Annual Report

of

Cabinet Office

For the 2008/9 Financial Year

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1. Overview of Performance for the Year

Introduction

This annual report details the performance of the Cabinet Office for the fiscal year ending 30 June 2009. It includes information about outputs actually delivered during the year as compared to the planned performance documented in the Annual Budget Statement for the Cabinet Office for 2008/9, or as amended through the supplementary appropriation process.

It also reports those aspects of ownership performance that were contained in the Annual Budget Statement for 2008/9 or as amended through the supplementary appropriation process.

Summary of Performance

Outputs generally delivered in accordance with budget expectations.

Ownership Performance

The Cabinet Office has generally complied with the ownership performance.

CABINET OFFICE

Cayman Islands Government
Government Administration Building
Grand Cayman, Cayman Islands, BWI
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STATEMENT OF RESPONSIBILITY FOR THE OUTPUT STATEMENTS

These output statements have been prepared by the Cabinet Office in accordance with the provisions of the Public Management and Finance Law (2005 Revision).

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

As Chief Officer and Chief Financial Officer, we are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded in the output statements are authorised by law, and properly record the output transactions of the Cabinet Office.

As Chief Officer and Chief Financial Officer we are responsible for the preparation of the Cabinet Office output statements and for the judgements made in them.

We are unable to represent that these output statements:

(a) completely and reliably reflect the output transactions of Cabinet Officefor the year ended 30 June 2009; or
(b) fairly reflect the outputs delivered as at 30th June 2009.

Orrett Connor	*Matthew Tibbetts*
Chief Officer	Chief Financial Officer
Date: 18/5/11	Date: 18/5/11

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CAYMAN ISLANDS

Auditor General's Report

To the Cabinet Secretary and Members of the Legislative Assembly of the Cayman Islands

I was engaged to audit the accompanying statement of outputs delivered of the Cabinet Office for the year ended 30 June 2009 as set out on pages 6 to 36 in accordance with the provisions of Section 44(3) of the *Public Management and Finance Law (2005 Revision)*. The statement consists of the following nineteen outputs:

- CAB 1 - Policy Advice and Coordination
- CAB 2 - Coordinating and Monitoring Policy Implementation
- CAB 3 - Public Communications of Policy Initiatives
- CAB 4 - Administrative Support for Cabinet
- CAB 6 - Administrative and Secretarial Support for the Processing of Appeals
- CAB 7 - Preparation of Tax Undertaking Certificates
- CAB 8 - Ministerial Servicing for the Leader of Government Business
- CAB 11 – Administration of Temporary Housing Initiative
- CAB 12 – Freedom of Information Coordination
- OIC 1 – Compliance with Freedom of Information Legislation
- PCF 1 – Protocol Services
- CRS 1 – Constitutional Review
- GIS 2 – Public Information Services and Products
- GIS 8 – Public Interest News Releases
- GIS 17 – Providing Content for the Government's Internet Portal
- CSD 12 – Policy Advice
- CSD 27 – Provision of Disaster Tolerant Central Information Technology Infrastructure
- CSD 34 - Government Wide Internet Portal and E-Government Support Unit
- UKO 1 – Policy Advice
- UKO 2 – Promotion on the Cayman Islands in Europe
- UKO 5 – Information on Cayman Islands to Public in Europe
- UKO 7 – Consular Services
- UKO 8 – Representational Duties and International Relations

Management's Responsibility for the Statement of Outputs Delivered
Management is responsible for the preparation and fair representation of the statement of outputs delivered in accordance with section 44(2) of the *Public Management and Finance Law (2005 Revision)*. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the statement of outputs delivered that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate criteria

and measures to the outputs delivered. Management is required to present the following performance indicators for the Cabinet Office, for each output, for the year ended 30 June 2009:

1. A description of the outputs delivered;
2. The quantity of the output delivered;
3. The quality of the output delivered;
4. The delivery dates for the output delivered;
5. The place of delivery of the output delivered;
6. The price paid for the output delivered compared to the budgeted cost for each output as approved in the Budget 2008/09.

Auditor's Responsibility for the Statement of Outputs Delivered

I was engaged to conduct my audit in accordance with International Standards on Auditing. Because of the matters described in the basis of disclaimer of opinion paragraph below, I do not express an opinion on the statement of outputs.

