEMIC

The Ministry worked diligently to ensure that its agencies were supported in order to continue to provide essential services to the people of the Cayman Islands in face the of unprecedented demands for its services. In addition, recognising the critical role that private citizens and non-government agencies play in human services and the advancement of our people, the Ministry continued to use its partnerships with Government and non-government entities to achieve its vision.

In March 2020, the Ministry received supplementary funding in the amount of \$2,066,595 to assist new financial assistance recipients deemed eligible by the NAU with household expenses such as rent, utilities and food for a three-month period. To further assist existing clients, the Ministry received \$832,150 in supplementary funding to provide a one-time emergency stipend to current recipients of permanent financial assistance from the NAU and the Seamen and Ex-Servicemen Ex-gratia Benefit. The one-time stipend was provided in addition to the \$850 persons already received on a monthly basis. Supplementary funding of \$52,870 was also secured in order to provide a one-time stipend to families receiving food vouchers from the NAU to help with the necessity of acquiring additional groceries and supplies. Lastly, in March 2020, the Ministry secured an additional \$10,000 to provide a one-time stipend of \$500 to Foster Parents approved by the DCFS.

With the spread of COVID-19 through the Caribbean region and North America, it also became apparent that key segments of our economy, such as the tourism/hospitality, construction, retail and health sectors would be under prolonged and considerable strain. It was recognised that the adverse effects of COVID-19 would be felt by all residents, Caymanians and non-Caymanians alike. For this reason, the Government advised persons on work permits to make every effort to return to their home country prior to the borders closing on 22 March 2020. It was evident, however, that not all persons were able to leave by the stipulated deadline. Hence, in April 2020, the Ministry secured emergency, supplementary funding in the amount of \$2,000,000 to ensure that non-Caymanian residents rendered destitute by the COVID-19 pandemic and who had to remain on island involuntarily due to the border closure or who chose to make these islands their home had assistance to meet their immediate needs.

In 2020, the only HRA Programme projects undertaken were those from 2019 which were already in progress. No new projects, however, were undertaken by the Ministry due to the COVID-19 pandemic.

With the aforementioned supplementary funding, vulnerable Caymanians were assisted by the NAU with meeting their basic, essential needs including food vouchers, school lunches and rental assistance. Persons also had their indigent medical coverage renewed, and additional



financial support was provided for families with children. Understandably, the NAU experienced high demand for its financial assistance services and had already assisted 1,842 families, a total of 7,368 people, as of 16 April 2020.

The NAU relaxed the requirements for new applicants, and staff were instructed to ensure food vouchers were immediately issued to persons upon receipt of a completed application and whose nationality (Caymanian) was confirmed. The NAU collaborated with the Department of Community Rehabilitation (DCR) in order to support their call centre by assisting with answering the phones, follow up with clients and provide feedback. The NAU also identified five additional persons previously employed by the NAU to be added to its support staff to further reduce any interruption in service.

Finally, since DCFS staff are categorised as essential workers, with the onset of the COVID -19 pandemic and resulting shelter-in-place provisions requiring the suspension of various services, staff remained active in delivering direct case management, intervention services and, most importantly, the safeguarding of our children. The services that continued to be provided are as follows:

- 24-hour On Call Emergency Services;
- Increased client contact via ZOOM, Skype, WhatsApp;
- Processing of all child abuse referrals by the Multi-Agency Safeguarding Hub (MASH);
- Child Protection Investigations (single agency and jointly with RCIPS);
- Attendance to Court on matters relating to Custody, Child Protection and Youth proceedings;
- Home Visits;
- Multi-Agency Case Conferencing;
- Foster Care and CAYS Foundation placements;
- Multi-agency partnerships in delivering virtual trainings and seminars;
- Co-sponsored The Cayman Islands Red Cross Mobile Wellness Clinic for Children;
- Public Service Announcements and Social Media promoting child safeguarding; and
- Assistance to vulnerable adults and the elderly.

In an effort to ensure the safety of our elderly care home residents, social visits to the Kirkconnell Community Care Centre in Cayman Brac, and the Golden Age Home and Maple House in Grand Cayman were suspended. Mindful that this decision was difficult for some residents and their families, it was a critical protective measure taken in the best interests of the residents as older persons and vulnerable individuals have increased susceptibility to the upper respiratory complications caused by the coronavirus and some were immunosuppressed with chronic ailments including heart disease, diabetes and asthma. Other residents had a range of underlying health conditions. Staff, however, continued to keep residents engaged through a variety of indoor and outdoor activities within their respective facilities and facilitated family contact via the use of technology.



DCFS also distributed an Arts and Craft Activity packet to older persons in the community and the Elderly Services Team of the DCFS established the Older Persons Helpline when COVID-19 shelter-in-place provisions were in effect. The Helpline continues to operate.

HIGHLIGHTS OF SERVICES, PROJECTS AND PARTNERSHIPS

During the 2020 financial year, the Ministry and its agencies were able to engage in several highly, and mutually beneficial services, community projects and partnerships. Some of these include:

- The Ministry continued to play an active part in the implementation of the Cayman Islands Older Persons Policy 2016-2035 and promotion of the Older Persons Act, 2017, through involvement on the Council of Older Persons.
- Elderly residents in local care homes enjoyed increased contact with families and friends, due a thoughtful donation of smartphones by the Foster Group with help from FLOW. The devices, chosen for their wide screens, allowed seniors to take part in WhatsApp calls and video chats during a time of restricted visits. The donation benefitted residents in self-isolation at the DCFS' Golden Age Home, Maple House and Kirkconnell Community Care Centre residential facilities, and also those at the Pines Retirement Home, operated by the National Council of Voluntary Organisations. The cell phones continued to be used in these facilities even after the restrictions ended to encourage close ongoing contact between residents and families.



Taylor Foster of Foster Group gave 13 smartphones to the Chief Officer, Teresa Echenique, on 22 April 2020.



- The Ministry, with the help of the Public Works Department Moving Team, welcomed the Dart donation of some furniture and appliances to support the Ministry's ongoing efforts to provide practical relief to local families whose lives and livelihoods were impacted by the economic effects of the COVID-19 pandemic.



- The Ministry, in partnership with the NAU, continued to work on finalising the Consultation Drafts of the Financial Assistance Bill and Regulations.
- As of December 2020, there were 919 beneficiaries of the Seamen Ex-gratia Benefit. 48 new Seamen were added and the spouse of 1 Ex-serviceman. Unfortunately, 45 recipients of the Seamen Ex-gratia Benefit and 17 Ex-Servicemen passed away in 2020.
- In September 2020, the Ministry obtained Cabinet approval to realign its services to older persons by establishing the Older Persons Active Ageing Centre ("the OPAAC") – a multi-agency resource centre dedicated solely to the needs and welfare of older persons. The OPAAC will provide a space to co-locate specialist teams from the NAU and the DCFS to facilitate a wraparound approach to meeting older persons' needs. It is anticipated that the OPAAC will be operational in early 2021.
- Operated by the Ministry through the DCFS, Habakkuk House was officially opened in November 2020. The eight-bed residential facility is for children with special needs who have been placed in the care of the DCFS due to being at-risk in their own homes. The newly-renovated residential home will support and house boys and girls up to 17 years old. The home's Hebrew biblical name - meaning embrace – signals the facility's purpose as a safe haven for its residents to develop, flourish and discover their potential.





Habakkuk House



His Excellency the Governor, Martyn Roper; Premier and Minister, Hon. Alden McLaughlin; Speaker of the House, Hon. McKeeva Bush; Councillor of Community Affairs Austin Harris; Councillor of Education Barbara Conolly; Deputy Governor, Hon. Franz Manderson; and Cabinet Secretary Samuel Rose were among the persons in attendance





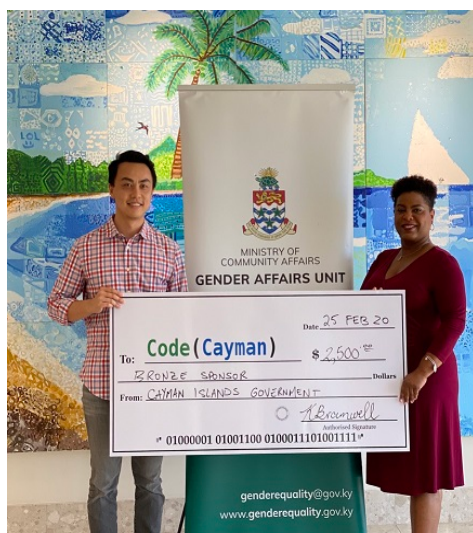
Staff of the Ministry, NAU, DCFS and GAU, along with Chief Officer Teresa Echenique, attend the Business and Professional Women's Club Annual Candlelight Dinner and distinguished lecture.

