



OWNERSHIP AGREEMENT ANNUAL REPORT

For

Cayman National Cultural Foundation

For the 2004/5 Financial Year

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1. Purpose

This annual report details the performance of the *Cayman National Cultural Foundation* for the fiscal year ending 30 June 2005.

It includes information about the actual performance delivered during the year as compared to the planned performance documented in the Ownership Agreement for Cayman National Cultural Foundation for 2004/5, or as amended through the supplementary appropriation process.

2. Nature and Scope of Activities

This section outlines the Nature and Scope of Activities within which *Cayman National Cultural Foundation* operated during the year.

Approved Nature and Scope of Activities

The *Cayman National Cultural Foundation's* mission is to stimulate, facilitate and preserve cultural and artistic expression generally, particularly the preservation and exploration of Caymanian performing, visual and literary arts.

Compliance during the Year

The Cayman National Cultural Foundation complied fully with the Nature and Scope of Activities specified in the 2004/5 Ownership Agreement.

3. Strategic Goals and Objectives

Approved Strategic Goals and Objectives

The key strategic goals and objectives (from an ownership perspective) for The *Cayman National Cultural Foundation (CNCF)* for the 2004/5 financial year were as follows:

- ☐ Raise the profile and standards of CNCF's contributions to cultural development and the arts, and increase opportunities for participation in its work and programmes by the general populace and visitors.
- ☐ Actively participate in and support regional and international initiatives that promote and respect cultural diversity so as to significantly raise the regional and international profile of the arts and culture of the Cayman Islands.
- ☐ Develop a disaster response and recovery plan to ensure adequate protection is provided for CNCF relevant documents, products, collections and physical plant.
- ☐ Advocate for and facilitate the development of effective partnerships with other cultural groups and Government, to pool information and resources and identify national priorities for culture and the arts.
- ☐ Promote and defend the artist's right to create and express freely, within the boundaries of the laws of the country.

Achievement during the Year

Since its inception in 1984, the *Cayman National Cultural Foundation* has worked tirelessly towards its goal of fostering Cayman's cultural identity and self-awareness, and in 2004/5 maintained prodigious output that is genuinely reflective of our multiethnic, multicultural society. Holding steadfast to its mission to "stimulate, facilitate and preserve cultural and artistic expression within our islands," the Cultural Foundation initiates and supports creative individual and collective cultural endeavours within our country, while being conscious of our need to be part of a global community where traditional distances have been narrowed to the click of a mouse.

The arts are not simply a peripheral pleasure, but rather a structural necessity for the growth and 'wholeness' of a developing nation. Theatre, dance, literature, music, art, and cultural heritage, once nurtured, can be instrumental in completing the uniquely Caymanian story. Through its work, the Cultural Foundation seeks to help the community develop the tools necessary in the retention of our distinctive cultural identity, stimulating the sensibilities of our artists and educating the public to the immense possibilities of creative endeavour. This is achieved by creating opportunities through workshops, stage productions, festivals, lectures, grants, exhibitions, research, publications, overseas performances, conferences and mentoring.

Foremost among the Cultural Foundation's efforts during 2004/5 were:

- Facilitating Exhibitions of the Miss Lassie Collection of Artwork at the American Visionary Arts Museum in Maryland, USA and at the Cayman Islands London Office.
- Production of two major cultural festivals: *Cayfest* – involving 15 separate components spanning the performing, literary, visual, culinary and traditional arts –and *Gimistory* – which attracted more than 3,000 spectators and dramatically lifted the population's spirits after the hurricane.