Overall Scope Limitations

The parameters included for each of the output measures included in these statements have been provided to me by the Cabinet Secretary and are solely his responsibility. I do not review the basis of the determination of these parameters that measure each of the outputs, or for their appropriateness or relevance. Nor do I review the accuracy of the information contained in the "Description" field of each statement or the "Explanation of Variances" commentary following each Statement. The information as documented included therein has been determined by the Cabinet Secretary's management in their best judgment and, as such, its accuracy and relevance are solely their responsibility.

Basis for Disclaimer for the Statement of Output Delivered

I was not presented with sufficient information to form an opinion as to whether the statement of outputs delivered is fairly presented in all material respects.

Disclaimer of Opinion for the Statement of Outputs Delivered

Because of the significance of the matter discussed in the preceding paragraph, I do not express an opinion on the statement of outputs delivered.

Alastair J. Swarbrick, MA (Hons), CPFA
Auditor General

Cayman Islands
18 May 2011

Part B

Statement of Outputs Delivered

CAB 1	Policy Advice, Coordination, and Ministerial Services	923,172

Description

Research and Development of policy proposals, actions or strategies for Cabinet and the Leader of Government Business and the coordination of policy development between Ministries/Portfolios and other Government Sector Agencies. Additionally, this output encompasses sustainable development policies, the organization and management of special projects in the national and regional or international interest

Measures	Annual Actual	Annual Budget	Variance
Quantity Number of hours of advice, management and coordination provided	2,013	1,000-1,100	913
Quality Advice, management, and coordination reviewed or provided by senior personnel	95-100%	95-100%	-
Timeliness All advice submitted in accordance with schedules as agreed by the Leader of Government Business	90-100%	90-100%	-
Location Cayman Islands and overseas	100%	100%	-
Cost (of producing the output)	**$235,583**	**$923,172**	**$687,589**
Price (paid by Cabinet for the output)	**$669,038**	**$923,172**	**$254,134**

Related Broad Outcomes:

9: Support the Economy

10: Open, Transparent, Honest and Efficient Public Administration

Note: 2008/9 Quantity measures are now stated in hours instead of units which were previously used in 2007/8.

CAB 2	Coordinating and Monitoring of Policy Implementation	227,184

Description

Coordinating and monitoring the implementation of policy initiatives by Ministries and Portfolios and public agenciesto avoid the duplication of activity and promote synergy in areas of common responsibility.

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of hours spent coordinating and monitoring policy implementation	561	450-500	61
• Number of policy implementation reports prepared	-	12-15	(12)
Quality			
• Policies coordinated and monitored by senior personnel	98-100%	98-100%	-
• Reports are prepared accurately, properly researched and are signed off by Cabinet Secretary	98-100%	98-100%	-
Timeliness			
• Monitoring is conducted on an on-going basis	100%	100%	-
• Reports arising from monitoring are provided monthly	90-100%	90-100%	-
Location			
Grand Cayman	100%	100%	-
Cost (of producing the output)	**$85,917**	**$227,184**	**$141,267**
Price (paid by Cabinet for the output)	**$191,721**	**$227,184**	**$35,463**

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

CAB 3	Public Relations Advice and Services		$352,531

Description

Coordinating public information and communications strategies of the Government relating to policy initiatives through use of:

- Press releases
- Articles
- Speeches
- Newsletters

Measures	**Annual Actual**	**Annual Budget**	**Variance**
Quantity Number of press releases, articles, speeches, newsletters and other advice prepared	96	70-75	21
Quality Press releases reviewed by Senior Policy Officer	95-100%	95-100%	-
Timeliness Press releases issued within three working days of request	90-100%	90-100%	-
Location Grand Cayman	100%	100%	-
Cost (of producing the output)	**$271,594**	**$352,531**	**$80,937**
Price (paid by Cabinet for the output)	**$317,318**	**$352,531**	**$35,213**

CAB 4	Administrative Support for Cabinet	$468,227

Description

Administrative support to Cabinet involving:

- Prepare and circulate cabinet agendas and minutes to Members and Ministers
- Prepare and circulate cabinet extracts to Members and Permanent Secretaries
- Arranging and preparing secretarial support for Cabinet meetings and subcommittees
- Advising on procedures regarding the conduct of Cabinet meetings
- Briefing the Cabinet
- Preparing and Maintaining Code of Conduct for Ministers and Business Guide for Cabinet