- The GAU continued to sponsor, collaborate and partner with several local Not for Profit Organisations and other government agencies to support programmes, services or initiatives which promote and facilitate gender equality or empowerment. These organisations include: Gender Equality Cayman (GEC); Business and Professional Women's Club (BPW); the Family Resource Centre (FRC); Colours Cayman (CC); The Cayman Islands Crisis Centre (CICC); Women.Code Cayman; the Women's International Shipping and Trading Association (WISTA); The National Gallery; and, the Alliance Against Domestic Violence.



CICC Executive Director, Ania Milanowska, receives donation towards sexual abuse intervention services from GAU Senior Policy Analyst, Karlene Bramwell.





Brian Tang of Cartan Group, founders of Code (Cayman), receives sponsorship for Women's and Youth programmes.

- GAU coordinated the inaugural participation of the Cayman Islands in the Global Media Monitoring Project (GMMP 2020).
- Through GAU partnerships there successful activities were staged, such as Honouring Women Month Anniversary Brunch & International Women's Day (March); the Silent Witness March (November); the first anniversary of the Alliance Against Domestic Violence (October); International Men's Day (November); and International Day for the Elimination of Violence Against Women, and 16 Days of Activism against Gender-Based Violence (November).



Participants in the 2020 Silent Witness March (organized by GAU, FRC, BPW, CC & CICC) gather opposite Heroes Square for the closing ceremony



**MINISTRY OF
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- The GAU raised its public profile through several radio interviews on various topics related to gender equality and diversity including Gender in the Workplace, Gender-Based Violence, Domestic Violence, and the role of men and boys in promoting gender equality.
- Continued to provide information and guidance to the public around the services and procedures of the Gender Equality Tribunal.
- Contributed to discussions and policy on issues pertaining to promoting gender equality and preventing discrimination. These included initiatives such as the implementation plans for the National Energy Policy, the re-introduction of Childcare services and Family-friendly workplace guidelines, proposals within the draft of the Bill to govern financial assistance programmes.
- Continued communication and consultation with members of the Gender Affairs Partners Working Group of civic organizations, non-government and other government agencies involved in the gender and development space, to discuss current affairs and plan joint advocacy initiatives.
- Continued engagement with regional national gender machineries through UN Women Caribbean Regional Office, in addition to attendance at international and regional meetings and events such as the first EPIC International Equal Pay Day Celebration; the launch of Caribbean Women Count: The Ending Violence Against Women and Girls Data Hub; and the UN official commemoration of the International Day for the Elimination of Violence against Women.
- The NAU launched the pilot programme “NAU is in Our District” in December 2020. This pilot programme was created to meet with those who most need help and establish a presence in each community. The programme provides ease of access to services and assists the NAU to develop a better understanding of our people, the demands for information within the districts, and is in line with the Government’s strategy to deliver ‘world class’ customer service. The NAU in Our District initiative assisted 41 vulnerable people in its first six sessions in district public libraries and civic centres. Officials said most of the new clients were elderly people without transport.



NAU in the districts



- The NAU provided 1,110 persons with permanent financial assistance, 1,702 families with temporary financial assistance, 43 persons with residential home placement and assisted 722 persons gain access to indigent medical coverage.
- Due to the significant negative impact of the COVID-19 pandemic, the Cayman Islands Government Cares Community Support Programme (“CIG Cares”) was created to allow civil servants and the elected Government to opt-in to support the community through payroll deductions. The first round of this programme began in July 2020 and the NAU’s food voucher programme was the initial beneficiary from July to October.
- Modeled after CIG Cares, employees of Caribbean Utilities Company, Ltd. (“CUC”) helped those less fortunate in the Grand Cayman community by authorising monthly deductions from their salaries to be donated to the NAU. The “Because We Care” employee initiative was created to allow CUC employees to assist families in need, particularly those whose finances have been negatively impacted due to COVID-19 and will work in partnership with the Ministry and the NAU.
- Year on year, the NAU has led the Ministry’s results in the Annual Employee Engagement Survey. For 2020, the NAU achieved an overall engagement index of 75%; a rating considered to be a high engagement index in global survey standards. The top three areas for the NAU were ‘Organisational effectiveness and Purpose’ with an impressive almost perfect score of 99%, followed in second place by ‘My Team’ at 88% and ‘My Manager’ and ‘Leadership and Managing Change’ tied at third place with a score of 83%.
- DCFS continued to acknowledge and celebrate special days or months of recognition such as Social Work Month (March), Child Month (May), World Elder Abuse Awareness Day (June), World Youth Day (August) and Universal day of the Child (November) during the COVID-19 lockdown by organising safe and limited events.
- DCFS hosted a socially distanced Older Persons Month (OPM) in October 2020. The theme was “Life Stories: Then and Now.” Encouraging individuals and families in the community to listen and learn from their older relatives. With over twenty activities planned across the three islands, OPM was more district-based than before. Adhering to COVID-19 prevention regulations meant that DCFS opted for smaller, mainly district-based events. The month-long observance started with the first airing of a five-part documentary series “Life Stories”. Other activities included open-air movie nights, district walkabouts, district breakfasts, an outdoor comedy show, concerts and virtual bingo.





Older Persons Month Ambassadors 2020

*Franklin Churchill Bodden, Jane Ramoon, Hon. Mary Jannet Lawrence, Lucille Douglas
Norma Arelia Scott, Eyston Watler, Margaret "Lizzie" Powell.*

- DCFS, through their partnerships, advocated with the following agencies to request services on behalf of children, older persons and families: NAU, CINICO, Housing Repairs Assistance Programme, Feed Our Future, Meals on Wheels, Council of Older Persons, Health Service Authority, Department of Education Services, Legal Befrienders, Good Samaritan Food Bank, Acts of Random Kindness (ARK), TAYA Lounge, RCIPS, Cayman Islands Crisis Centre, Lions Club Tropical Gardens, Lions Club Grand Cayman, Rotary Club Grand Cayman, Rotary Club Sunrise, Butterfield Bank, Cayman National Bank, Cayman Island Civil Service Association Credit Union, Cayman Islands Red Cross, Hedge Funds Care, DART Group and the Mike Simmonds Trust.
- In 2019, the total referrals received by the Multi-Agency Safeguarding Hub (MASH) were 1,040. During 2020, there was an increase in the number of referrals to 1,146. As the world dealt with the COVID-19 pandemic, MASH continued to operate and receive referrals. While March to May 2020 shows a decrease in the volume of referrals received by MASH, there has been an overall increase in referrals for the first six months of 2020. The decrease experienced between March and May 2020 may be attributed to the COVID-19 Shelter-In-Place Regulations implemented by the Government which mandated the closure of many services on island, including private and public schools. The increase in referrals overall may be attributed to public education on mandatory reporting that is presented to the community, private individuals and professionals by MASH and the Child Safeguarding Team.
- In December 2020, the DCFS organised a special evening of dining and entertainment at the Lion's Centre for a lively crowd of around 200 seniors while observing the COVID-19



prevention regulations. Sponsors, including the Lions Club of Grand Cayman, Public Service Pension Board and CICSA Co-operative Credit Union, contributed to the venue, the meal as well as Christmas gift bags for each senior. Guests were bused in from around the island with DCFS's Community Development Officers helping to mobilise seniors within their assigned districts. The evening also paid tribute to Mr. Roy and Ms. Reva Bodden who had been married 64 years ago. Mr. Bodden, a musician, delighted the audience by serenading his wife with a song. Noting that the oldest person in attendance was 100 years old, but still took advantage of the opportunity to dance, organisers say seniors repeatedly expressed their gratitude for an opportunity to attend the outdoors event and see each other.