- Production of 3 virtually sold out stage shows, *Rundown*, *Bubble Up* (for schools) and the *Dance Cayman Premiere*.
- Coordination of 7 *Workshops and Training Programmes* – including 2 Poetry Workshops with Leonard Dilbert, Playwriting Workshops for writers and for inmates of HM Northward with the Director of the Jamaica School of Drama, a 10-week Drumming Workshop for the CNCF Cayman Drummers, 3-month and 6-month long Dance Intensives for CNCF Dance Cayman.
- Administering the National Playwriting Competition – winners Colin Wilson and Charles D. Bush.
- Awarding 10 Grants of between \$500 to \$3,000 to artists and arts organisations: Joseph Betty, Taryn Jacobs, JGHS Drama, Rita Estevanovich, Dance Unlimited, Nickola McCoy, Stuart Wilson, National Children's Festival of the Arts, Charles D. Bush and Tyrone Ebanks.
- Preparation and participation in International exchanges: Dance Cayman at the *Aberdeen International Youth Festival* and groundwork for *Carifesta 2006*.
- Documentation and recognition of heritage preservation and achievement in the arts, including recording Granny Backyard and Cayfest Caboose and the Elderly Musicians Programme, which are important aspects of our Caymanian memory bank.
- Conducting interviews with Caymanian artists and cultural historians to appear in the upcoming issue of *Foundation Arts and Culture Journal*.
- Designing and producing a quarterly cultural Newsletter *Sightlines* and maintaining the CNCF Website (www.artscayman.org).
- Creation, marketing and sales of GimiCandy, T-Shirts and Mugs and Caymanian Cultural Gift Baskets containing all locally made items such as CNCF books, cakes, honey, pepper sauce, candles.
- Mentoring artists who frequently call and stop in to the CNCF for advice, critiques of their work or other assistance.
- Mentoring students, offering work experience—ranging in duration from 2 weeks to one school year—to four students, 2 from the University College of the Cayman Islands; 2 from John Gray High School.
- Collaborating with other cultural and community organizations, including presenting displays at the National Gallery's art@gov, Agricultural Dept's Agriculture Day, promoting Cayman Traditional Arts summer camp, poetry selection for NCFA, Pirates Week District Days judging and organizing Miss Festival Queen participation by the Dance Cayman student who placed 1st Runner Up.
- Planning and participating in 2-day CNCF annual Retreat and ongoing Strategic Planning exercise.
- Reporting to and providing cultural advice to government, including representation at the Education Conference.

Moreover, despite the challenges faced by the entire nation in relation to Hurricane Ivan in the course of 2004/5, CNCF also engaged in the following activities at the Harquail Theatre, some of them ongoing:

- Arranging & monitoring water removal and clean up process at physical plant
- Rescuing, wrapping and archiving submerged files, artwork and/or documents.
- Securing safe storage for and relocating the Gladwyn Bush National Art Collection.
- Rescuing, storing and restoring partially finished works from Miss Lassie's house.
- Conducting assessments of audio visual losses
- Liaising with architects/contractors regarding reconstruction process and timelines
- Reporting to/liasing with adjustors and Government with regard to losses, insurance claims etc.

4. Ownership Performance Targets

The ownership performance targets achieved (as specified in schedule 5 to the Public Management and Finance Law 2005) for *Cayman National Cultural Foundation* for the 2004/5 financial year are as follows.

Financial Performance

Financial Performance Measure	Annual Actual \$	Annual Budget \$	Annual Variance \$
Revenue from Cabinet	753,408	630,912	122,496
Revenue from ministries, portfolios, statutory authorities and government companies	2,032,749	25,000	2,007,749
Revenue from other persons or organisations	132,961	182,536	-49,575
Surplus/deficit from outputs			
Other expenses	2,215,412	838,448	1,376,964
Net Surplus/Deficit	703,706	0	703,706
Total Assets	2,725,696	2,033,477	692,219
Total Liabilities	140,646	152,133	-11,487
Net Worth	2,585,050	1,881,344	703,706
Cash flows from operating activities	-103,569	88,566	-192,135
Cash flows from investing activities			
Cash flows from financing activities			
Change in cash balances			-192,135

Financial Performance Ratio	Annual Actual	Annual Budget	Annual Variance
Current Assets: Current Liabilities	34:1	14:1	
Total Assets: Total Liabilities	19:1	13:1	

Explanation of Variances

CNCF's premises at the FJ Harquail Cultural Centre were devastated in September 2004 during the natural disaster, Hurricane Ivan. As a result:

1. The organisation suffered a loss of potential revenue, as it was not possible to earn income from renting the theatre to clients, as had been budgeted;

2. CNCF paid to rent office space and accommodation for visiting artists, expenses not originally budgeted;
3. CIG provided emergency funding of \$122,496 towards extra-ordinary expenses brought about due to Hurricane Ivan;
4. At year end, CNCF had an Insurance Claim Receivable of \$2,007,749 .