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of agendas prepared and circulated	62	90-100	(28)
• Number of minutes prepared and circulated	31	80-90	(49)
• Number of extracts prepared and circulated	1623	1,700-1,900	(77)
• Number of Cabinet briefings conducted	30	40-45	(15)
Quality			
• All Agendas, minutes and extracts are prepared in accordance with the Guidelines to the Operation of Cabinet	100%	100%	-
• Agendas signed by the Clerk to the Cabinet or Acting Clerk	95-100%	95-100%	-
• Minutes reviewed by Cabinet Secretary	100%	100%	-
• Briefings conducted by qualified and experienced personnel	100%	100%	-
Timeliness			
• Agendas circulated at least two working days prior to	90-100%	90-100%	-
meetings	90-100%	90-100%	-
• Minutes circulated within three working days after meeting	90-100%	90-100%	-
• Extracts Issued within two working days after confirmation of Minutes	90-100%	90-100%	-
• Briefings provided within the time frame agreed upon			
Location			
Grand Cayman	100%	100%	-
Cost (of producing the output)	**$1,245,799**	**$468,227**	**($777,572)**
Price (paid by Cabinet for the output)	**$322,557**	**$468,227**	**$145,670**

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

CAB 6	Administrative and Secretarial Support for the Processing of Appeals		$66,910

Description

Support for the Processing of appeals on behalf of Cabinet involving work permits, Caymanian Status and permanent residence

Measures	Annual Actual	Annual Budget	Variance
Quantity Number of meetings supported and attended	21	20-23	-
Quality Minutes issued are an accurate account of the meeting – signed by the chair of the meeting	95-100%	95-100%	-
Timeliness Minutes issued up to three working days after meeting to the chair of the meeting	90-100%	90-100%	-
Location Grand Cayman	100%	100%	-
Cost (of producing the output)	**$276,573**	**$66,910**	**($209,663)**
Price (paid by Cabinet for the output)	**$225,555**	**$66,910**	**($158,645)**

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

Explanation for variances:

The total price of supplying this output is $225,910. However, the revenue of $158,645 from third parties reduces the cost to Cabinet to $66,910.

CAB 7	Preparation of Tax Undertaking Certificates	$271,624

Description

Preparation and distribution of:
- Tax Undertaking Certificates for Exempted Companies, Trusts and Limited Partnerships
- Licenses issued under Section 80(d) of the Companies Law

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of Tax Undertaking Certificates issued	7,074	7,000-7,500	-
Quality			
Tax undertaking certificates and licenses processed in accordance with the relevant laws and checked and signed by Clerk or Deputy Clerk of the Cabinet	95-100%	95-100%	-
Timeliness			
• Tax undertaking certificates issued 2 – 3 weeks from receipt of application	90-100%	90-100%	-
• Licenses issued up to two working days after confirmation of minutes	90-100%	90-100%	-
Location			-
Grand Cayman	100%	100%	
Cost (of producing the output)	**$319,906**	**$271,624**	**(48,282)**
Price (paid by Cabinet for the output)	**$271,624**	**$271,624**	-

Related Broad Outcome:

9: Support the Economy

CAB 8	**Ministerial Servicing for the Leader of Government Business**	**$353,950**

Description

Provision of support services to the Leader of Government Business including:

- Preparation of Cabinet Submissions
- Ministerial Briefings
- Responses to Parliamentary Questions
- Preparation of Speeches and Presentations
- Secretarial Services
- Ministerial representation at forums and conferences

Measures	**Annual Actual**	**Annual Budget**	**Variance**
Quantity			
• Number of ministerial briefings	-	13-15	(13)
• Number of speaking notes	-	15-17	(15)
• Number of hours of secretarial support	8	900-1,100	(892)
Quality			
• Ministerial briefings, responses to parliamentary questions and notes are prepared accurately, using robust data and analytical and appropriate methods to support findings and recommendations	95-100%	95-100%	-
• All are subject to peer review and signed off/delivered by the Cabinet Secretary or other senior personnel	90-100%	90-100%	-
• Secretarial support provided by qualified officer	90-100%	90-100%	-
Timeliness			
• Ministerial briefings responses and notes are delivered by target dates	95-100%	95-100%	-
• Responses to parliamentary questions are prepared within the timeframe set by the Leader of Government Business	95-100%	95-100%	-
• Secretarial support provided as requested by Leader of Government Business	95-100%	95-100%	-
Location			
Grand Cayman	100%	100%	-
Cost (of producing the output)	**$443,100**	**$353,950**	**($89,150)**
Price (paid by Cabinet for the output)	**$-**	**$353,950**	**$353,950**

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

CAB 11	Administration of Temporary Housing Initiative	$303,885

Description

Administering the operation of the temporary housing units owned by Government under the temporary housing initiative including:

- Organising the maintenances of the Government owned units
- Collecting rental payments from tenants
- Coordinating with tenants regarding relocation to permanent property solutions
- Coordinating relevant social programmes for tenants

