

NATIONAL DRUG COUNCIL

2007 ANNUAL REPORT



One Nation

One Choice

One Voice

Drug Free

TABLE OF CONTENTS

Letter to the Minister from the NDC Chairman	3
Report from the Secretariat	4
National Drug Council (NDC)	5
Our Mission	5
Our Mandate	5
Our Strategy	5
Our Funding	6
Our Partnerships	6
Our Achievements	6
Public Information Campaigns	6
Alcohol Awareness Month	6
Designated Driver/Purple Ribbon Bus	7
Public Education Campaigns	7
Art at the Governors	7
Savannah Newlands Heritage Day	7
HMP Northward and Eagle House Basic Drug Education Seminars	7
NDC & HMP Northward PSA collaboration	7
Fearless Factor Summer Camp	7
Drug Free Summer Explosion Cayman Brac	7
Save our Youth Football Championships	8
HMP Fairbanks Basic Drug Education Seminar	8
World Natural Body Building Federation	8
Substance Abuse Training (Church of God of Prophecy)	8
Church of God of Prophecy	8
Cayman Prep and High School	8
Children and Family Services fun day	8
Atlantis Submarine	8
Social Policy	8
Organisational Review/Strategic Alignment	8
National Anti-Drug Strategic Plan Update	9
Sister Islands Strategic Planning Meeting	9
Research & Statistics	9
Cayman Islands Student Drug Use Survey (CISDUS)	9
NDC Database	9
Treatment and Rehabilitation	9
Supply Reduction and Control	9
Appendix A(1) - Purchase Agreement Annual Report 2006/7	
A(2) - Ownership Agreement Annual Report 2006/7	
A(3) - Financial Statements 2006/7	
Appendix B(1) - Council Members	
Appendix B(2) - NDC Staff	
Appendix B(3) - NDC Organizational Chart	
Appendix C - Salary Scale	

Letter to the Honourable Minister of Health and Human Services
from the NDC Chairman



Dear Honourable Minister, Mr Anthony Eden:

Pursuant to section 24 of the National Drug Council Law (2003 Revision), it is my pleasure to present you with the Annual Report of the National Drug Council "NDC" for the period July 1, 2006 to June 30, 2007.

It is a privilege to be part of an organisation that continually seeks to be an effective agent of change in the area of drug abuse prevention and rehabilitation. The work of the NDC is a vital and vibrant component of our community.

As a Board, we have endeavoured to share our varying skills and expertise in a process of strategic alignment to formulate a new governance structure for the Board. We have clarified the roles and responsibilities of Board members as well as revisited staffing needs and concerns. This stage of the process will continue into the next fiscal year as we put in place measures to enhance and evaluate the resources available to the NDC. We want to ensure that the support offered to the staff of the Secretariat, as they carry out the various activities of the NDC for the benefit of the wider community, will ensure optimum results.

Sincerely,

A handwritten signature in dark ink, appearing to read 'J Banks'.

Mrs. Julene Banks
Chairman, NDC

Report from the Secretariat



It is an honour and privilege to provide the annual report of the National Drug Council. The fiscal year 2006/7 was characterised as one of great excitement and challenge. Throughout the year the Council and the staff have adapted and developed under new administrative arrangements in order to pursue the directions established in the National Drug Council's Mandate. This annual report celebrates these and other achievements; not only as advances in our structure but also as steps toward a stronger, more aggressive NDC.

In January 2006, the momentum began with a consultation for Strategic Organisational Review chaired by Dr. Ken-Garfield Douglas, Regional Consultant. Dr. Douglas reviewed the work of the NDC and provided a report recommending a new organisational structure and way forward. Thus, requiring the organisation to evaluate its services and reshape the operations of the Council to fit its mandate. Subsequently, in November 2006, the Annual Update of the National Anti-Drug Strategy facilitated by Dr. William Cook confirmed the need to address organizational issues and include specific concerns of the Sister Islands. In May 2007, the Board of the NDC further engaged in a process of strategic alignment facilitated by Mr Rod Waddell. The focus of this initiative was strategic alignment for the board of directors and secretariat.

It has been an especially exciting year for public education, policy and research. The NDC has taken significant steps in meeting the demands for additional public education. The staff has been able to utilise their professional development certifications enabling them to offer more drug education courses, workshops, and presentations in various arenas. The 2006 CISDUS has been completed along with the design of a report template that presents the findings into four key areas: Ganja; Alcohol; Tobacco and Other Drugs. A delegation from the Cayman Islands attended the Canadian Drug Treatment Court Conference held in Edmonton, Alberta. The primary purpose was to meet with a team of Drug Treatment Court professionals to make preliminary plans for facilitating a workshop in 2007.

The year 2006 generated International publicity for local endorsement of the World Natural Body Building Federation (WNBBF). The NDC received international recognition and was featured in several body building publications. The secretariat was also presented an award on behalf of The WNBBF Director Mr. Steve Downs in conjunction with Eye of the Tiger Productions for the compliance of this national body strict adherence drug testing policy.

We look forward to our new structure and employment of additional staff to support our mandate. The NDC is extremely proud of the commitment and dedication of its board and teamwork of its staff. The work of all these devoted people and their achievements are well documented in the pages that follow. We feel confident that the proposed changes in the organization's structure will position and equip us to meet the growing needs of our islands.

A handwritten signature in black ink, appearing to read 'S. Miller', with a long horizontal line extending to the right.

Simon Miller
Project Officer

National Drug Council (NDC)

Our Mission

The Mission of the National Drug Council (NDC) of the Cayman Islands was restated:

“The mission of the NDC is to formulate, coordinate, monitor and evaluate the implementation of the National Anti-Drug Strategic Plan based on proactive, creative and research driven strategies in collaboration with public and private sector organizations and in accordance with the provisions of the law.”

Our goal remains to eradicate substance abuse and to cooperate with foreign governments and agencies in order to facilitate a more effective way of addressing global trafficking of illicit drugs. The goals and objectives of the NDC are realized through a fully integrated address to substance misuse and abuse, which brings the community of thought to bear on its planning, operations, research and programmes as mandated by the National Anti- Drug Strategic Plan.

As a statutory authority under the NDC Law (2003 Revision), the NDC has the autonomy necessary to co-ordinate the delivery of services by both governmental and non-governmental organizations in the field of substance abuse. The NDC recognizes the importance of adopting a balanced approach to reducing both the demand for and supply of substances that are being abused, whether illegal or legal.

Our Mandate

The NDC's mandate is to provide policy advice, information, develop programmes and conduct research in the following key areas:

- Public Information
- Public Education
- Social Policy
- Research & Statistics

Our Strategy

The NDC's Anti-Drug strategy was updated for 2006 -2008, replacing the National Strategic Plan for Drug Abuse Prevention and Rehabilitation, which was published in 1996. The planning team members conducted a comprehensive review of the National Strategy and made amendments accordingly.

This document serves as the Master Plan that guides the activities of the NDC and its partner agencies. It was drafted from input received from all stakeholder agencies as well as a broad cross-section of the Cayman community. This consultative process spanned a calendar year and resulted in the drafting of a short-term plan that represents the views of the people of the Cayman Islands and provided a framework upon which a more comprehensive plan could be formulated. It is significant in that it is consistent with our shared philosophy that the community is an important resource in developing effective strategies to address drug abuse. It is also significant that the number one strategy identified the need to strengthen families and to assist families and communities affected by drug abuse.

The plan allows the NDC and its partners to determine their respective roles in the realization of the National Strategy, which sets specific objectives in the following areas:

- Prevention
- Treatment and Rehabilitation
- Research
- Education of young people
- Public Education
- Supply Control

Our Funding

The NDC is primarily funded through a purchase agreement with the Cayman Islands Government. For the fiscal year 2006-7 the NDC received a total of KYD \$450,000.00 for general operations and in addition raised approximately KYD \$5,050.00 in sponsorship from the private sector.

Our Partnerships

The NDC relies on its partnerships with both governmental and non-governmental agencies to discharge its functions and co-ordinate the implementation of the master plan.