Maintenance of Capability

Human Capital Measures	Annual Actual	Annual Budget	Annual Variance
Total full time equivalent staff	7	7	
Staff turnover (%)			
Average length of service (Number) Senior management Professional staff Administrative staff	15 years 4 years 4 years	15 years 4 years 4 years	
Significant changes to personnel management system			

Physical Capital Measures	Annual Actual \$	Annual Budget \$	Annual Variance \$
Value of total assets	2,725,696	2,033,477	692,219
Asset replacements: total assets			
Book value of depreciated assets: initial cost of those assets	2,725,696	2,033,477	692,219
Depreciation: Cash flow on asset purchases			
Changes to asset management policies			

Major Capital Expenditure Projects	Annual Actual \$	Annual Budget \$	Annual Variance \$
The rebuilding of the FJ Harquail Cultural Centre is ongoing and is expected to be completed in 2006/7.			

Risk Management

Key risks	Status of Risk	Actions taken during 2004/5 to Manage risk	Financial Value of risk
Loss or damage to the FJ Harquail Theatre Site and Equipment		Emergency Management Plan in place	
Loss or damage to portable equipment/ contents due to Hurricane		Removal and safe storage of portable equipment/contents	

or Severe Storm Workplace injury		when a hurricane is imminent Engagement of experienced contractors/subcontractors; Frequent site inspections	
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Explanation of Variances

5. Summarised Financial Statements

A full set of financial statements for *Cayman National Cultural Foundation* is provided in the Appendix to this Ownership Agreement.

A summary of those is as follows.

Operating Statement	Annual Actual \$	Annual Budget \$	Annual Variance \$
Revenue	2,919,118	838,448	2,080,670
Operating Expenses	2,215,412	838,448	1,376,964
<i>Net Surplus/Deficit</i>	<i>703,706</i>	<i>0</i>	<i>703,706</i>

Balance Sheet	Annual Actual \$	Annual Budget \$	Annual Variance \$
Assets	2,725,696	2,033,477	692,219
Liabilities	140,646	152,133	-11,487
<i>Net Worth</i>	<i>2,585,050</i>	<i>1,881,344</i>	<i>703,706</i>

Statement of Cash Flows	Annual Actual \$	Annual Budget \$	Annual Variance \$
Net cash flows from operating activities	-103,569	88,566	-192,135
Net cash flows from investing activities			
Net cash flows from financing activities			

Explanation of Variances

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	Annual Actual \$	Annual Budget \$	Annual Variance \$
Equity Investments into <i>Cayman National Cultural Foundation</i>			
Capital Withdrawals from <i>Cayman National Cultural Foundation</i> .			
Dividend or Profit Distributions to be made by <i>Cayman National Cultural Foundation</i> .			
Government Loans to be made to <i>Cayman National Cultural Foundation</i> .			
Government Guarantees to be issued in relation to <i>Cayman National Cultural Foundation</i> .			
Related Party Payments (Non Remuneration) made to Key Management Personnel ¹			
Remuneration ² Payments made to Key Management Personnel	148,721	148,721	
Remuneration Payments made to Senior Management	148,721	148,721	

	Annual Actual	Annual Budget
No of Key Management Personnel	15	15
No of Senior Management	2	2

Explanation of Variances

¹ Key Management Personnel as defined by International Public Accounting Standards No 20, eg Minister, Board Member and Senior Management Team

² Remuneration as defined by International Public Accounting Standards No 20 Par 34(a)

Agreement

We jointly agree that this Ownership Agreement accurately documents the ownership performance that *Cayman National Cultural Foundation* achieved for the 2004/5 financial year

Signature]

[relevant Minister]

on behalf of the Cabinet

[Signature]

Chairman of the Board

Cayman National Cultural Foundation

Date 2006