His Excellency the Governor, Martyn Roper, and Mrs. Roper; Parliamentary Secretary for Home Affairs Austin Harris, MP for Prospect; Parliamentary Secretary Barbara Conolly, MP for George Town South; and Kenneth Bryan MP for George Town Central were among VIPs in attendance. Playing host were the Chief Officer, Teresa Echenique, Director of the DCFS, Paulinda Mendoza-Williams, and Deputy Director Rayle Roberts.



A special evening of dining and entertainment at the Lion's Centre for seniors





The event hosted around 200 seniors



His Excellency the Governor, Martyn Roper, speaking to the seniors at the Lion's Centre



FINANCIAL PERFORMANCE AND ANALYSIS

This section provides a summary and a trend analysis of our use of financial and capital resources. The unaudited accounts of the Ministry are in Appendix I.

I. Financial Statement Trend Analysis and Discussion

The five year Statement of Financial Performance:

	2020	2019	2018	2016/17*	2015/16
	Actual	Actual	Actual	Actual	Actual
Revenue					
Sale of goods and services	13,356,112	13,838,517	13,071,783	27,138,710	19,368,626
Donations and other revenue	48,666	96,661	70,285	233,172	269,007
Total Revenue	13,404,778	13,935,178	13,142,068	27,371,882	19,637,633
Expenses					
Personnel costs	13,098,520	11,806,100	11,032,182	19,215,668	13,278,132
Supplies and consumables	1,526,287	1,685,222	1,564,226	4,302,390	3,522,129
Depreciation	366,258	277,955	265,579	1,467,970	1,382,246
(Gain)/Loss on sale of assets	106,231	-	678	(13,282)	(2,600)
Gain on foreign exchange	(151)	(1,827)	(742)	(595)	(1,233)
Total Expenses	15,097,145	13,767,450	12,861,923	24,972,151	18,178,674
Surplus/(Deficit) for the year	(1,692,367)	167,728	280,145	2,399,731	1,458,959
*Figures presented for 2016/17 are for an 18 month period					

Revenue Analysis:

The Ministry's revenue from Cabinet has been steadily increasing with the expansion of outputs produced to meet client demands. However, due to the COVID-19 pandemic, the Ministry was not able to fully deliver the outputs for the year.

Expense Analysis:

The increase in 2020 expenses over prior year 2019 is primarily due to the increase in headcount to match the expansion of outputs, cost of living adjustment (COLA) awarded in January 2020 and honorarium payments made to COVID-19 responders who delivered essential services.

Surplus / (deficit) analysis:

The Ministry was able to realize operating surpluses over the last few years due mainly to austerity measures adopted to contain costs and maximize revenues. However, for 2020 the Ministry made a deficit primarily due to the adverse effect the COVID-19 pandemic had on the activities of the departments and the associated outputs.



SCRUTINY BY PARLIAMENT AND PUBLIC

I. Parliamentary Questions

During the 2020 financial period, the Ministry received 2 Parliamentary Questions and provided the requested information within the timeframe required.

II. Public Accounts Committee (PAC)

The Ministry was not required to appear before the PAC during the 2020 financial year.

III. Freedom of Information (FOI) Requests

During the financial year, Ministry administration did not receive any FOI Requests.

IV. Complaints

The Ministry received 1 complaint during the financial year. Any complaints received in regards to its Departments or Units were forwarded to the relevant agency and processed through their own internal complaints procedures.

CROSS-GOVERNMENT COMMITMENTS

Cayman Islands Council for Older Persons: Representatives from the GAU and Community Affairs subject area serve on this Council.

Cayman Islands Older Persons Policy (CIOPP) 2016-2035: The Ministry, in partnership with the DCFS, applied and were granted supplementary funding from the Cabinet Office to assist with the implementation of the CIOPP. In 2020, the Ministry received assistance with purchasing much needed equipment for use in the DCFS residential homes for older persons in Grand Cayman and Cayman Brac.

Multi-Agency Safeguarding Hub (M.A.S.H.): Currently, the MASH is comprised of the Department of Children and Family Services Intake Team, the Family Support Unit of the Royal Cayman Islands Police Service and a Mental Health Practitioner from the Health Services Authority (H.S.A.).

Cross-Ministerial Housing Committee: A special inter-ministerial committee was established as a part of the 2020/2021 budget to look at housing holistically for all Caymanians in need of affordable housing. The current operation of both the main property market and the rental market are moving in a direction that, if nothing is done, will increasingly make housing unaffordable for middle class Caymanian families. The aim of this Committee, therefore, is to develop a comprehensive, cross-government housing policy.



Childcare Policy Working Group: A group consisting of representatives from the Ministry, the Ministry of Education, Youth, Sports, Agriculture and Lands and the Cabinet Office tasked to provide recommendations, solutions and requested deliverables to assist with the introduction of childcare provisions at various COVID-19 suppression levels. The Childcare Policy Working Group developed guidance to help a) parents and caregivers when considering childcare provisions, b) childcare providers and sports organisations on promoting behavior to stop spread of virus and c) employers with family-friendly policies.

LOOKING FORWARD



In 2021, the Ministry and its entities will focus on the following areas:

1. *Maximise capacity and resources:*

- Strengthen and modernise Social Work practice in the Cayman Islands
- Value and support all members of the DCFS team (staff, caregivers and volunteers) through the implementation of active strategies that promote well-being.
- Encourage professional growth and creativity whilst promoting the use of evidence-based practice in social work.
- Replace the NAU's database to improve reporting capabilities and enhance service delivery.
- Provide learning and development opportunities for NAU staff that achieve best practice standards, exceptional customer services whilst managing the complex needs of our clients.
- Streamline HR processes and procedures.
- Enhance HR policies and procedures to bridge the gaps between applicable legislation.
- Ensure focus is placed on the action plans across all the Ministry's entities to support relevant HR initiatives.



2. *Manage partnerships and engagement:*

- Provide seamless and sustainable child welfare services by leveraging expertise, exploring service integration opportunities and advocating for the needs of children, elderly and families.
- Measure and share outcomes with all DCFS stakeholders and seek their input to continually improve services.
- Build awareness across our communities of the DCFS' role and contributions to child and youth safety and well-being.
- Enhance the decision-making process where all stakeholders contribute and collaborate.

3. *Ensure focus on vulnerable groups:*

- The GAU will continue to promote gender mainstreaming, diversity and inclusion through public education and working collaboratively with stakeholders.
- The DCFS will collaborate with community partners to provide services that respect a child and family's diversity, enhance parenting and improve child well-being.
- The DCFS will respond to the needs of children and families through sharing knowledge, addressing barriers and identifying strengths within their family and community.
- Complete financial assistance legislation to replace and repeal the Poor Persons (Relief) Act (1997 Revision).



STATEMENT OF EXECUTIVE FINANCIAL TRANSACTIONS

Statement of Executive Financial Transactions

“Executive Financial Transactions”, are the financial transactions that do not relate to the operations of a Ministry, Portfolio or Office but to the executive revenue, executive expenses, executive liabilities and executive assets of the Cabinet.

The following Statement of Executive Financial Transactions sets out the Cabinet’s executive expenses that are related to the Ministry of Community Affairs. The Ministry of Community Affairs does not receive Executive Revenue.