In relation to the Prevention and Educational aspect of the NDC, our partners are Cayman Against Substance Abuse, Department of Education, Community Development Unit, Royal Cayman Islands Police Service and Community relations.

In relation to Law Enforcement and Legislation aspect of the NDC, our partners are Immigration, Customs, Royal Cayman Islands Police Service and Drugs Task Force.

In relation to the Treatment and Rehabilitation aspect of the NDC, our partners are Employee Assistance Program, Department of Social services, Probation and Parole, Health Services and Department Counselling Services.

In relation to the Research and Statistical aspect of the NDC, our partners are Royal Cayman Islands Police Service/ Department of Counselling Services, HM Prison, Drugs Task Force, Health Services, Liquor Licensing Board, Department of Education

Achievements in Strategic Areas

PUBLIC INFORMATION

The aim of the Public Information campaign is to utilise the local media (radio, print and T.V.) to provide the general public with up-to-date factual information about the negative consequences of substance abuse and to reduce the impairment associated with substance abuse and misuse. Some of our better established public information campaigns that remained a fixture during the 2006-2007 fiscal year included:

Alcohol Awareness Month: The NDC in recognition with the annual observance of Alcohol Awareness Month once again placed emphasis on a media campaign to bring attention to this year's theme, "keep our future growing; end underage drinking". The aim of the campaign was

to bring the message home to the parents and the community. The NDC partnered with the National Parenting Programme to create a special brochure for parents which gave guidelines on how to discuss the issue of alcohol with their child. Two alcohol briefs were extracted from the 2006 Cayman Islands Student Drug Use Survey and released to the public and NDC stakeholders.

Designated Driver/Purple Ribbon Bus: This year, the Designated Driver programme saw its most participated year to date with respect to the number of establishments involved. A total of 48 restaurants and bars promoted the Designated Driver programme. The Ritz Carlton also waived the \$7 valet parking fee for any guest who agreed to be designated drivers for the evening. Over 3,000 wristbands with the words “life of the party” and “designated drivers save lives” were distributed to participating establishments. All designated drivers were given complimentary nonalcoholic beverages throughout the evening. The NDC partnered with DMS Broadcasting, R.C.I.P.S., E-cay businesses and Web Directory to heighten awareness throughout the holiday season.

PUBLIC EDUCATION

The aim of the Public Education Campaign is to educate our youth about substance abuse. We intentionally target the education sector. Utilizing local media, the NDC coordinates several public information campaigns.

Art at the Governors: The NDC set up a booth with drug education materials on hand; these publications included pamphlets, comic books, T-shirts and NDC interactive trivia games Jeopardy and Who Wants to be a Millionaire.

Savannah Newlands Heritage Day: The NDC partook in the annual Savannah/Newlands Heritage Day. The event boasts an alcohol free environment, where adults and kids alike can relax and enjoy a day filled with activities for all ages. The NDC provided a booth for both adults and kids to get information on the dangers associated with drug abuse/use. The NDC also gave visitors the chance to play our trivia games, Jeopardy and Who Wants to be a Millionaire.

HMP Northward and Eagle House Basic Drug Education Seminars: The NDC wrapped up its sixth session of drug education seminars with inmates at the Prison as well as YP's and juveniles at Eagle house. The seminars consist of 8 one hour sessions spread across 8 weeks and cover topics such as alcohol, marijuana, tobacco, methamphetamines, and hallucinogens.

NDC & HMP Northward PSA collaboration: We conducted three drug free songs with inmates at the prison, they wrote the lyrics and had a say in the beats that were being produced. Radio Cayman showed their support by airing some of their songs.

Fearless Factor Summer Camp: NDC wrapped up its second Fearless Factor summer camp. This camp was well received from its inception and continues to be one of the premier summer camps in the Cayman Islands. We utilized games, trivia, workshops, activities, fieldtrips, seminars and sports to get our drug free message across. A pre and post test was conducted and found that a large percentage of the teens that attended the camp, left with more drug related information. The camp was spread across a week and a typical day included all of the above mentioned activities. We worked in conjunction with many organizations and departments but overall took the lead in the planning, organizing, and coordination of the camp.

Drug Free Summer Explosion Cayman Brac: The NDC teamed up with several of the Sister Islands organizations to coordinate this event. Approximately 100 persons were in attendance and were educated on the dangers of drug abuse/use by NDC staff and guest speaker Ray Lozano. The NDC also utilized our interactive drug trivia games Jeopardy and Who Wants to be a Millionaire, the night ended with a teen disco.

Save our Youth Football Championships: The NDC once again partnered with HMP Northward to coordinate this annual event. An NDC booth was set up and drug information pamphlets were distributed. Staff made presentations on the dangers of drug abuse to the audience.

HMP Fairbanks Basic Drug Education Seminar: The NDC carried out a pilot of its Basic Drug Education Seminar with inmates at HMP Fairbanks. The seminar consisted of 4 one hour sessions spread across 4 weeks and covered topics such as alcohol, marijuana, tobacco and other drugs.

World Natural Body Building Federation: The NDC again endorsed the WNBBF Caribbean Figure Championships held on the 28th of May at the Lions center. This years' involvement was more extensive as the NDC joined forces with Eye of the Tiger promotions to assist with the compliance of drug testing for local and international contestants, we also oversaw the polygraph test.

Substance Abuse Training (Church of God of Prophecy): The NDC trained approximately 35 women from the Church of God of Prophecy on the signs and symptoms of substance abuse/use. Participants engaged in 2 three hour workshops spread across 2 days. Participants learned various distinguishing characteristics of substance abuse and various behavioral cues.

Church of God of Prophecy: The NDC was invited to present information on the affects of drugs to a group of adolescents. The presentation focused on marijuana, alcohol and tobacco. All participants received drug information pamphlets.

Cayman Prep and High School: The NDC was invited to present information on the affects of drugs to a group of seventh and eighth graders at Cayman Prep and High school. The presentation was spread over a few days giving students the opportunity to digest the material and ask questions. The presentation focused on marijuana, alcohol and tobacco. Students also received drug information pamphlets and NDC T-shirts at the end of the sessions.

Children and Family Services fun day: The NDC was invited to speak at a summer camp hosted by the Department of Children and Family Services. We were able to distribute packages with NDC materials, pamphlets, comic books and T shirts, and played our interactive trivia games NDC Jeopardy and Who Wants to be a Millionaire.

Atlantis Submarine: The NDC spoke to a group of workers about the dangers of drug use in the workplace.

SOCIAL POLICY

In terms of social policy, the NDC is responsible for bringing the community of thought to bear on policies and programmes related to the prevention and treatment of drug abuse. The NDC hosts a strategic planning meeting, bringing together all the key players to review overall achievements and make recommendations for future policies and programmes.

Organisational Review/Strategic Alignment: An independent review of the entire organization was conducted in 2005/6 by Dr. Ken-Garfield Douglas, an expert in the region. The recommendations put forward set out the blueprint for planning the way forward for a more

influential and proactive NDC. These recommendations formed the basis for discussions in a strategic alignment process for the Board facilitated by Mr Rod Waddell, a local consultant.

National Anti-Drug Strategic Plan Update: The National Anti-Drug Strategic Plan continues to serve as the beacon for programme management and coordination. A strategic update meeting was held in November 2006 under the guidance of Dr. William Cook. As a result of the update meeting, Council requested a status report from stakeholders and confirmed the need to formulate specific strategies unique to the Sister Islands.

Sister Islands Strategic Planning Meeting: The secretariat facilitated several strategic sessions in Cayman Brac to develop a strategic plan specific for the Sister Islands. Presentation of Sister Islands Anti-Drug Strategy took place on 15 September, 2006 in Cayman Brac. Ten (10) members of the NDC Board were in attendance in Cayman Brac for the presentation.

RESEARCH & STATISTICS

The NDC plays a proactive role in terms of initiating, supporting and publishing studies, reports and other documents on drug abuse.