Measures	Annual Actual	Annual Budget	Variance
Quantity Number of temporary housing units administered and/or maintained	70	70-88	-
Quality Housing activity prioritised and completed in accordance with priorities established by Cabinet	100%	100%	-
Timeliness Housing activity completed in accordance with timeliness established by the Cabinet Secretariat	100%	100%	-
Location Cayman Islands	100%	100%	-
Cost (of producing the output)	**$534,423**	**$303,885**	**($230,538)**
Price (paid by Cabinet for the output)	**$202,102**	**$303,885**	**$101,783**

Related Broad Outcome:

1: Deal with the Aftermath and Lessons from Hurricane Ivan

CAB 12	Freedom of Information Coordination	$547,467

Description

The Freedom of Information (FOI) Unit will:

- Lead and coordinate freedom of information across government.
- Implementation of the Freedom of Information (FOI) legislation primarily by developing tools and procedures, organizing and conducting training for staff in public entities
- Raise awareness in the entire public sector

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of proactive training and awareness sessions	42	22	20
• Number of reactive assistance interactions with public	159	100-110	49
entities	7	10-12	(3)
• Number of implementation progress reports submitted	1	1	-
• Number of web sites maintained			
Quality			
• Training and awareness to be provided by qualified officer	95-100%	95-100%	-
• Assistance provided by qualified officer	95-100%	95-100%	-
• Reports will be accurate, concise and provide clear recommendations	90-100%	90-100%	-
• Web site information approved by Senior FOI Officer	95-100%	95-100%	-
Timeliness			
• Extensive training completed by December 2008	90-100%	90-100%	-
• Assistance provided as required	90-100%	90-100%	-
• Reports submitted quarterly	90-100%	90-100%	-
• Website online and maintained throughout the year	90-100%	90-100%	-
Location			
Cayman Islands	100%	100%	-
Cost (of producing the output)	**$355,974**	**$547,467**	**$191,493**
Price (paid by Cabinet for the output)	**$481,467**	**$547,467**	**$66,000**

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

OIC 1	**Compliance with Freedom of Information Legislation**			**$673,955**
Description The Office of the Information Commissioner will be independent and report to parliament and whose primary purpose will be to serve as an external appellate body under the freedom of information legislation, aimed at ensuring that public entities have complied with the law and that the public's rights under it have been met				
Measures		**Annual Actual**	**Annual Budget**	**Variance**
Quantity				
• Number of appeals processed		9	75-85	(66)
• Significant findings to serve as case law published		1	10-12	(9)
• Number of reports on compliance to the Legislative Assembly (LA)		1	1	-
• Number of advertisements to promote awareness of FOI to thepublic		-	8-10	(8)
• Hours of advice		180	450-500	(270)
Quality				
• Appeals processed in accordance with internal procedures and developed in accordance with the law		90-100%	90-100%	-
• Information received from public entities in compliance with Information Commissioner's requirements		90-100%	90-100%	-
• Promotional activities approved by InformationCommissioner		90-100%	90-100%	-
Timeliness				
• Appeals processed in accordance within timelines established in Policies and Procedures Manual		90-100%	90-100%	-
• Monitoring - reports obtained from departments quarterly		85-100%	85-100%	-
• Public awareness of FOI will be carried out on a monthly basis		95-100%	95-100%	-
Location				
Cayman Islands		100%	100%	-
Cost (of producing the output)		**$275,389**	**$673,955**	**$398,566**
Price (paid by Cabinet for the output)		**$360,000**	**$673,955**	**$313,955**

PCF 1	Protocol Services		466,983

Description

The provision of a wide range of protocol services and interventions to the Cayman Islands Government and to the wider community as required.

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Advice and reporting in relation to protocol matters	1257	1,000-1,100	157
• Number of protocol policies and services developed	2	6-8	(4)
• Number of ceremonial and official events coordinated	6	3-5	1
• Number of official visits (local/overseas) planned and organized	32	3-5	27
• Number of protocol officers trained in various entities	59	30-34	25
Quality			
• All policies and practices will be developed with key stakeholders in conformance with international best practice while being tailored specifically for the Cayman Islands	100%	100%	-
• Protocol advice, services and training to be provided by suitably experienced staff	100%	100%	-
• Protocol advice, services and training in accordance with agreed policies and guidelines	100%	100%	-
Timeliness			
• Protocol services will be delivered in line with timetables agreed with Cabinet Secretary	95-100%	95-100%	-
• Ceremonial and official events coordinated as required	95-100%	95-100%	-
• Planning and organization of visits as required	95-	95-100%95-	-
• Training to be provided throughout the year	100%95-100%	100%	-
Location			
Grand Cayman	100%	100%	-
Cost (of producing the output)	**$400,472**	**$466,981**	**$66,509**
Price (paid by Cabinet for the output)	**$410,983**	**$466,981**	**$55,998**