Executive Expenses	Actual \$'000	Budget \$'000	Revised Budget \$'000	Actual vs. Budget Variance \$'000
HCA 27 – Policy Advice and Support to Minister for Community Affairs	894	1,112	1,112	218
HCA 28 – Administration of Community Assistance Programmes	2,887	2,946	3,244	59
HCA 29 – Public Education on Social and Gender Issues	421	421	421	-
HCA 31 – Social Work Intervention Programmes	1,830	2,501	2,501	671
HCA 37 – Administration of Temporary Housing Services	393	518	518	125
HCA 38 – Supervision and Support of Vulnerable Persons	5,121	5,878	6,195	757
HCA 39 – Governance and Stakeholder Collaboration	318	318	318	-
HCA 40 – Supervision Care and Protection of Children	1,492	1,586	1,586	94
CAY 2 – Children and Youth Services (CAYS) Foundation	3,100	3,100	3,100	-
NGS 64 – Care of the Indigent and Disabled Elderly Persons	1,964	2,040	2,208	76
NGS 66 – Foster Care for Children	343	343	343	-
NGS 67 – Community Programmes – Afterschool	72	72	72	-
NGS 71 – Support for Battered Women and Children	325	325	325	-
NGS 72 – Therapeutic Services for Young Persons	1	25	25	24
NGS 86 – Community Programmes – Meals on Wheels	79	79	79	-
NGS 87 – Gender Equality Cayman	6	6	6	-
TP 41 – Permanent Financial Assistance	10,984	11,016	11,452	32
TP 47 – Ex-Gratia Benefit Payments to Seamen and Ex-Servicemen	9,784	9,843	10,239	59
TP 57 – Children and Family Services Support	351	350	360	(1)
TP 60 – Housing Assistance	24	375	375	351
TP 87 – Temporary Financial Assistance	8,419	4,220	9,389	(4,199)
TP 88 – After Care Support	124	124	189	-
TP 89 – Youth After Care Payments	107	80	110	(27)
TP 95 - Temporary Support to Non-Caymanian Residents COVID 19	320	-	1335	(320)
OE 78 – Depreciation of Ministry of Community Affairs Executive Assets	67	68	68	1
EI 54- Ministry of Community Affairs	35	150	200	115
Total Executive Expenses	\$49,461.00	\$47,496.00	\$55,770.00	\$(1,965.00)



APPENDIX A
ANNUAL FINANCIAL STATEMENTS
FOR THE FISCAL YEAR-END
31 DECEMBER 2020



GOVERNMENT OF THE CAYMAN ISLANDS

MINISTRY OF COMMUNITY AFFAIRS

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 December 2020**

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Cayman Islands

Ministry of Community Affairs

Cayman Islands Government
Government Administration
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Cayman Islands
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STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Ministry of Community Affairs in accordance with the provisions of the *Public Management and Finance Act (2020 Revision)*, (the "Act").

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the Act.

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

As Chief Officer and Acting Chief Financial Officer we are responsible for the preparation of the Ministry of Community Affairs' financial statements, representation and judgements made in these statements.

The financial statements fairly present the financial position, financial performance and cash flows of the Ministry of Community Affairs for the financial year ended 31 December 2020.

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

- (a) completely and reliably reflect the financial transactions of Ministry of Community Affairs for the year ended 31 December 2020;
- (b) fairly reflect the financial position as at 31 December 2020 and performance for the year ended 31 December 2020; and
- (c) comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board. Where guidance is not available, the financial statements comply with International Accounting Standards issued by the International Accounting Standards Committee or accounting practice that is generally accepted in the United Kingdom as appropriate for reporting in the public sector.

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

A stylized, circular signature in black ink.

Teresa Echenique
Chief Officer
Date: April 19, 2021

A stylized signature in black ink, appearing to read "Melissa Whorms".

Melissa Whorms
Acting Chief Financial Officer
Date: April 19, 2021

AUDITOR GENERAL'S REPORT

To the Members of Parliament and the Chief Officer of the Ministry of Community Affairs

Opinion

I have audited the financial statements of the Ministry of Community Affairs (the "Ministry"), which comprise the statement of financial position as at 31 December 2020 and the statement of financial performance, statement of changes in net worth and cash flow statement for the year ended 31 December 2020, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 8 to 30.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Ministry as at 31 December 2020 and its financial performance and its cash flows for the year ended 31 December 2020 in accordance with International Public Sector Accounting Standards.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Ministry in accordance with the 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.

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

Management is responsible for the preparation of the financial statements in accordance with International Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation and fair presentation 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 Ministry'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 Ministry or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 auditor's 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.

AUDITOR GENERAL'S REPORT (continued)

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my 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 Ministry'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 Ministry's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's 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 my auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including 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 Act (2020 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

19 April 2021
Cayman Islands

MINISTRY OF COMMUNITY AFFAIRS
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

	Note	2020 Actual	2020 Original Budget	2020 Revised Budget	Variance (Revised vs. Actual)	2019 Actual (Restated)
Cash and cash equivalents	1	2,760,962	5,068,534	5,068,534	(2,307,572)	3,213,671
Trade and other receivables	2	2,519,757	1,722,469	1,722,469	797,288	3,545,354
Total Current Assets		5,280,719	6,791,003	6,791,003	(1,510,284)	6,759,025
Non -Current Assets						
Property, plant and equipment	3	2,792,352	2,778,253	2,828,253	(35,901)	3,062,314
Total Non-Current Assets		2,792,352	2,778,253	2,828,253	(35,901)	3,062,314
Total Assets		8,073,071	9,569,256	9,619,256	(1,546,185)	9,821,339
Current Liabilities						
Trade and other payables	4	501,549	454,453	454,453	47,096	504,751
Employee entitlements	5	285,584	184,989	184,989	100,595	231,011
Surplus (receivable)/payable	4	(10,301)	-	-	(10,301)	158,060
Total Current Liabilities		776,832	639,442	639,442	137,390	893,822
Net Assets		7,296,239	8,929,814	8,979,814	(1,683,575)	8,927,517
Net Worth						
Contributed capital		8,420,760	8,359,695	8,409,695	11,065	8,357,398
Revaluation surplus	3	440,177	570,119	570,119	(129,942)	570,119
Accumulated deficit		(1,564,698)	-	-	(1,564,698)	-
Total Net Worth		7,296,239	8,929,814	8,979,814	(1,683,575)	8,927,517

The notes to the financial statements on pages 8 to 30 form part of these financial statements.

**MINISTRY OF COMMUNITY AFFAIRS
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)**

	Note	2020 Actual	2020 Original Budget	2020 Revised Budget	Variance (Revised vs. Actual)	2019 Actual (Restated)
Revenue						
Sale of goods and services	6	13,356,112	15,280,313	15,895,313	(2,539,201)	13,838,517
Donations and other revenue	6	48,666	60,000	60,000	(11,334)	96,661
Total Revenue		13,404,778	15,340,313	15,955,313	(2,550,535)	13,935,178
Expenses						
Personnel costs	7	13,098,520	13,240,006	13,538,006	(439,486)	11,806,100
Supplies and consumables	8	1,526,287	1,820,914	2,137,914	(611,627)	1,685,222
Depreciation	3	366,258	279,393	279,393	86,865	277,955
(Gain)/loss on sale of assets		106,231	-	-	106,231	-
Gain on foreign exchange		(151)	-	-	(151)	(1,827)
Total Expenses		15,097,145	15,340,313	15,955,313	(858,168)	13,767,450
Deficit for the year		(1,692,367)	-	-	(1,692,367)	167,728

The notes to the financial statements on pages 8 to 30 form part of these financial statements.

MINISTRY OF COMMUNITY AFFAIRS
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

	Contributed Capital	Accumulated Surplus/ (Deficit)	Revaluation Surplus	Total Net Worth	Original Budget	Revised Budget	Variance (Revised Budget vs. Actual)
Balance at 1 January 2019 (restated)	7,650,444	-	570,119	8,220,563	8,037,314	8,037,314	183,249
Equity investment from Cabinet	706,954	-	-	706,954	150,000	742,500	(35,546)
Prior year adjustments	3, 14	(9,668)	-	(9,668)	-	-	(9,668)
Surplus for the year 2019	-	167,728	-	167,728	-	-	167,728
Surplus payable for the year 2019	-	(158,060)	-	(158,060)	-	-	(158,060)
Balance at 31 December 2019 (restated)	8,357,398	-	570,119	8,927,517	8,187,314	8,779,814	147,703
	Contributed Capital	Accumulated Surplus/ (Deficit)	Revaluation Surplus	Total Net Worth	Original Budget	Revised Budget	Variance (Revised Budget vs. Actual)
Balance at 1 January 2020	8,357,398	-	570,119	8,927,517	8,779,814	8,779,814	147,703
Equity investment from Cabinet	63,362	-	-	63,362	150,000	200,000	(136,638)
Prior year adjustments	3, 14	(2,273)	-	(2,273)	-	-	(2,273)
Deficit for the year 2020	-	(1,692,367)	-	(1,692,367)	-	-	(1,692,367)
Derecognition of revaluation surplus, disposed asset		129,942	(129,942)	-			
Balance at 31 December 2020	8,420,760	(1,564,698)	440,177	7,296,239	8,929,814	8,979,814	(1,683,575)

The notes to the financial statements on pages 8 to 30 form part of these financial statements.