Cayman Islands Student Drug Use Survey (CISDUS): The National Drug Council is viewed regionally as a leader in research. The Cayman Islands Student Drug Use Survey (CISDUS) is one of the longest running and most extensive survey of its kind in the Caribbean. The 2006 CISDUS has been completed along with the design of a report template that presents the findings into four key areas: Ganja; Alcohol; Tobacco and Other Drugs.

NDC Database: The NDC continues to maintain and update its database of statistics as they become available.

Treatment and Rehabilitation

Although the NDC does not operate treatment centres in the Cayman Islands, it does play a significant role in promoting and encouraging the development of new initiatives in this area through its collaboration with the Department of Counselling Services (DOCS). The NDC supports the development and implementation of treatment and rehabilitation services that are readily available and meet the diverse needs of those suffering from chemical dependency.

Supply Reduction and Control

The Police Service and Customs have responsibility for controlling the supply of harmful substances on the Island. The NDC fully supports them in this area. The Police Commissioner, the Head of the Drugs Task Force and the Assistant Collector of Customs sit on Council, and are thereby involved in discussion and interaction.



Appendix A(1):

PURCHASE AGREEMENT ANNUAL REPORT

National Drug Council

For the 2006/7 Financial Year

Contents

1. Purpose and Content	page 3
2. Outputs Delivered in 2006/7	4-7
3. Explanation of Variance	4-7
4. Agreement	8

1. Purpose

This annual report details the performance of the *National Drug Council* for the fiscal year ending 30 June 2007.

It includes information about outputs actually delivered during the year as compared to the planned performance documented in the Purchase Agreement for the *National Drug Council* for 2006/7.

2. Statement of Outputs Delivered

NDC 1		Policy Development and Advocacy		
Description: Garner sufficient commitment at the highest level of Government to support appropriate legislative reform as well as create an environment that is more supportive to drug abuse control measures.				
a. Development of a National Policy Framework for demand reduction strategies that guides and strengthens the development of sustainable policies and programmes. b. Formulation of policies and identify and adapt best practices for all demand reduction activities. c. Provision of evidence based information to guide policy makers. d. Collaboration between and development of partnerships with NGOs, Government, social sector organisations and institutions, and the private sector.				
Measures		2006/7 Actual	2006/7 Budget	Annual Variance
Quantity (a-d)				
• Number of policy papers, reports, and various other documents produced.		2	2-4	0
• Number of regional and international conferences attended.		CAMH/DTC 2	2-4	0
• Number of local meetings and workshops attended.		10	1-2	+8 ¹
• Number of local meetings and workshops sponsored.		1	1-2	0
Quality (a-d)				
• Information provided to inform policy is accurate, relevant and based on best available research.		100%	100%	0
• All stakeholders are identified and included in the collaborative process.		100%	100%	0
• Consistent with Government Strategic Policy Guidelines.		100%	100%	N/a
• Satisfaction and/or evaluation surveys conducted where appropriate.		N/a	80% or above "good" or better	
Timeliness				
• PMFL Quarterly Reports submitted within 2-weeks of the end of Quarter.			90-100%	
• PMFL Annual Report submitted within 1-month of the end of budget year.			90-100%	
• Completed within the established timeframes and/or agreed deadlines.			90-100%	
Location				
Cayman Islands			100%	
Cost (of producing the output)				
			\$113,839	
Price (paid by Cabinet for the output)				
		\$113,839		

Explanation of Variance

¹ Drug Treatment Court Implementation Steering Committee and other meetings not budgeted for

NDC 2	Surveillance, Research and Evaluation		
Description: A drug information surveillance system and research activities to facilitate evidence based decision making through planning, implementing and evaluating drug demand reduction, and other programmes, including social and health problems. a. Conduct a combination of quantitative and qualitative research on the nature and extent of drug problems and their relationship with crime, violence and HIV/AIDS. b. Identification, collection and dissemination of information based on substance abuse indicators.			
Measures	2006/7 Actual	2006/7 Budget	Annual Variance
<i>Quantity (a&b)</i> • Number of substance abuse indicators. • Number of studies/surveys completed. • Number of reports and articles published.	10 1 4	10-15 1-2 2-4	0 0 0
<i>Quality (a&b)</i> • Information provided is accurate, relevant and based on best available research. • Methodologies adhere to the highest professional and ethical standards.		100% 100%	
<i>Timeliness</i> • Completed within the established timeframes and/or agreed deadlines.		100%	
<i>Location</i> Cayman Islands		100%	
<i>Cost (of producing the output)</i>		\$145,159	
<i>Price (paid by Cabinet for the output)</i>	\$145,159		

NDC 3		Prevention and Education		
Description: A National Prevention and Education Programme with primary focus on youth and on information being shared between sponsoring agencies and a network of youth groups.				
a. Assessment/evaluation of existing Primary prevention education programmes. b. Involvement of youth to establish an integrated prevention education programme in the community, including faith based organizations and sporting bodies. c. Public information campaigns				
Measures		2006/7 Actual	2006/7 Budget	Annual Variance
Quantity (a&c)				
• Number of prevention programmes identified.		0	4-6	-4
• Number of prevention programmes evaluated.		2	2-4	0
• Number of community organizations involved.		0	4-6	-4
• Number of meetings held.		0	2-4	-2
• Number of public information campaigns.		4	2-4	0
Quality (a&c)				
• Programme development informed by best practices in drug education.			100%	
• All stakeholders are identified and included in the collaborative process.			100%	
• Consistent with Government Strategic Policy Guidelines.			100%	
• Satisfaction and/or evaluation surveys conducted where appropriate.			80% or above "good" or better	
Timeliness				
• Completed within the established timeframes and/or agreed deadlines.			100%	
Location				
Cayman Islands			100%	
Cost (of producing the output)			\$101,501	
Price (paid by Cabinet for the output)		\$101,501		
Related Broad Outcome:				

Explanation of Variances:

Files are incomplete due to inadequate internal controls during the relevant period.

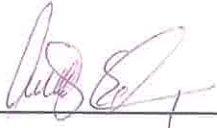
NDC 4		Programme Management and Coordination		
Description Coordination and management of demand reduction activities and partnerships established with a focus on a balanced integrated approach to demand reduction.				
a. Review and update of National Anti-Drug Strategy based on surveillance data, research and other available information. b. Establishment of a mechanism to coordinate and manage demand reduction activities. c. Development of performance indicators linked to outcomes contained in the National Anti-Drug Strategy.				
Measures		2006/7 Actual	2006/7 Budget	Annual Variance
Quantity (a-c)				
• Number of meetings to review and update the master plan.		1	1-2	0
• Number of stakeholders identified.		18	15-20	0
• Number of contacts with stakeholder agencies.		3	3-4 / yr	0
• Number of performance indicators identified.		0	5-10	-5
• Number of performance indicators measured		0	2-4	-2
Quality (a-c)				
• Information provided is accurate, relevant and based on best available research.			100%	
• All stakeholders are identified and included in the collaborative process.			100%	
• Consistent with Government Strategic Policy Guidelines.			100%	
• Satisfaction and/or evaluation surveys conducted where appropriate.			80% or above "good" or better	
Timeliness				
• Completed within the established timeframes and/or agreed deadlines.			100%	
Location				
Cayman Islands			100%	
Cost (of producing the output)			\$89,501	
Price (paid by Cabinet for the output)		\$89,501		
Related Broad Outcome:				

Explanation of Variances

Files are incomplete due to inadequate internal controls during the relevant period.

Agreement

We jointly agree that this Annual Report documents as accurately as possible in accordance with documentation available the outputs that were delivered during the 2006/7 financial year.



**Hon. Minister for Health and Human Services, Mr. Anthony Eden, OBE, JP
on behalf of Cabinet**



**Chairman of the Board
National Drug Council**

April 21, 2009

Date



Appendix A (2):

**OWNERSHIP AGREEMENT
ANNUAL REPORT**

For

National Drug Council

For the 2006/7 Financial Year

Contents

	Page
1. Purpose	3
2. Nature and Scope of Activities	4
3. Strategic Goals and Objectives	5-7
4. Ownership Performance Targets	8-9
5. Summarised Financial Statements	10
6. Other Financial Information	11
7. Agreement	12
Appendix: Financial Statements	

1. Purpose

This annual report details the performance of the *National Drug Council* for the fiscal year ending 30 June 2007.