Related Broad Outcomes:

9: Support the Economy

10: Open, Transparent and Efficient Public Administration

CRS 1	Constitutional Review			$473,299

Description

Constitutional Review Secretariat (CRS) will be established to coordinate and manage the entire Constitutional Review process, which will be comprehensive and involve the entire populace of the Cayman Islands

Measures	Annual Actual	Annual Budget	Variance
Quantity Number of hours of coordination	4,122	5,500-6,000	(1,378)
Quality Implementation carried out in accordance with guidelines established	90-100%	90-100%	-
Timeliness Implementation of the constitutional review will be delivered in line with timetables agreed with Cabinet Secretary	95-100%	95-100%	-
Location Grand Cayman	100%	100%	-
Cost (of producing the output)	**$708,776**	**$473,299**	**($77,216)**
Price (paid by Cabinet for the output)	**$473,299**	**$473,299**	**$158,261**

Related Broad Outcome:

9: Support the Economy

CSD 12	Policy Advice		$13,689

Description

Develop Information Technology (IT) Policies, Procedures, and strategies for the Ministries/Portfolios, Government Agencies and the Computer Services Department.

Measures	Annual Actual	Annual Budget	Variance
Quantity Number of reports, responses, advice provided and parliamentary questions answered	2	1-2	-
Quality Work completed by suitably qualified and experienced IT professionals	98-100%	98-100%	-
Timeliness Complete requirements; produce relevant reports and recommendations to deadline agreed with Chief Officer	90-100%	90-100%	-
Location Grand Cayman and Cayman Brac	100%	100%	-
Cost (of producing the output)	**$12,515**	**$13,689**	**$1,174**
Price (paid by Cabinet for the output)	**$13,689**	**$13,689**	**-**

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

CSD 27	Disaster Tolerant Central Information Technology Infrastructure	435,199

Description

The provision of an IT infrastructure which is highly tolerant to disasters such as hurricanes including;

- A secure physical location for central Government file servers
- The duplication of essential Government applications servers
- A secure physical location for data back up
- A location from which essential systems procedures can be carried out in the event of existing facilities being unavailable
- Number of servers and devices housed in Cayman Brac (New)
- Provision of Disaster Tolerant network ring to main government sites

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of file servers housed in secure facilities – Grand Cayman	166	70-80	86
• Number of servers and devices housed in Cayman Brac	0	3-4	(3)
• Disaster Tolerant network ring to main government sites	1	1	-
Quality			
• Secure facilities rated as to withstand a category 5 hurricane and/or coastal flooding of 15 feet	100%	100%	-
• Facilities equipped with back up utilities to keep the IT systems running in the event of a category 5 hurricane and/or coastal flooding of 15 feet	100%	100%	-
• All work carried out by qualified technical staff members and qualified contractors	95-100%	95-100%	-
Timeliness			
• Secure facilities operational 24 hours a day, seven days a week	95-100%	95-100%	-
• Brac data centre operational as a backup site for key systems 24 hours a day, seven days a week	95-100%	95-100%	-
• Provision of Disaster Tolerant network ring to main government sites	95-100%	95-100%	-
Location			
Grand Cayman and Cayman Brac	100%	100%	-
Cost (of producing the output)	**$201,541**	**$435,199**	**$502,648**
Price (paid by Cabinet for the output)	**$435,199**	**$435,199**	**$268,990**

Related Broad Outcomes:

1: Deal with the Aftermath and Lessons from Hurricane Ivan
6: Embrace Cayman Brac and Little Cayman
10: Open, Transparent, Honest and Efficient Public Administration

CSD 26	Government Wide Internet Portal and E-Government Support Unit	$611,224

Description

The provision of the IT infrastructure for the Government's internet portal www.gov.ky including:

- Hosting the web site on central servers
- Protecting the site against unauthorized access and viruses
- Updating the site architecture as required
- Support for day to day problems with accessing and updating the site
- To deliver E-Government services moving Government to delivering a breath of online services