**MINISTRY OF COMMUNITY AFFAIRS
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)**

	2020 Actual	2020 Original Budget	2020 Revised Budget	Variance (Revised vs. Actual)	2019 Actual
CASH FLOWS FROM OPERATING ACTIVITIES					
Outputs to Cabinet	14,177,645	15,280,313	15,895,313	(1,717,668)	12,611,046
Other receipts	111,801	60,000	60,000	51,801	98,488
Personnel costs	(13,093,717)	(13,240,006)	(13,538,006)	444,289	(11,760,078)
Operating and other expenses	<u>(1,514,049)</u>	<u>(1,820,914)</u>	<u>(2,137,914)</u>	<u>623,865</u>	<u>(1,668,145)</u>
Net cash flows from operating activities	<u>(318,320)</u>	<u>279,393</u>	<u>279,393</u>	<u>(597,713)</u>	<u>(718,689)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment	(198,107)	(150,000)	(200,000)	1,893	(703,381)
Proceeds from property, plant and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash flows from investing activities	<u>(198,107)</u>	<u>(150,000)</u>	<u>(200,000)</u>	<u>1,893</u>	<u>(703,381)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Equity Investment	232,078	150,000	200,000	32,078	512,139
Surplus Repaid	<u>(168,360)</u>	<u>-</u>	<u>-</u>	<u>(168,360)</u>	<u>(243,038)</u>
Net cash flows from financing activities	<u>63,718</u>	<u>150,000</u>	<u>200,000</u>	<u>(136,282)</u>	<u>269,101</u>
Net decrease in cash and cash equivalents	(452,709)	279,393	279,393	(732,102)	(1,152,969)
Cash and cash equivalents at beginning of year/period	<u>3,213,671</u>	<u>4,789,141</u>	<u>4,789,141</u>	<u>(1,575,470)</u>	<u>4,366,640</u>
Cash and cash equivalents at end of year/period	<u>2,760,962</u>	<u>5,068,534</u>	<u>5,068,534</u>	<u>(2,307,572)</u>	<u>3,213,671</u>

The notes to the financial statements on pages 8 to 30 form part of these financial statements.

**MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)**

Description and Principal Activity

The Ministry of Community Affairs ("the Ministry") is a Government entity as defined by section 2 of the Public Management and Finance Act (2020 Revision) and it is domiciled in the Cayman Islands.

Its principal activities and operations include all activities carried out in terms of the outputs purchased by the Minister of Community Affairs as defined in the Annual Plan and Estimates for the Government of the Cayman Islands (the "Government") for the financial year ended 31 December 2020. The purpose of the Ministry is to develop, implement and maintain social development and protection policies, which support and empower families and youth, the elderly, safeguard our children and strengthen our society through the use of interventions, public education, advocacy and community-based programmes. The Ministry consists of the Needs Assessment Unit, the Department of Children and Family Services and the Gender Affairs Unit, which became its own separate unit as of January 1, 2020.

Significant Accounting Policies

These financial statements are 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.

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

(a) Basis of preparation

The financial statements are presented in Cayman Islands dollars (CI\$) and are prepared on the accrual basis of accounting, unless otherwise stated. The statements are rounded to the nearest thousand. Any discrepancies between totals and sums of components are due to rounding. The measurement base applied to these financial statements is the historical cost basis, unless otherwise stated. Buildings are stated at fair value.

New and revised accounting standards issued that are not yet effective for the financial year beginning 1 January 2020 and not early adopted.

Certain new accounting standards have been published that are not mandatory for the 31 December 2020 reporting period and have not been early adopted by the Ministry. The Ministry's assessments of the impact of these new standards are set out below.

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

(a) Basis of preparation (continued)

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 Ministry's financial statements. This will be assessed more fully close to the effective date of adoption.

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 Ministry's financial statements, but this will be assessed more fully closer to the effective date of adoption.

Changes in Accounting Policies

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

Reporting Period

The annual reporting period is for the twelve months ended 31 December 2020.

(b) Budget amounts

The original budget amounts for the year ended 31 December 2020 financial year are presented in the 2020 Budget Statement and the amounts are rolled up into the Plan and Estimates document which was approved by the Legislative Assembly (Parliament) on the 5th December 2019. Any changes to the original budget are reflected in the final budget. As required by the Act, budgets are presented on the same basis as the annual financial statements.

The budget period is understood to be a two-year period; and in the case of these financials, extends from January 1, 2020 to December 31, 2021. It is understood that any appropriation remaining at the end of fiscal year 2020, will be carried forward to be used in the 2021 financial period. These appropriations will lapse at 31 December 2021. This is in accordance with the Public Management and Finance Act (2020 Revision) ("PMFA"); "an appropriation lapses at the end of budget period to which the law by which the appropriation is granted relates".

The original budget is lower than the revised budget due to the fact that Cabinet approved a supplementary funding under the provisions of section 11(5) of the Public Management and Finance Act (2020 Revision) (the "PMFA") in the amount of \$665,000 to reallocate funds unspent from one of the transfer payments, to the Ministry budget to cover the estimated operational and capital expenditure costs needed to establish a new multi-agency resource centre dedicated to support older persons in the Cayman Islands.

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

(b) Budget amounts (continued)

The budgeted areas increased were HCA 28 Administration of Community Assistance Programmes by \$298,000 and HCA 38 Supervision and Support of Vulnerable Persons by \$317,000 to cover anticipated expenditure relating to the establishment of the multi-agency resource centre. The Ministry also requested and was approved to increase the EI 54 Appropriation by \$50,000 to address capital expenditure needs. Cabinet approved this budget increase on the 15 September 2020 and it is to be laid before Parliament and included in the final Supplemental Appropriation Bill for 2020.

(c) Judgments and Estimates

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

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

(d) Changes in Accounting Estimates

There were no changes in accounting estimates.

(e) Revenue

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

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

(f) Expenses

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

(g) Operating leases

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

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

(h) Cash and cash equivalents

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

(i) Prepayments

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

(j) Property, plant and equipment

Buildings and structures

Land, building and structures were revalued as at 30 June 2016 by in-house professionals with the exception of specialized buildings which were contracted to independent valuers and are stated at revalued amounts less accumulated depreciation.

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

When an item of property, plant, and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially for those that would be determined using fair values at the end of each reporting year.

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

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

(j) Property, plant and equipment (continued)

<u>Asset Type</u>	<u>Estimated Useful life (in Years)</u>
• Buildings and structures	10 – 60
• Building fit-out (when accounted for separately)	5 – 25
• Leasehold Improvement	Unexpired period or useful life
• Computer equipment	3 – 10
• Office equipment and furniture	3 – 25 years
• Motor vehicles	3 – 20 years
• Other equipment	5 – 20 years

De-recognition of Assets

An item of property, plant and equipment and intangible asset is derecognized upon disposal or when no future economic benefits are expected to rise from the continued use of the asset.

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

Impairment

The assets' carrying value and useful lives are reviewed, and adjusted if appropriate, at the 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 for use in service.

Work in Progress

Work in progress items are valued at cost. No depreciation is applied to work in progress items until such time as they are ready for use.

(k) Employee benefits

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

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

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

(k) Employee benefits (continued)

Prior to 1 January 2000, the Board only operated a defined benefit scheme. With effect from 1 January 2000, the Board continued to operate a defined benefit scheme for existing employees and a defined contribution scheme for all new employees.

Obligations for contribution to defined contribution retirement plans are recognised in the Statement of Financial Performance as they are earned by employees. Obligations for defined benefit retirement plans are reported in the Consolidated Financial Statements for the Entire Public Sector of the Cayman Islands Government.