It includes information about the actual performance delivered during the year as compared to the planned performance documented in the Ownership Agreement for National Drug Council for 2006/7.

2. Nature and Scope of Activities

This section outlines the Nature and Scope of Activities within which *National Drug Council* operated during the year.

Approved Nature and Scope of Activities

General Nature of Activities

The National Drug Council is a not-for-profit organisation and activities involve the provision of demand reduction initiatives at the national level, which is supported by research, policy advice and law reform.

Scope of Activities

The scope of *The National Drug Council* activities is as follows:

- Research that measures the onset, nature and extent of the substance abuse problem;
- Policy advice and law reform in support of Government's strategic goals as they pertain to substance abuse; and
- Promotion of community awareness and education with respect to substance abuse issues identified by research.

Customers and Location of Activities

The services provided by *The National Drug Council* are provided only in the Cayman Islands.

Compliance during the Year

In terms of social policy, the NDC is responsible for bringing the community of thought to bear on policies and programmes related to the prevention and treatment of drug abuse. The NDC hosts a strategic planning meeting, bringing together all the key players to review overall achievements and make recommendations for future policies and programmes.

Organisational Review: An independent review of the entire organization had been conducted by Dr. Ken-Garfield Douglas, an expert in the region and approved by the Board in January 2006. The recommendations put forward set out the blueprint for planning the way forward for a more influential and proactive NDC and were acted up by the Board which commenced service in May 2006 to formulate its plans for 2006/7.

Sister Islands Strategic Planning Meeting: The secretariat facilitated several strategic sessions in Cayman Brac to develop a strategic plan specific for the Sister Islands. Presentation of Sister Islands Anti-Drug Strategy took place on 15 September in Cayman Brac. Ten (10) members of the NDC Board were in attendance in Cayman Brac for the presentation.

National Anti-Drug Strategic Plan Update: The National Anti-Drug Strategic Plan continues to serve as the beacon for programme management and coordination. A strategic update meeting was held in October under the guidance of Dr. William Cook, who had also guided the initial process which commenced in 1995. As a result of the update meeting, Council requested a status report from stakeholders and confirmed the need to formulate specific strategies unique to the Sister Islands.

The National Drug Council has endeavoured to comply with the Nature and Scope of the 2006/7 Ownership Agreement and has maintained a strong community presence in advocating policy development, research, and public information campaigns. The NDC is committed to the eradication of substance abuse/misuse.

3. Strategic Goals and Objectives

Approved Strategic Goals and Objectives

The key strategic goals and objectives (from an ownership perspective) for *The National Drug Council* for the 2006/7 financial year are as follows:

- Encourage and foster affiliations and exchange of information with local, regional and international organisations.
- Co-ordinate and monitor the implementation of the National Anti-Drug Strategy
- Strengthen partnerships with stakeholder agencies involved in implementing the National Anti-Drug Strategy.
- Provide information and policy advice that is evidence based and culturally relevant.

Achievement during the Year

PUBLIC INFORMATION

The aim of the Public Information campaign is to utilise the local media (radio, print and T.V.) to provide the general public with up-to-date factual information about the negative consequences of substance abuse and to reduce the impairment associated with substance abuse and misuse. Some of our better established public information campaigns that remained a fixture during the 2006-2007 fiscal year included:

Alcohol Awareness Month: The NDC in recognition with the annual observance of Alcohol Awareness Month once again placed emphasis on a media campaign to bring attention to this years theme, "keep our future growing; end underage drinking". The aim of the campaign was to bring the message home to the parents and the community. The NDC partnered with the National Parenting Programme to create a special brochure for parents which gave guidelines on how to discuss the issue of alcohol with their child. Two alcohol briefs were extracted from the 2006 Cayman Islands Student Drug Use Survey and released to the public and NDC stakeholders.

Designated Driver/Purple Ribbon Bus: This year, the Designated Driver programme saw its most participated year to date with respect to the number of establishments involved. A total of 48 restaurants and bars promoted the Designated Driver programme. The Ritz Carlton also waived the \$7 valet parking fee for any guest who agreed to be designated drivers for the evening. Over 3,000 wristbands with the words "life of the party" and "designated drivers save lives" were distributed to participating establishments. All designated drivers were given complimentary non-alcoholic beverages throughout the evening. The NDC partnered with DMS Broadcasting, R.C.I.P.S., E-cay businesses and Web Directory to heighten awareness throughout the holiday season.

PUBLIC EDUCATION

The aim of the Public Education Campaign is to educate our youth about substance abuse. We intentionally target the education sector. Utilizing local media, the NDC coordinates several public information campaigns.

Art at the Governors: The NDC set up a booth with drug education materials on hand; these publications included pamphlets, comic books, T-shirts and NDC interactive trivia games Jeopardy and Who Wants to be a Millionaire.

Savannah Newlands Heritage Day: The NDC partook in the annual Savannah/Newlands Heritage Day. The event boasts an alcohol free environment, where adults and kids alike can relax and enjoy a day filled with activities for all ages. The NDC provided a booth for both adults and kids to get

information on the dangers associated with drug abuse/use. The NDC also gave visitors the chance to play our trivia games, Jeopardy and Who Wants to be a Millionaire.

HMP Northward and Eagle House Basic Drug Education Seminars: The NDC wrapped up its sixth session of drug education seminars with inmates at the Prison as well as YP's and juveniles at Eagle house. The seminars consist of 8 one hour sessions spread across 8 weeks and cover topics such as alcohol, marijuana, tobacco, methamphetamines, and hallucinogens.

NDC & HMP Northward PSA collaboration: We conducted three drug free songs with inmates at the prison, they wrote the lyrics and had a say in the beats that were being produced. Radio Cayman showed their support by airing some of their songs.

Fearless Factor Summer Camp: NDC wrapped up its second Fearless Factor summer camp. This camp was well received from its inception and continues to be one of the premier summer camps in the Cayman Islands. We utilized games, trivia, workshops, activities, fieldtrips, seminars and sports to get our drug free message across. A pre and post test was conducted and found that a large percentage of the teens that attended the camp, left with more drug related information. The camp was spread across a week and a typical day included all of the above mentioned activities. We worked in conjunction with many organizations and departments but overall took the lead in the planning, organizing, and coordination of the camp.

Drug Free Summer Explosion Cayman Brac: The NDC teamed up with several of the Sister Islands organizations to coordinate this event. Approximately 100 persons were in attendance and were educated on the dangers of drug abuse/use by NDC staff and guest speaker Ray Lozano. The NDC also utilized our interactive drug trivia games Jeopardy and Who Wants to be a Millionaire, the night ended with a teen disco.

Save our Youth Football Championships: The NDC once again partnered with HMP Northward to coordinate this annual event. An NDC booth was set up and drug information pamphlets were distributed. Staff made presentations on the dangers of drug abuse to the audience.

HMP Fairbanks Basic Drug Education Seminar: The NDC carried out a pilot of its Basic Drug Education Seminar with inmates at HMP Fairbanks. The seminar consisted of 4 one hour sessions spread across 4 weeks and covered topics such as alcohol, marijuana, tobacco and other drugs.

World Natural Body Building Federation: The NDC again endorsed the WNBFF Caribbean Figure Championships held on the 28th of May at the Lions center. This years' involvement was more extensive as the NDC joined forces with Eye of the Tiger promotions to assist with the compliance of drug testing for local and international contestants, we also oversaw the polygraph test.

Substance Abuse Training (Church of God of Prophecy): The NDC trained approximately 35 women from the Church of God of Prophecy on the signs and symptoms of substance abuse/use. Participants engaged in 2 three hour workshops spread across 2 days. Participants learned various distinguishing characteristics of substance abuse and various behavioral cues.

Church of God of Prophecy: The NDC was invited to present information on the affects of drugs to a group of adolescents. The presentation focused on marijuana, alcohol and tobacco. All participants received drug information pamphlets.