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of days on which the Government's internet portal is accessible	257	359-365	(12)
• To deliver E-Government services moving Government to delivering a breath of online services	-	2-3	(1)
Quality			
• Services are delivered using Industry Standard Web portal technologies	95-100%	95-100%	-
• E-Government services delivered by trained and qualified staff members and external contractors as required	95-100%	95-100%	-
Timeliness			
• Web site provides is available to the public as a source of information 24 hours a day, seven days a week	95-100%	95-100%	-
• Delivery of E-government services in accordance with agreed project time lines	95-100%	95-100%	-
Location			
Grand Cayman	100%	100%	-
Cost (of producing the output)	**$243,198**	**$611,224**	**$368,026**
Price (paid by Cabinet for the output)	**$378,723**	**$611,224**	**$232,501**

Related Broad Outcomes:

9: Support the Economy
10: Open, Transparent, Honest and Efficient Public Administration

GIS 2	Public Information Services and Products	311,067

Description

Public information services involving:

- Information provided at the public's request on Government matters
- Services provided to the local/overseas media ; Public relations advice provided to all government agencies
- Issues management

Public Information Products:

- Calendar of events; Updating local/overseas publications
- Weekly television programme; Annual report

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of public information services hours	2,059	1,600-1,800	
• Number of calendar of events published	-	45-52	
• Number of local/overseas publications handled	-	4-6	
• Number of television programmes	32	45-48	
• Number of annual reports	-	1	
Quality			
• Public Information Services provided by experienced Information Officers (IOs)	100%	100%	-
• Updating of calendar of events supervised by Manager of IOs	95-100%	95-100%	-
• Local/Overseas press relations handled by the Chief Information Officer (CIO) or Manager of IOs or designates	100%	100%	-
• Overseas publication updates undertaken by senior GIS staff	100%	100%	-
• Television programmes overseen by senior GIS staff	100%	100%	-
• Annual Report reviewed by Senior GIS Staff and Chief Information Officer	100%	100%	-
Timeliness			
• Public Information Services provided in accordance with timescale agreed with the relevant agency	100%	100%	-
• Calendar updated and placed on the Government website each Friday	90-100%	90-100%	-
• Response to local/overseas press within 24 hrs of request	95-100%	95-100%	-
• Meet deadline set by overseas publishers	100%	100%	-
• Annual Report published by December 2008	90-100%	90-100%	-
Location			
Grand Cayman	100%	100%	-
Cost (of producing the output)	**$279,170**	**$581,472**	**$302,302**
Price (paid by Cabinet for the output)	**$419,776**	**$581,472**	**$161,696**

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

GIS 8	Public Interest News Releases			$86,175

Description

Provision of print and video news releases on subjects of interest to the public.

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of print releases issued to the media	55	225-250	
• Number of video releases issued to the media	-	175-200	
Quality			
News releases reviewed by Senior Information Officer	95-100%	95-100%	-
Timeliness			
• Print news releases issued to the media within two working days of request	95-100%	95-100%	-
• Video news releases provided as agreed	95-100%	95-100%	-
Location			
Grand Cayman	100%	100%	-
Cost (of producing the output)	**$257,382**	**$86,175**	**($171,207)**
Price (paid by Cabinet for the output)	**$74,280**	**$86,175**	**$11,895**

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

GIS 17	Providing Content for the Government's Internet Portal		$23,471

Description

Providing content for the Government's Internet Portal including;

- Adding special reports and items written by other Government Departments
- Maintaining and updating general public information on Government Internet (gov.ky)
- Uploading press releases
- Uploading the Cayman Islands Official Gazette and -related Internet matters

Measures	Annual Actual	Annual Budget	Variance
Quantity			
Number of hours	323	600-650	(277)
Quality			
All activities undertaken or supervised by a GIS senior manager	95-100%	95-100%	-
Timeliness			
• Upload reports or releases immediately on availability to GIS	95-100%	95-100%	-
• Update central Government website material quarterly	95-100%	95-100%	-
Location			
Grand Cayman	100%	100%	-
Cost (of producing the output)	**$54,640**	**$23,392**	**($31,248)**
Price (paid by Cabinet for the output)	**$23,471**	**$23,392**	**($79)**

Related Broad Outcomes:

9: Support the Economy
10: Open, Transparent, Honest and Efficient Public Administration

UKO 1	Policy Advice		$84,124

Description

Provision of advice and information to the Government and its agencies on events, policies and developments in the UK and Europe based on Press and Media Reports, Parliamentary Reports, European Union Reports, Trade Reviews, Financial Publications, Statistical Data etc.