(l) Financial Instruments

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

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

Classification

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

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

Recognition

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

Measurement

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

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

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

(m) Contingent Liabilities and Assets (including guarantees)

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

De-recognition

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

(n) Foreign Currency

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

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

- Foreign currency monetary items are to be reported in Cayman Islands dollars using the closing rate;
- 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) Comparative figures

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

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

1. Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank accounts in the name of the Ministry of Community Affairs maintained at Royal Bank of Canada. As at 31 December 2020 and 31 December 2019, the Ministry's unrestricted cash balances are presented below. There were no restricted cash balances held by the Ministry at 31 December 2020.

	2020 Actual	2020 Original Budget	Variance	2019 Actual
Bank accounts	2,760,962	5,068,534	(2,307,572)	3,213,671
	<u>2,760,962</u>	<u>5,068,534</u>	<u>(2,307,572)</u>	<u>3,213,671</u>

Explanation of major variance

The actual year-end cash balances were \$2,307,572 below budget due mainly to lower accounts receivable on Cabinet revenue collections as a result of delivery of outputs being impacted by the pandemic which also caused higher than expected expenditure. This resulted in cash flows from operating activities of \$597,713 lower than budget.

2. Trade receivables and other receivables

At year end, all overdue receivables were assessed and no provision for doubtful debts has been calculated as majority of the accounts receivable are from Cabinet and are fully expected to be received.

	2020 Actual	2020 Original Budget	Variance	2019 Actual
Outputs to Cabinet	2,496,859	1,708,623	788,236	3,318,392
Other	22,898	13,846	9,052	226,962
	<u>2,519,757</u>	<u>1,722,469</u>	<u>797,288</u>	<u>3,545,354</u>

Explanation of major variance

The net variance of \$797,288 above budget resulted primarily due to the variance in outputs billed each month. The Ministry bills outputs to Cabinet based on the month the outputs were produced, which will create some variability in the monthly cabinet revenue and by extension, the ending accounts receivable balance at year end versus budget.

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

3. Property, plant and equipment

Cost	Plant and equipment	Buildings and Leaseholds	Furniture, Office and Other Equipment	Computers	Motor Vehicles	WIP Assets	Total	Original Budget	Revised Budget	Variance (Revised vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2020 (restated)	188	3,204	305	161	321	92	4,271	4,166	4,166	105
WIP Purchases	-	-	-	-	-	175	175	-	-	175
Additions	7	-	44	101	99	(251)	-	150	200	(200)
Transfers	-	43	-	-	-	-	43	-	-	43
Disposals	-	(180)	(104)	(70)	-	-	(354)	-	-	(354)
Balance at 31 December 2020	195	3,067	245	192	420	16	4,135	4,316	4,366	(231)

Accumulated Depreciation	Plant and equipment	Buildings and Leaseholds	Furniture, Office and Other Equipment	Computers	Motor Vehicles	WIP Assets	Total	Original Budget	Revised Budget	Variance (Revised vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2020	105	563	173	119	248	-	1,208	1,258	1,258	(50)
Prior period adjustments	-	-	-	-	3	-	3	-	-	3
Depreciation expense	14	222	35	53	41	-	365	279	279	86
Transfers	-	14	-	-	-	-	14	-	-	14
Eliminate on Disposal	-	(78)	(100)	(69)	-	-	(247)	-	-	(247)
Balance at 31 December 2020	119	721	108	103	292	-	1,343	1,537	1,537	(194)

Net Book Value 31 December 2020	76	2,346	137	89	128	16	2,792	2,779	2,829	(37)
Net Book Value 31 December 2019	83	2,641	132	42	73	92	3,063	2,908	2,908	155

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

3. Property, plant and equipment (continued)

Cost	Plant and equipment	Buildings and Leaseholds	Furniture, Office and Other Equipment	Computers	Motor Vehicles	WIP Assets	Total	Original Budget	Revised Budget	Variance (Revised vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2019 (restated)	132	2,450	342	151	348	28	3,451	6,067	6,067	(2,616)
Prior period adjustments	-	209	-	-	-	-	209	-	-	209
WIP Purchases	-	-	-	-	-	709	709	150	743	(34)
Additions	60	545	14	26	-	(645)	-	-	-	-
Disposals	(4)	-	(51)	(16)	(27)	-	(98)	-	-	(98)
Balance at 31 December 2019 (restated)	188	3,204	305	161	321	92	4,271	6,217	6,810	(2,539)

Accumulated Depreciation	Plant and equipment	Buildings and Leaseholds	Furniture, Office and Other Equipment	Computers	Motor Vehicles	WIP Assets	Total	Original Budget	Revised Budget	Variance (Revised vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2019 (restated)	99	370	189	113	232	-	1,003	3,995	3,998	(2,995)
Prior period adjustments	-	38	-	-	-	-	38	-	-	38
Depreciation expense	10	155	35	22	43	-	265	-	-	265
Eliminate on Disposal	(4)	-	(51)	(16)	(27)	-	(98)	-	-	(98)
Balance at 31 December 2019 (restated)	105	563	173	119	248	-	1,208	3,995	3,998	(2,790)

Net Book Value 31 December 2019 (restated)	83	2,641	132	42	73	92	3,063	2,222	2,812	252
Net Book Value 31 December 2018 (restated)	33	2,080	153	38	116	28	2,448	2,072	2,069	379

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
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3. Property, plant and equipment (continued)

Valuation methods

The valuations contained within this report have been prepared in accordance with the aforementioned Standards and the guidance notes provided by the Royal Institution of Chartered Surveyors. Particular regard should be paid to the following definitions and methodology having been adopted in the assessment of value:

- Fair Value (Market Value) defined in accordance with IFRS 13 Fair Value Measurement as follows: The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.
- Fair Value (Existing Use Value) extends the definition of Fair Value (Market Value) in "assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its market value to differ from that needed to replace the remaining service potential at least cost."
- Specialised assets are those for which no market exists for the current use. Specialised assets are valued using the Depreciated Replacement Cost method (DRC valuation). The definition of 'Depreciated Replacement Cost', as contained under IPSAS 17, *Property Plant and Equipment*, is as follows:- "The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation."

Valuation assumptions

Plant and machinery has only been included in the valuation of building assets where this forms an integral part of the fabric of the building (e.g. lifts or air conditioning equipment) or where it performs a task crucial to the continuation of the existing use (e.g. swimming pools). Unless specifically stated otherwise it is assumed that such items are reflected in the unit building cost.

It is assumed that all properties have the required planning consents and certificates for use and construction. Where Fair Value (or land value in a DRC valuation) relies on obtaining an alternative planning consent the alternative use has been derived from consideration of prevailing land uses in the immediate area and local planning policies and practise.

Where an asset has been valued by Depreciated Replacement Cost (DRC) it is subject to the prospect and viability of the asset continuing to be used for the existing use.

These valuations do not take into account any form of selling or purchase costs, tax (including Stamp Duty), inflation or finance costs. In the Cayman Islands, there is no tax on property save as to Stamp Duty which is ordinarily required to be paid by a purchaser.

MINISTRY OF COMMUNITY AFFAIRS
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3. Property, plant and equipment (continued)

Valuations of each 'specialised building' state their total asset value and the (depreciated) value of the respective building. Those with a depreciated building value greater than \$0.5m also state figures for their 'component' parts. Buildings valued by the investment or comparison methods of valuation also state figures for their respective land values. These do not compute to reflect actual building values but indicate the inherent value attributing to the land only.

Where applicable the remaining economic life of the building / building components has been indicated by the valuator. This is the period during which the building element is anticipated to have a future useful economic life for its existing purpose.

In preparing the valuations information has been obtained from the following sources:

- Cayman Islands Government 2001 Asset Register
- Cayman Islands Government Land Registry Database
- Cayman Land Info System (Mapping, aerial photography, evidence of comparable sales and lettings)
- Copies of and extracts from leases
- Architect scaled floor plans
- Ministries and users / occupiers of operational property assets

Land areas (where stated) are provided for guidance only and are quoted from the Land Registers or otherwise from Cayman Land Info database. Any building floor measurement supplied has been obtained from one of the following sources:

- Measurements taken on site.
- Measurements extracted from Cayman Islands Government property records.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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4. Trade payables, other payables and surplus payable

	2020 Actual	2020 Original Budget	Variance	2019 Actual
Trade payables and accrued expenses	501,549	454,453	47,096	504,751
Surplus (receivable)/payable	(10,301)	-	(10,301)	158,060
	<u>491,248</u>	<u>454,453</u>	<u>36,795</u>	<u>662,811</u>

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

Explanation of major variance

The actual year-end trade payables were \$36,795 above budget due mainly to higher than expected expenses incurred but not yet paid by year end.