Cayman Prep and High School: The NDC was invited to present information on the affects of drugs to a group of seventh and eighth graders at Cayman Prep and High school. The presentation was spread over a few days giving students the opportunity to digest the material and ask questions. The presentation focused on marijuana, alcohol and tobacco. Students also received drug information pamphlets and NDC T-shirts at the end of the sessions.

Children and Family Services Fun Day: The NDC was invited to speak at a summer camp hosted by the Department of Children and Family Services. We were able to distribute packages with NDC materials, pamphlets, comic books and T shirts, and played our interactive trivia games NDC Jeopardy and Who Wants to be a Millionaire.

Atlantis Submarine: The NDC spoke to a group of workers about the dangers of drug use in the workplace.

In the area of statistics and research, The NDC continues to play a proactive role in terms of initiating, supporting and publishing studies, reports and other documents on drug abuse. The information from the CISDUS 2006 was added to the NDC Database. The NDC continues to be recognized internationally for its research and collaboration with the Centre for Addiction and Mental Health, Toronto Canada.

4. Ownership Performance Targets

The ownership performance targets achieved (as specified in schedule 5 to the Public Management and Finance Law (2005 Revision) for *National Drug Council* for the 2006/7 financial year are as follows.

Financial Performance

Financial Performance Measure	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Revenue from Cabinet	450,000	450,000	0
Revenue from ministries, portfolios, statutory authorities and government companies	0	0	0
Revenue from other persons or organisations	5,050	0	5,050 ¹
Surplus/deficit from outputs	0	0	
Other expenses	0	450,000	
Net Surplus/(Deficit)	69,578	0	69,578 ²
Total Assets	328,368	121,227	207,141 ³
Total Liabilities	62,798	25,000	37,798 ⁴
Net Worth	265,570	96,227	169,343 ⁵
Cash flows from operating activities	57,803	0	57,803 ⁶
Cash flows from investing activities	(4,465)	0	(4,465) ⁷
Cash flows from financing activities	0	0	0
Change in cash balances	53,338	0	53,338 ⁸

Financial Performance Ratio	2006/7 Actual	2006/7 Budget	Annual Variance
Current Assets: Current Liabilities	476%	4.48%	471.52%
Total Assets: Total Liabilities	523%	4.85%	518.15%

Explanation of Variances

¹ Donations received.

² Reduction in Personnel Emoluments due to resignation of CEO and reduction in Operating Expenses

³ Total includes funds due from cabinet as receivable and the insurance claim payout for hurricane damage

⁴ Documentation incomplete to provide clear explanation

⁵ Documentation incomplete to provide clear explanation

⁶ Decrease in Insurance Receivable and Accounts Payable

⁷ Purchase of Fixed Assets during the fiscal year.

⁸ Decrease in Insurance Receivable and Accounts Payable

Maintenance of Capability

Human Capital Measures	2006/7 Actual	2006/7 Budget	Annual Variance
Total full time equivalent staff	2	5	3 ⁹
Staff turnover (%)	33%	75%	42%
Average length of service (Number of Years)			
Senior management	9	9	0
Professional staff	7	5	+2 ¹⁰
Administrative staff	2	1	+1 ¹¹
Significant changes to personnel management system	1	none	1 ¹²

Physical Capital Measures	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Value of total assets	328,368	121,227	207,141 ¹³
Asset replacements: total assets	2.9%	0	2.9% ¹⁴
Book value of depreciated assets: initial cost of those assets	41.0%	14%	27%
Depreciation: Cash flow on asset purchases	380%	19,780	22,405 ¹⁵
Changes to asset management policies	N/a	N/a	N/a

Major Capital Expenditure Projects	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
None identified	None	n/a	n/a

Risk Management

Key risks	Status of Risk	Actions taken during 2006/7 to Manage risk	Financial Value of risk
None identified	None	n/a	n/a

Explanation of Variances

⁹ Personnel changes included 1 resignation and 2 posts not filled

¹⁰ S. Miller 2 additional years of service

¹¹ R. McLaughlin 1 additional year of service

¹² Strategic Alignment Process

¹³ Prepaid expenses and funds due from govt

¹⁴ Increase in Total Assets as per Note 13

¹⁵ Figures not comparable. Documentation incomplete.

5. Summarised Financial Statements

A full set of financial statements for *National Drug Council* is provided in the Appendix to this Ownership Agreement.

A summary of those is as follows.

Operating Statement	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Revenue	455,050	450,000	5,050 ¹⁶
Operating Expenses	390,651	450,000	59,349 ¹⁷
<i>Net Surplus/Deficit</i>	<i>69,578</i>	<i>0</i>	<i>69,578</i> ¹⁸

Balance Sheet	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Assets	328,368	121,227	207,141 ¹⁹
Liabilities	62,798	25,000	37,798 ²⁰
<i>Net Worth</i>	<i>265,570</i>	<i>96,227</i>	<i>169,343</i> ²¹

Statement of Cash Flows	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Net cash flows from operating activities	57,803	0	57,803 ²²
Net cash flows from investing activities	4,465	0	4,465 ²³
Net cash flows from financing activities	0	0	0

Explanation of Variances

¹⁶ Donations received

¹⁷ Decrease in Personnel Emoluments due to resignation of CEO and decrease in Operating Expenses.

¹⁸ See Note 16

¹⁹ See Note 3

²⁰ See Note 4

²¹ See Note 5

²² See Note 6

²³ See Note 7

6. Other Financial Information

Detailed below is information about specific financial transaction required to be included in the Ownership Agreement by the Public Management and Finance Law (2005 Revision).

Transaction	2006/7 Actual \$	2006/7 Budget \$	Annual Variance \$
Equity Investments into <i>National Drug Council</i>	0	0	0
Capital Withdrawals from <i>National Drug Council</i> .	0	0	0
Dividend or Profit Distributions to be made by <i>National Drug Council</i> .	0	0	0
Government Loans to be made to <i>National Drug Council</i> .	0	0	0
Government Guarantees to be issued in relation to <i>National Drug Council</i> .	0	0	0
Related Party Payments (Non Remuneration) made to Key Management Personnel ²⁴	0	0	0
Remuneration ²⁵ Payments made to Key Management Personnel	0	\$4,200	(4,200)
Remuneration Payments made to Senior Management	77,544	\$77,544	0

	2006/7 Actual	2006/7 Budget
No of Key Management Personnel	17 ²⁶	9
No of Senior Management	1	1

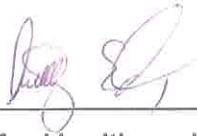
²⁴ Key Management Personnel as defined by International Public Accounting Standards No 20, e.g Minister, Board Member and Senior Management Team **No remuneration issued.**

²⁵ Remuneration as defined by International Public Accounting Standards No 20 Par 34(a). **No remuneration was made to Board members during fiscal year.**

²⁶ Number of Board Members

Agreement

We jointly agree that this Ownership Agreement Report approximately documents the ownership performance that *National Drug Council* achieved for the 2006/7 financial year



Hon. Minister for Health and Human Services, Mr. Anthony Eden, OBE, JP
on behalf of the Cabinet



Chairman of the Board
National Drug Council



Date



National Drug Council

Financial Statements

Year ended 30 June 2007

National Drug Council
Financial Statements
Year ended 30 June 2007

Contents

	Page
Statement of Responsibility for Financial Statements.....	1
Auditor General's Certificate and Report.....	2-3
Financial Statements	
Balance Sheet.....	4
Statement of Net Surplus and Retained Earnings.....	5
Statement of Cash Flows.....	6
Statement of Commitments.....	7
Statement of Contingent Liabilities.....	8
Notes to the Financial Statements.....	9-14

**National Drug Council
Financial Statements
30 June 2007**

STATEMENT OF RESPONSIBILITY FOR FINANCIAL STATEMENTS

These financial statements have been prepared by the National Drug Council in accordance with the provisions of the Public Management and Finance Law, (2005 Revision). The financial statements comply with generally accepted accounting practice as defined in International Public Sector Accounting Standards and International Financial Reporting Standards

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the Public Management and Finance Law, (2005 Revision).