Measures	Annual Actual	Annual Budget	Variance
Quantity Number of pieces of advice provided	413	375-425	-
Quality Advice is provided by qualified personnel	98-100%	98-100%	-
Timeliness Advice on events and policies in the UK and Europe is provided immediately or within three working days following the identification of relevant issues	98-100%	98-100%	-
Location London Office	100%	100%	-
Cost (of producing the output)	**$27,822**	**$84,124**	**$56,302**
Price (paid by Cabinet for the output)	**$84,124**	**$84,124**	-

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

UKO 2	Promotion of the Cayman Islands in Europe		$112,192

Description

Promotion of the Cayman Islands through:

- Participating in meetings and conferences
- Involvement with media organizations and other associates
- Administration and support for the Friends of Cayman group

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of promotional events and meetings attended	529	300-350	179
• Number of media contacts, press releases etc.	7	10-12	(3)
Quality			
Officers promoting the Cayman Islands are well versed in all aspects of the Cayman Islands and are able to network as required	100%	100%	-
Timeliness			
• Attendance at promotional events and meetings subject to invitation	98-100%	98-100%	-
• Media activities as dictated by media requests or opportunities	100%	100%	-
Location			
Europe	100%	100%	-
Cost (of producing the output)	**$90,926**	**$112,192**	**$21,266**
Price (paid by Cabinet for the output)	**$112,192**	**$112,192**	**$-**

Related Broad Outcome:

9: Support the Economy

UKO 5	Information on Cayman Islands to the Public in Europe	$145,601

Description

Provision of written and verbal information on the Cayman Islands to companies, organizations and the public in the United Kingdom (UK) and Europeincluding updating information in UK publications and requests for documents/reports/publications from Government departments.

Measures	Annual Actual	Annual Budget	Variance
Quantity Number of hours of information provided	187	500-550	(313)
Quality Information provided by qualified personnel	90-100%	90-100%	-
Timeliness All enquires answered: immediately - two working days	98-100%	98-100%	-
Location Europe	100%	100%	-
Cost (of producing the output)	**$79,829**	**$145,601**	**$65,772**
Price (paid by Cabinet for the output)	**$65,449**	**$145,601**	**$80,152**

Related Broad Outcomes:

9: Support the Economy
10: Open, Transparent, Honest and Efficient Public Administration

UKO 7	Consular Services			$134,207

Description

Provision of assistance to persons resident or visiting the United Kingdom including:

- Assistance with visa and passport enquiries
- Assistance to Caymanians, especially students

Measures	Annual Actual	Annual Budget	Variance
Quantity			
Number of persons assisted	200	130-140	60
Quality			
Assistance provided by officers experienced in dealing with the UK public sector agencies	100%	100%	-
Timeliness			
All assistance provided within two working days of request	95-100%	95-100%	-
Location			
London Office	100%	100%	-
Cost (of producing the output)	**$38,420**	**$134,207**	**$95,787**
Price (paid by Cabinet for the output)	**$134,207**	**$134,207**	**$-**

Related Broad Outcome:

10: Open, Transparent, Honest and Efficient Public Administration

UKO 8	Representational Duties and International Relations	$200,904

Description

Liaison with Her Majesty's Government and International Organizations:

- Participating in and arranging meetings, conferences, functions and official visits
- Entertainment of official guests
- Attendance at ceremonial and official functions (receptions dinners etc.)
- Administration and support for the All Party Parliamentary Group for the Cayman Islands
- Participation in the United Kingdom Overseas Territory Association
- Participation in Commonwealth Organizations
- Participation in and administrative support for the Overseas Countries and Territories Association (OCTA)
- Representing Cayman Islands and developing international relations

Measures	Annual Actual	Annual Budget	Variance
Quantity			
• Number of hours	1,009	1,000-1,200	
• Number of meetings, conferences and official functions attended	177	300-350	
Quality			
• Assistance provided by officers experienced in dealing with international organizations	95-100%	95-100%	-
• Meetings, conferences and official functions attended by qualified officer	95-100%	95-100%	-
Timeliness			
• All assistance provided within four working days of request	100%	100%	-
• Meetings, conferences and official functions attended as necessary	100%	100%	-
Location			
London and Cayman Islands	100%	100%	-
Cost (of producing the output)	**$268,494**	**$200,904**	**($67,590)**
Price (paid by Cabinet for the output)	**$200,904**	**$200,904**	**$-**

Related Broad Outcomes:

9: Support the Economy

10: Open, Transparent, Honest and Efficient Public Administration

Part C

Ownership Performance Achieved During the Year

(Unaudited)

3. Nature and Scope of Activities

Approved Nature and Scope of Activities

General Nature of Activities

Providing support for Leader of Government Business and the Cabinet; providing critical infrastructure support and management of Government's information technology assets; providing for a well-informed populace through the communication of information relating to the activities of Government agencies; providing for the administration of the Temporary Housing Initiative after Hurricane Ivan; providing advice and support to Government agencies with responsibility for protocol services; providing a range of services relating to official visits and promotion of the Cayman Islands from an office in the United Kingdom.