Surplus payable

The balance of surplus payable at 31 December 2020 and movement during the year then ended are as follows:

	2020 Actual	2019 Actual
Beginning balance	158,060	243,038
Add: (Deficit)/Surplus during the year	(1,692,367)	167,728
Add: Prior year adjustment	<u>(2,272)</u>	<u>(9,668)</u>
Total	(1,536,579)	401,098
Less: Net Deficit	1,694,639	-
Less: Repayments during the year	<u>(168,361)</u>	<u>(243,038)</u>
Surplus (receivable)/payable at year end	<u>(10,301)</u>	<u>158,060</u>

Under the *Public Management and Finance Act (2020 Revision)* section 39(3)(f), the Ministry may “retain such part of its net operating surplus as is determined by the Minister of Finance.” As the Ministry has not made a surplus for the year ended 31 December 2020, there is no surplus payable at year end.

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
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5. Employee entitlements

	2020 Actual	2020 Original Budget	Variance	2019 Actual
Annual leave	190,791	154,576	36,215	196,365
Comp Time	94,793	30,413	64,380	34,646
Total	285,584	184,989	100,595	231,011

Explanation of major variance

Employee annual leave entitlement was \$36,215 higher than budget due mainly to the inherent nature of employee leave time taken, which will vary throughout the financial year and between financial years as it is difficult to project exactly when employees will take annual leave. Comp Time due to employees is \$64,380 higher than budget due to the inherent nature of how comp time is earned, and the inability to take it in the 2020 financial year due to the pandemic.

6. Revenue

	2020 Actual	2020 Original Budget	2020 Revised Budget	Variance Revised vs. Actual)	2019 Actual
Revenue from Cabinet	13,356,112	15,280,313	15,895,313	(2,539,201)	13,838,517
Revenue from Third Parties	48,666	60,000	60,000	(11,334)	96,661
Total	13,404,778	15,340,313	15,955,313	(2,550,535)	13,935,178

Explanation of major variance

Revenue from Cabinet is \$2,550,535 below budget due to lower than expected actual outputs produced as a result of the pandemic. Revenue from third parties was \$11,334 lower than budget due to a slight decrease in donations received over expectations.

7. Personnel costs

	2020 Actual	2020 Original Budget	2020 Revised Budget	Variance Revised vs. Actual)	2019 Actual
Salaries, wages and allowances	9,367,891	9,370,891	9,594,630	(226,739)	8,415,175
Health care costs	2,601,700	2,747,382	2,795,978	(194,278)	2,370,468
Pension costs	1,061,779	1,106,282	1,131,946	(70,167)	963,563
Other Personnel related costs	67,150	15,451	15,452	51,698	56,894
	13,098,520	13,240,006	13,538,006	(439,486)	11,806,100

Explanation of major variance

Personnel costs were \$439,486 below budget due mainly from managed vacancies and some unforeseen delay in recruiting budgeted vacant posts.

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
(Stated in Cayman Islands Dollars)

8. Supplies and consumables

	2020 Actual	2020 Original Budget	2020 Revised Budget	Variance Revised vs. Actual)	2019 Actual
Utilities	309,029	363,584	399,771	(90,742)	336,475
Lease of Property and Equipment	389,993	392,569	508,332	(118,339)	384,079
Purchase of services	444,473	429,380	627,801	(183,328)	525,640
Supplies and materials	313,899	371,943	427,943	(114,044)	305,887
Repairs and maintenance	11,718	32,100	35,600	(23,882)	28,171
Other Supplies and consumables	35,320	115,000	22,129	13,191	14,753
Travelling and Subsistence	21,855	116,338	116,338	(94,483)	90,217
	<u>1,526,287</u>	<u>1,820,914</u>	<u>2,137,914</u>	<u>(611,627)</u>	<u>1,685,222</u>

Explanation of major variance

Operating expenses were \$611,627 below budget primarily due to a budgeted new lease for 2020 for the Department of Children and Family Services being deferred until January 2021, an increase in outsourced services and due to lower than expected expenditure in utilities and supplies and materials.

9. Finance costs (Bank Overdraft)

The Ministry did not incur any finance costs during the year as it did not utilize any loan or financing facilities.

10. Financial Risk Management

The Ministry is exposed to a variety of financial risks including credit risk and liquidity risk. The Ministry'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)*.

Credit Risk

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

The Ministry 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 being financially secure and well managed.

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
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10. Financial Risk Management (continued)

The Ministry is also exposed to a significant concentration of credit risk in relation to accounts receivables, most of which are due from Cabinet. No credit limits have been established. As at 31 December 2020, no provision for doubtful debts has been made as none of these assets are anticipated to be impaired and management considers these debts to be recoverable in full.

Notwithstanding the concentration risk in relation to accounts receivables, management does not consider the Ministry to be exposed to significant credit risk as it has a single major counter-party (Cabinet) and has had no past experience of any significant default or loss.

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

Liquidity Risk

Liquidity risk is the risk that the Ministry is unable to meet its payment obligations associated with its financial liabilities when they are due. The ability of the Ministry to meet its debts and obligations is dependent upon its ability to collect the debts outstanding to the Ministry in a timely basis.

Management manages liquidity risk through monitoring cash flows from debtors, maximizing day's credit taken from suppliers and if the circumstances required it to obtain funding from Cabinet to temporarily fund any shortfalls. As at 31 December 2020, all of the financial liabilities were due within three months of the year end dates.

Financial Instruments – Fair Values

As at 31 December 2020, the forecasted carrying value of cash and cash equivalents, trade receivable, accounts payable, employee entitlements and surplus payable approximate their fair values due to their relative short-term maturities. Fair values estimates are made at a specific point in time, based on market conditions and the information about the financial instrument. Changes in assumptions, economic conditions and other factors could cause significant changes in fair value estimates.

11. Contingent liabilities

There was no contingent liabilities reported for the Ministry for the year ended 31 December 2020.

MINISTRY OF COMMUNITY AFFAIRS
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12. Commitments

The Ministry has accommodation leases for the premises it occupies at the Apollo House, Aqua Mall and Older Persons Active Aging Centre. The annual leases range from 1 year to 5 years. All the amounts disclosed on the above leased sites are future commitments based on the current rental rates.

2020				
Type	One year or less	One to five Years	Over five Years	Total
Capital Commitments				
<i>Non-cancellable accommodation leases</i>	499,895	1,659,801	-	2,159,696
Total Commitments	499,895	1,659,801	-	2,159,696

2019				
Type	One year or less	One to five Years	Over five Years	Total
Capital Commitments				
<i>Non-cancellable accommodation leases</i>	393,369	1,686,011	27,661	2,107,041
Total Commitments	393,369	1,686,011	27,661	2,107,041

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
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13. Related party and key management personnel disclosures

Related party disclosure

The Ministry is a wholly-owned entity of the government from which it derives a major source of its revenue. The Ministry and its key management personnel transact with other government entities on a regular basis. All transactions were provided free of cost during the financial year ended 31 December 2020 and were consistent with normal operating relationships between entities and were undertaken on terms and conditions that are normal for such transactions.

Description	2020 Actual	2019 Actual
Salaries and other benefits	870,599	787,925
Number of persons	6	6

Key Management Personnel

Key management personnel are defined to include the Chief Officer, Deputy Chief Officer, Chief Financial Officer, Chief Human Resources Officer and the Heads of each Department. Ministers of the Government are considered to be related parties. No loans were offered to key management personnel, related parties or their relatives during the year. Key management personnel salaries and other benefits were paid for directly by the Ministry.

14. Prior period adjustments – Restatement

Prior year adjustments to Net worth during the year primarily consist of the following item:-

- Take on of the 2016 Revaluation amount of the building at Block 38B, Parcel 290 (Maple House Northward), acquired in 2016 via the Ministry with responsibility for Lands. The table also includes reclassifications of prior year amounts.