To the best of my knowledge the statements are:

- (a) Complete and reliable;
- (b) Fairly reflect the financial position as at 30 June 2007 and performance for the financial year ended 30 June 2007; and
- (c) Comply with generally accepted accounting practice



Mrs. Julene Banks
Chairperson

Date: 19th February, 2009



Mr. Simon Miller
Prevention Officer
(Acting National Drugs Coordinator
March – September 2007)

Date: 19th FEB. 2009



Cayman Islands

National Drug Council

CERTIFICATE OF THE AUDITOR GENERAL

To the Members of the National Drug Council

I have audited the accompanying financial statements of the National Drug Council (the Council), which comprise the balance sheet as at 30 June 2007, the statement of net surplus and retained earnings, statement of cash flows, statement of commitments, and statement of contingent liabilities for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 4 to 14 in accordance with the provisions of Section 22(1) of the *National Drug Council Law (2003 Revision)* and Section 60(a) of the *Public Management and Finance Law (2005 Revision)*.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion

The Council's accounting records are inadequate to support the validity and completeness of fixed assets, accounts payable, donation income, travelling and subsistence, depreciation, supplies and materials, grants & contributions – special events, and Prior Year Adjustments. I was not able to carry out satisfactory alternative audit procedures to be able to obtain reasonable assurance that these receipts and expenses were properly recorded.

Qualified Opinion

In my opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to satisfy ourselves as to the validity and completeness of fixed assets, accounts payable, donation income, travelling and subsistence, depreciation, supplies and materials, grants & contributions – special events, and Prior Year Adjustments these financial statements present fairly, in all material respects, the financial position of the National Drug Council as at 30 June 2007, and the results of its operations and its cash flow for the year then ended in accordance with International Financial Reporting Standards.



Dan Duguay, MBA, FCGA
Auditor General

Cayman Islands
19 February 2009

National Drug Council
Balance Sheet
As at 30 June 2007

(Stated in Cayman Islands Dollars)

	Notes	2007	2006
ASSETS			
Current Assets			
Cash and cash equivalents	2(b)	\$79,075	\$25,737
Insurance Receivable	10	-	86,115
Government Receivable	9	214,403	112,500
Prepaid expenses and other receivables		5,500	11,109
Total current assets		298,978	235,461
Fixed assets	2(c), 3	29,390	41,894
Total assets		\$328,368	\$277,355
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts Payable		52,669	68,444
Salaries Payable & Accrued Vacation		9,048	12,919
Accrued Health Insurance		1,081	-
Total current liabilities		62,798	81,363
EQUITY			
Retained earnings		265,570	195,992
Total current liabilities and equity		\$328,368	\$277,355

Approved on behalf of the Board on 19th February 2009


Mrs. Julene Banks
Chairperson


Mr. Simon Miller
Prevention Officer
(Acting National Drugs Coordinator
March – September 2007)

The accompanying notes form an integral part of these financial statements.

National Drug Council
Statement of Net Surplus and Retained earnings
For the Year ended 30 June 2007

(Stated in Cayman Islands Dollars)

	Notes	2007	2006
General surplus:			
Revenues			
Outputs to Government	2(e),9	\$450,000	\$450,000
Non-government grant income:			
Donations	4	5,050	52,274
Miscellaneous Income		-	1,940
Total revenues		<u>455,050</u>	<u>504,214</u>
Expenses			
Personnel emoluments		164,828	190,870
Surveys and other public information projects	5	43,989	57,339
Rent	7	26,667	32,300
Utilities		26,468	15,838
Audit and accounting fees		26,331	15,901
Advertising and Promotion		20,497	-
Travelling and subsistence		18,894	24,721
Supplies & materials		18,636	8,770
Depreciation	3	16,969	19,455
Operating maintenance		16,809	33,251
Grants & contributions – special events	6	10,563	80,303
Total expenses		<u>390,651</u>	<u>478,748</u>
Net surplus for period		64,399	25,466
Prior Year Adjustments	13	5,179	-
Net surplus for period after prior year adjustment		69,578	25,466
Retained Earnings at beginning of period		195,992	170,526
Retained Earnings at end of period		<u>\$265,570</u>	<u>\$195,992</u>

The accompanying notes form an integral part of these financial statements.

National Drug Council
Statement of Cash Flows
For the Year ended 30 June 2007

(Stated in Cayman Islands Dollars)

	Notes	2007	2006
Operating activities			
Net surplus from operations after prior year adjustment		69,578	\$25,466
Adjustment for non cash transactions:			
Depreciation Expense		16,969	19,455
		<u>86,547</u>	<u>44,921</u>
Adjustments to reconcile net surplus from operations to net cash provided by/(used in) operating activities:			
Decrease in Insurance Receivable		86,115	-
(Increase) in Government Receivable		(101,903)	(112,500)
Decrease/(Increase) in prepaid expenses and other receivables		5,609	(8,442)
(Decrease)/Increase in accounts payable		(15,775)	32,129
(Decrease)/Increase in salaries payable & accrued vacation		(3,871)	4,930
Increase in accrued health insurance		1,081	-
Net cash provided by (used in) operations		<u>57,803</u>	<u>(38,962)</u>
Investing activity			
Purchase of fixed assets	3	(4,465)	(20,674)
Net cash (used in) investing activities		<u>(4,465)</u>	<u>(20,674)</u>
Financing Activity			
Net Cash by Financing Activities		<u>-</u>	<u>-</u>
Net change in cash and cash equivalents		53,338	(59,636)
Cash, beginning of year		25,737	85,373
Cash, end of year		<u>\$79,075</u>	<u>\$25,737</u>

The accompanying notes form an integral part of these financial statements.

National Drug Council
Statement of Commitments
As at 30 June 2007

(Stated in Cayman Islands Dollars)

Type	Notes	One year or less	One to five years	Over five years	Total
Capital Commitments					
Land and buildings		-	-	-	-
Other fixed assets		-	-	-	-
Other commitments [list separately if material]		-	-	-	-
Total Capital Commitments		-	-	-	-
Operating Commitments					
Non-cancellable accommodation leases	7	\$54,668	\$154,000	-	\$208,668
Other non-cancellable leases		-	-	-	-
Non-cancellable contracts for the supply of goods and services		-	-	-	-
Other operating commitments		-	-	-	-
Total Operating Commitments		54,668	154,000	-	208,668
Total Commitments		\$54,668	\$154,000	-	\$208,668

The accompanying notes form an integral part of these financial statements.

National Drug Council
Statement of Contingent Liabilities
As at 30 June 2007

(Stated in Cayman Islands Dollars)

Summary of Quantifiable Contingent Liabilities

	Notes	2007
Legal Proceedings and Disputes		
Statutory compensation for previous National Drug Coordinator	12	\$0 - \$48,559
Total Legal Proceedings and Disputes		<u>\$0 - \$48,559</u>
Other Contingent Liabilities		
None		-
Total Other Contingent Liabilities		<u>-</u>

Summary of Non-Quantifiable Contingent Liabilities

None

The accompanying notes form an integral part of these financial statements.

National Drug Council
Notes to the Financial Statements
For the Year ended 30 June 2007

1. Organization

The National Drug Council (the "NDC") became a statutory body in the Cayman Islands with the passage of the National Drug Council Law, 1997 and began operations on January 1, 1998. Its functions are diverse and include many aspects of coordinating the efforts in the Cayman Islands in respect of drug abuse education, treatment and rehabilitation, to support drug demand and supply reductions programmes; and to provide overall advisory capabilities to the Ministry of Health and Human Services ("the Ministry") with the collection of data, coordination of resources and manpower, and reports or laws addressing drug abuse and prevention and rehabilitation.

The National Drug Council (the "NDC") office is located at units 17 and 18 of The Caymanian Village in George Town, Grand Cayman, Cayman Islands. As at 30 June 2007 the NDC had 2 employees (2006: 4 employees).