Financial Statement Area	As reported in 31 December 2019 Audited Financials	Adjustments from Current year Restatement	As reported in 31 December 2020 Audited Financials
Assets			
Property Plant and Equipment	2,889,366	172,948	3,062,314
Cost			
Buildings and Leaseholds	2,994,653	209,000	3,203,653
Accumulated Depreciation			
Buildings	529,527	36,053	565,580
Net Book Value			
Buildings	2,465,126	172,947	2,638,073
Net Worth			
Contributed Capital	8,174,149	183,249	8,357,398
Surplus for 2019	178,029	(10,301)	167,728
Revaluation Surplus	-	-	-
Surplus Payable	(168,361)	10,301	(158,060)
Depreciation	267,654	10,301	277,955

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
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15. Significant events occurring during reporting period

- On 14 March 2020, the Government, due to the COVID-19 pandemic, made a decision to close the Cayman Islands borders as a response to the virus and introduced hard and soft curfew regimes. As a result of this, remote working came into full effect to ensure operations were still available to meet the needs within the community.
- Based on Cabinet's approval, the Ministry paid a one-off Honorarium to public servants who have, since the start of the pandemic, continuously delivered essential services which informed and enforced the Government's policy decisions to combat the spread of COVID-19 within the Cayman Islands.
- Due to the safety precautions as a result of the pandemic, several output measures could not be performed, such as home visits, community and social support services, housing repairs assistance, public education and awareness events, and family intervention services which resulted in declined revenue from cabinet.

16. Segment reporting

Effective January 1, 2020, Gender Affairs Unit, previously under the Ministry Administration department, became its own separate unit.

The segments identified in accordance with IPSAS 18 are as follows:

General Nature of Activities

Administration

- Provide policy advice and administrative support to the Hon. Minister
- Ensure adequate emergency response capacity
- Provide advice, governance and monitor the performance of Boards, Government Companies, and Tribunals under the Ministry
- Provide collaboration with key stakeholders on social issues
- Develop legislation of matters concerning the subjects under the Ministry

The Department of Children and Family Services

- The Department of Children and Family Services protects and promotes the rights and welfare of children and families through the use of preventative interventions, education, advocacy and community based programmes that serve to strengthen family bonds and build stronger communities. This is accomplished through the provision of social service to the people of the Cayman Islands including social work services, services to the general adult population, and the elderly and disabled, foster care and adoption services, and the placement of vulnerable children in residential homes.
- Provide social inquiry reports to the Summary and Grand Courts on matters pertaining to care and protection, custody, means assessments and juvenile criminal reports.

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020
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16. Segment reporting (continued)

Needs Assessment Unit

- The Needs Assessment Unit exists to assess citizens that are unable to financially support their families or themselves due to disability, underemployment, hardship, unemployment or other similar reasons.
- This is accomplished through the provision of financial assistance to the people of the Cayman Islands.

Gender Affairs Unit

- Provides gender mainstreaming through research, policy advice, gender analysis of legislation, policies, operations and programmes within the Ministry and other government entities, as well as public education and sector or issue specific gender training. The Unit also provides administrative support for the Gender Equality Tribunal.

MINISTRY OF COMMUNITY AFFAIRS
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16. Segment reporting (continued)

	<u>Ministry Administration</u>	<u>Department of Children and Family Services</u>	<u>Gender Affairs Unit</u>	<u>Needs Assessment Unit</u>	<u>Total</u>
	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>	<u>2020</u>
Revenue					
Sale of goods and services	1,507,745	9,121,486	238,540	2,488,341	13,356,112
Donations and other revenue	550	45,046	-	3,070	48,666
Donations and other revenue	1,508,295	9,166,532	238,540	2,491,411	13,404,778
Expenses					
Personnel costs	1,662,236	9,128,123	102,231	2,205,930	13,098,520
Supplies and Consumables	123,636	1,110,093	8,029	284,529	1,526,287
Depreciation	13,726	306,490	-	46,042	366,258
Total Expenses	1,799,598	10,544,706	110,260	2,536,501	14,991,065
(Gain)/loss on sale of assets	334	105,756	-	141	106,231
(Gain)/loss on foreign exchange	(226)	-	-	75	(151)
Surplus/(Deficit) for the year	(291,411)	(1,483,930)	128,280	(45,306)	(1,692,367)
Current assets	3,014,151	1,450,987	122,482	693,099	5,280,719
Property, plant and equipment	62,222	2,493,297	-	236,833	2,792,352
Total assets	3,076,373	3,944,284	122,482	929,932	8,073,071
Current liabilities	274,564	341,970	3,091	157,207	776,832
Total liabilities	274,564	341,970	3,091	157,207	776,832
Net worth	2,801,809	3,602,314	119,391	772,725	7,296,239
Capital expenditure	70,674	47,883	-	55,170	173,727

MINISTRY OF COMMUNITY AFFAIRS
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16. Segment reporting (continued)

	<u>Ministry Administration</u>	<u>Department of Children and Family Services</u>	<u>Needs Assessment Unit</u>	<u>Total (Restated)</u>
	<u>2019</u>	<u>2019</u>	<u>2019</u>	<u>2019</u>
Revenue				
Sale of goods and services	1,625,865	9,773,456	2,439,196	13,838,517
Donations and other revenue	50	96,611	-	96,661
Donations and other revenue	<u>1,625,915</u>	<u>9,870,067</u>	<u>2,439,196</u>	<u>13,935,178</u>
Expenses				
Personnel costs	1,323,263	8,597,569	1,885,268	11,806,100
Supplies and Consumables	187,583	1,162,832	334,807	1,685,222
Depreciation	14,051	231,644	32,260	277,955
Total Expenses	<u>1,524,897</u>	<u>9,992,045</u>	<u>2,252,335</u>	<u>13,769,277</u>
(Gain)/loss on sale of assets	-	-	-	-
(Gain)/loss on foreign exchange	(1,827)	-	-	(1,827)
Surplus/(Deficit) for the year	<u>102,845</u>	<u>(121,978)</u>	<u>186,861</u>	<u>167,728</u>
Current assets	<u>3,585,214</u>	<u>2,542,780</u>	<u>631,031</u>	<u>6,759,025</u>
Property, plant and equipment	51,823	2,790,400	220,091	3,062,314
Total assets	<u>3,637,037</u>	<u>5,333,180</u>	<u>851,122</u>	<u>9,821,339</u>
Current liabilities	<u>395,203</u>	<u>437,158</u>	<u>61,461</u>	<u>893,822</u>
Total liabilities	<u>395,203</u>	<u>437,158</u>	<u>61,461</u>	<u>893,822</u>
Net worth	<u>3,241,834</u>	<u>4,896,022</u>	<u>789,661</u>	<u>8,927,517</u>
Capital expenditure	<u>1,372</u>	<u>673,113</u>	<u>27,067</u>	<u>701,552</u>

MINISTRY OF COMMUNITY AFFAIRS
NOTES TO THE FINANCIAL STATEMENTS (continued)
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17. Going concern

The coronavirus outbreak has caused significant disruption in both global and local economies. However, on the basis of management assessment and forecasts, management believes that the risk that the Ministry would not be able to meet its obligation as they become due is low and that the Ministry will continue as going concern for the foreseeable future.

18. Subsequent events

The threat of the COVID-19 pandemic has thrust increased responsibilities on the government to provide for the most vulnerable in the society.

While there has been a relaxation of some of the measures enacted by the Government to minimise the impact of the global COVID-19 outbreak in the Cayman Islands; the developments surrounding the pandemic are marred by uncertainty, and naturally, with uncertainty comes risks. Overall restrictions are still in place regarding travel. With the introduction of the vaccine and its increased availability to residents across these Islands, it is anticipated that the economy will soon return to a “new normal” and that particularly travel will become more accessible.

The Ministry opened the Older Persons Active Aging Centre on April 19th, 2021. The Centre provides opportunities for the Department of Children and Family Services (Elderly Services) and the Needs Assessment Unit (services to older persons) to collaborate on the delivery of services and programmes geared toward meeting the identified needs of older persons.

Management is not aware of any other occurrences subsequent to the reporting date which will have an impact on the financial statements at 31 December 2020.