2. Significant accounting policies

The NDC's financial statements have been prepared in accordance with International Financial Reporting Standards and are stated in Cayman Islands dollars and are prepared on the accrual basis under the historical cost convention. The following is a summary of the most significant accounting and reporting policies used in preparing the financial statements:

a) Use of Estimates

The preparation of the financial statements requires the Council to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financials statements and reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

b) Cash and cash equivalents

Cash and cash equivalents include amounts due from bank on demand and interest bearing deposits with an original maturity of three months or less. All cash and cash equivalents are held with a bank in the Cayman Islands.

c) Fixed Assets

During the period ended 30 June 2007 fixed assets located in the offices of the NDC had a net book value of \$29,390 (2006: \$41,894). Certain assets are donated and are recognised at their fair value at the time of receipt. Depreciation is being calculated on a straight-line basis on the opening cost over the estimated useful lives of the purchased or donated assets as follows:

National Drug Council
Notes to the Financial Statements (continued)
For the Year ended 30 June 2007

2. Significant accounting policies (continued)

c) Fixed Assets (continued)

	Purchased Assets Useful Lives
Office equipment	3
Office furniture	6
Computer equipment	3
Vehicles	4

d) Deferred grant funds and income

Donation and grant income received for specific projects are credited to income in periods in which expenses on such projects are incurred.

e) Outputs to Government

Government has agreed to purchase certain outputs from the NDC. These outputs include public education and information campaigns, research and statistics, policy advice and Law reform. As the NDC has no other significant source of funding for its operational expense, its ability to continue as a going concern is contingent on this continued support from Government. Output revenue is recognized as income when earned.

f) Disclosure about Fair value of Financial Instruments

The NDC recognised financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. From this date, any gains or losses arising from changes in the fair value of the assets or liabilities are recognised in the statement of Net Surplus and Retained Earnings. Financial instruments are measured at cost, which is the fair value of the consideration given or received. Subsequent to initial recognition, all financial assets measured at their estimated value.

The carrying amounts of all financial instruments on the balance sheet are reasonable estimates of the fair values and no gains or losses have been recognised in the Statement of Net Surplus and retained Earnings for the changes in the fair value of the assets or liabilities.

National Drug Council
Notes to the Financial Statements (continued)
For the Year ended 30 June 2007

2. Significant accounting policies (continued)

g) Foreign Currency Translation

Revenue and expense transactions involving currencies other than Cayman Islands dollars are translated to Cayman Islands dollars at the exchange rates ruling at the time of those transactions. Assets and liabilities included in these financial statements are translated to Cayman Islands dollars at the rates of exchange prevailing at the balance sheet dates. Gains and losses on exchange are taken to the statement of net surplus and retained earnings.

3. Fixed Assets

	Office Equipment	Office Furniture	Computer Equipment	Vehicles	Total
Cost:					
Balance at 1 July 2006	\$29,660	\$3,011	\$28,973	\$5,500	\$67,144
Additions during year	4,933	4,525	-	-	9,458
Disposal during the year	-	-	(4,993)	-	(4,993)
Balance at 30 June 2007	34,593	7,536	23,980	5,500	71,609
Accumulated depreciation:					
Balance at 1 July 2006	13,173	1,208	10,296	573	25,250
Depreciation for year	8,696	1,208	5,690	1,375	16,969
Disposal during the year	-	-	-	-	-
Balance at 30 June 2007	21,869	2,416	15,986	1,948	42,219
Net book value at 30 June 2007	\$12,724	\$5,120	\$7,994	\$3,552	\$29,390
Net Book value at 30 June 2006	\$16,487	\$1,803	\$18,677	\$4,927	\$41,894

4) Donations

	2007	2006
Deferred donations brought forward	\$ -	\$ -
Donations received for year	5,050	52,274
Amounts recognised as income for year	(5,050)	(52,274)
Deferred Donation income carried forward	-	-
Total deferred donation income	\$ -	\$ -

National Drug Council
Notes to the Financial Statements (continued)
For the Year ended 30 June 2007

5. Surveys and other public information projects

A portion of the Government grant income and public contributions have been made to support the following significant surveys and other public information projects:

Surveys and other public information projects	2007	2006
Policy Development and Advocacy	\$ 15,663	\$ -
National Strategic Plan	13,997	11,364
Local Promotion	13,116	8,695
PIC – Alcohol & Tobacco	888	18,500
Training	325	-
PIC – INFB	-	1,360
Censuses & Surveys	-	17,420
Total	\$ 43,989	\$ 57,339

6. Grants & Contributions – Special events

A portion of the Government purchases of outputs and public contributions have been made to support the following significant special events:

Special events	2007	2006
Fearless factor Camp	\$ 10,563	\$74,856
Drug Awareness Month	-	1,947
Purple Ribbon Bus	-	3,500
Total	\$ 10,563	\$ 80,303

7. Rental expense & Future Commitments

On 3 November 2006, the NDC entered into a one year lease agreement with Cayman Free Press for the premises at Compass Centre at \$2,667 per month. They did not renew the lease with Cayman Free Press and subsequently on 1st November 2007, the NDC entered into a three year lease agreement with Mr. Orville Williams for the premises at Caymanian Village for \$5,500 per month.

8. Pension

The NDC participates in a defined contribution plan. Contributions of 5% are made by the employee and matched by the employer as required under the National Pensions Law. The total amount expensed and paid for the year ended 30 June 2007 was \$6,811 (2006: \$7,695). This amount is included in personnel emoluments in the Statement of Net Surplus and Retained Earnings.

National Drug Council
Notes to the Financial Statements (continued)
For the Year ended 30 June 2007

9. Related parties

The NDC is a statutory body of the Government of the Cayman Islands. The Council is economically dependent upon the Ministry for the purchase of its services in accordance with the purchase agreement with Government. For the year ended 30 June 2007, the Council billed \$450,000 (2006: \$450,000) to the Government for services sold. Out of the billed amount, \$214,403 was receivable (2006: \$112,500) and subsequently collected in July 2007.

10. Insurance Settlement

The NDC received an insurance settlement for damages caused by hurricane Ivan in the amount of \$86,115 in July 2006, which was been recorded as an insurance receivable during the last audit period. The settlement was based on the cost of leasehold improvements recorded in the financial statements.

11. Reclassification

The classification of expenses in the Statement of Net Surplus and Retained Earnings has been amended for the current year presentation; however, the comparative amounts were not reclassified for proper analyses of accounts.

12. Contingent Liabilities

The previous National Drug Coordinator by letter dated 6 March 2007 resigned from her position and on 28 May 2007 lodged a complaint with the Labour Board alleging that she had been constructively dismissed and claiming CI\$48,559, being statutory compensation for alleged unfair dismissal, statutory severance pay, accrued holiday pay, unpaid salary and one month's pay in lieu of notice.

The allegation that she was constructively dismissed was not accepted by the National Drug Council, who accordingly has lodged a reply with the Director of Labour dated 21 June 2007 maintaining that she resigned her position and was owed nothing. A letter dated March 4th 2008 indicated that the hearing that was scheduled for March 17th was postponed. The Director of Labour has yet to indicate the new date when this matter will go to hearing.

National Drug Council
Notes to the Financial Statements (continued)
For the Year ended 30 June 2007

13. Prior Year Adjustments

During the prior fiscal year the Council was utilizing an accounting software package called Peachtree for its in house record keeping. A significant portion of their accounting records were lost when the Peachtree system crashed. The Council now uses QuickBooks to process the Councils accounting transactions; however during the changeover to the new accounting system a number of unsupported adjustments were made to agree the prior audit year's closing balances to the current audit year's opening balances. The majority of these adjustments were related to the 'fixed assets Accumulated depreciation' account.



MEMBERS OF THE NATIONAL DRUG COUNCIL
Effective 1st May, 2006

*Appointments by the Governor under section 6(1)(a)
New appointees for 3 years commencing 1 May, 2006:*

Chairman

Julene Banks

Vice- Chairman

Rayle Roberts

Judiciary rep

Nova Hall

Medical profession

Dr. Marc Lockhart

Private Sector community services

Dr. William Hruday

Probation Aftercare Unit

Theresa Echenique-Bowen

Continuing appointments until January 2007:

Director of Prisons or Rep

Dwight Scott

Collector of Customs or Rep

Jeff Jackson

Director, Children and Family Svcs

Deanna Lookloy

*Appointments by the Chairman under section 6(1)(b)
for 1 year commencing 1 May, 2006:*

Director, DOCS

Judith Seymour

CASA rep

Linda McField

CI Ministers Association rep

Pastor Bob Thompson

Cays Foundation rep

Daniel Bacallao

Ex Officio Appointments

Chief Officer, Health and Comm Dev.

Diane Montoya

Chief Officer, Education

Angela Martins

Financial Secretary rep

Anne Owens

Commissioner of Police or rep

NDC Coordinator/CEO

Catherine Chesnut



NATIONAL DRUG COUNCIL

Compass Center

P.O. Box 10007

KY1-1001

Grand Cayman

Council Employees 2006-2007

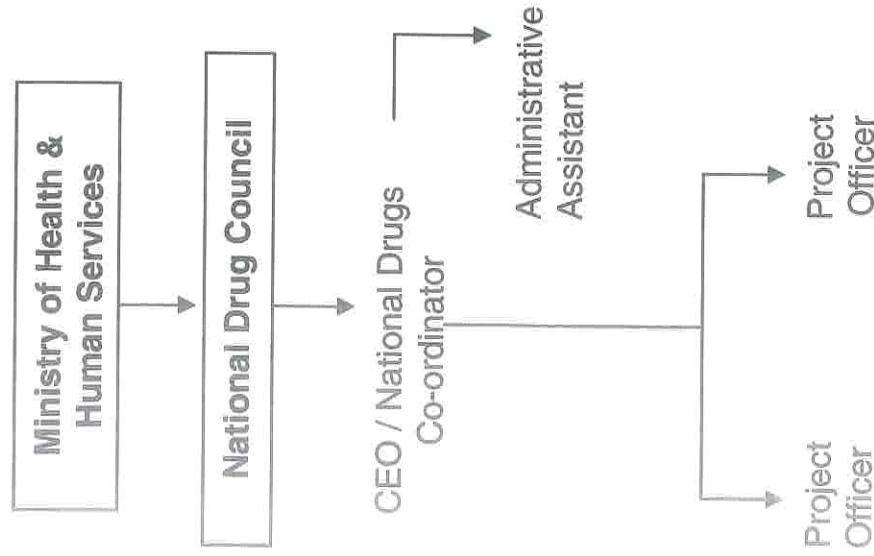
Ms. Catherine Chesnut – National Drugs Coordinator

Mr. Simon Miller – Prevention Officer

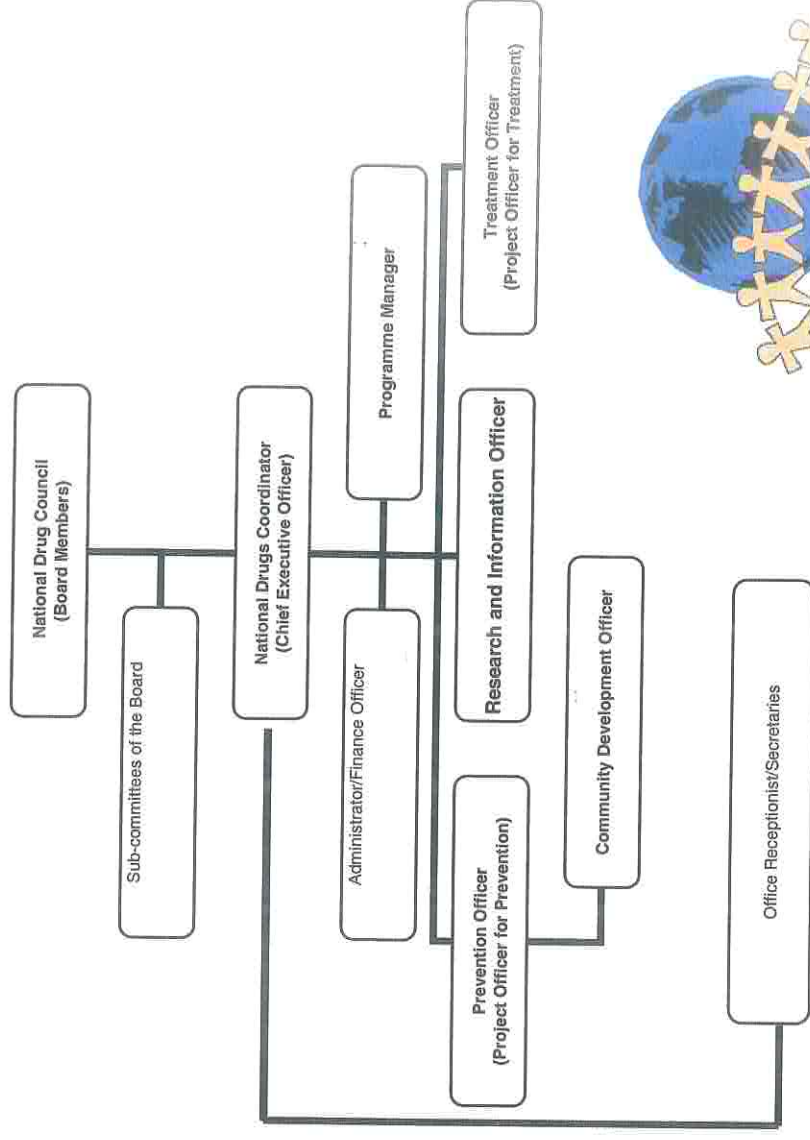
Mrs. Ruby McLaughlin – Receptionist/Secretary

Organisational Chart

Current



Proposed



NDC
CAYMAN ISLANDS

Appendix – Salary Scales

Alpha Code	Incremental Differential	Annual Salary Including 2.50% Pension	Monthly Salary Including 5% Pension	Monthly Basic Salary	Monthly Pension
A	1	72,000	6,000	5,700	300
	2	73,800	6,150	5,843	308
	3	75,648	6,304	5,989	315
	4	77,544	6,462	6,139	323
	5	79,488	6,624	6,293	331
	6	81,480	6,790	6,451	340
	7	84,000	7,000	6,650	350
B	1	57,600	4,800	4,560	240
	2	59,040	4,920	4,674	246
	3	60,516	5,043	4,791	252
	4	62,028	5,169	4,911	258
	5	63,576	5,298	5,033	265
	6	65,160	5,430	5,159	272
	7	66,792	5,566	5,288	278
	8	68,460	5,705	5,420	285
	9	72,000	6,000	5,700	300
C	1	50,400	4,200	3,990	210
	2	51,660	4,305	4,090	215
	3	52,956	4,413	4,192	221
	4	54,276	4,523	4,297	226
	5	55,632	4,636	4,404	232
	6	57,024	4,752	4,514	238
	7	58,452	4,871	4,627	244
	8	60,000	5,000	4,750	250
D	1	42,000	3,500	3,325	175
	2	43,056	3,588	3,409	179
	3	44,136	3,678	3,494	184
	4	45,240	3,770	3,582	189
	5	46,371	3,864	3,671	193
	6	47,532	3,961	3,763	198
	7	48,720	4,060	3,857	203
	8	50,400	4,200	3,990	210
E	1	36,000	3,000	2,850	150
	2	36,900	3,075	2,921	154
	3	37,824	3,152	2,994	158
	4	38,772	3,231	3,069	162
	5	39,744	3,312	3,146	166
	6	40,740	3,395	3,225	170
	7	41,760	3,480	3,306	174
F	1	27,600	2,300	2,185	115

2	28,296	2,358	2,240	118
3	29,004	2,417	2,296	121
4	29,724	2,477	2,353	124
5	30,468	2,539	2,412	127
6	31,224	2,602	2,472	130
7	32,004	2,667	2,534	133
8	32,808	2,734	2,597	137
9	33,624	2,802	2,662	140
10	34,464	2,872	2,728	144
11	36,000	3,000	2,850	150

A Scale

National Drugs Co-ordinator / CO-ORDINATOR

B Scale

C Scale

D Scale

Prevention Specialist

E Scale

Project Officer

F Scale

Administrative Personnel