Scope of Activities

- Support for the Cabinet in coordinating the collection and dissemination of information regarding the decisions of the Cabinet.
- Coordinating and monitoring the policy initiatives of the Government and providing secretarial, administrative and policy support for the Leader of Government Business.
- Providing information technology advice, evaluation and consulting services; establish IT standards; procure, install, maintain and support computer equipment, network and computing services; provide analysis, design, programming, implementation and support for software solutions; provide support and assistance for office automation and related products; procure and distribute computing consumables; provide centralised photocopying, printing, mail, fax distribution and associated services.
- Providing for the support of government agencies in communicating proactively and responsively with the public, utilising the mass media as primary partners.
- Providing for the administration of the Government's temporary housing initiative in the aftermath of Hurricane Ivan, including the provision of social programmes and transition to permanent housing.
- Providing advice and training to Government agencies on protocol for officials visiting the Cayman Islands.
- Providing a range of services relating to promotion, information, recruitment and official visits from an office based in the United Kingdom
- Facilitate the completion of any further constitutional review.\
- Facilitating the implementation and further administration of Freedom of Information.

Customers and Location of Activities

The customers of the Cabinet Office are the Governor (as President of the Cabinet), Leader of Government Business, Members of the Legislative Assembly, Government agencies in the Cayman Islands, Governments of other Overseas Territories in the region, the general public, visitors, public and private organisations, and public servants.

The Cabinet Office provides services throughout the Cayman Islands and in the United Kingdom.

Compliance during the Year

In general, the Cabinet Office has complied with the Nature and Scope of Activities as agreed in the 2008-09 Budget.

4. Strategic Ownership Goals

Strategic Ownership Goals

The key strategic ownership goals for the Cabinet Office in 2008/9 and the subsequent two years are as follows:

- The establishment of mechanisms to improve the coordination of Government Policy, encourage innovation and creativity in policymaking, and identify and oversee policy which encompasses a number of ministries and portfolios
- The development of a set of modelling tools and information sources in order to assess the impact of Government policies.
- Upgrade Government information technology infrastructure network resilience, Internet and electronic transaction security, making Government less susceptible to loss of revenue and productivity, as a result of damage to computing equipment.
- Increase and improve the quality and depth of consulting and project management services offered to Government Agencies.
- To extend the functionality of the Government hosted Internet Portal and e-Government services in partnership with Government departments agencies. To produce an E-Government strategy
- Facilitate the completion of any further constitutional review exercises in accordance with the timetable set by the Government.
- Implement the requirements of the Public Service Management Law following its enactment.
- Create greater administrative efficiency to ensure that all services to Government agencies are provided in a timely, quality- oriented, customer focused, efficient and effective manner
- Introduce and administer Freedom of Information across Government departments.

Achievement during Year

In general, the Cabinet Office has complied with the Strategic Ownership Goals as agreed in the 2008/09 Budget.

5 Ownership Performance Targets

The ownership performance targets for the *Cabinet Office* for the 2008/9 financial year are as follows.

5.1 Financial Performance

Financial Performance Measure	**2008/9 Actual ($) 000**	**2008/9 Budget ($) 000**	**Annual Variance**
Revenue from Cabinet	5,546	7,657	2,111
Revenue from ministries, portfolios, statutory authorities, government companies	10,348	12,212	1,864
Revenue from others	976	721	(255)
Surplus/deficit from outputs	(664)	-	(664)
Ownership expenses	-	-	-
Operating Surplus/Deficit	(664)	-	(664)
Net Worth	6,394	6,641	247
Cash flows from operating activities	1,934	592	(1,342)
Cash flows from investing activities	(1,092)	(1,792)	(700)
Cash flows from financing activities	1,015	500	(515)
Change in cash balances	1,857	(700)	(2,550)

Financial Performance Ratio	**2008/9 Actual (%)**	**2008/9 Budget (%)**	**Annual Variance**
Current Assets: Current Liabilities (Working Capital)	140%	253%	113%
Total Assets: Total Liabilities	178%	443%	265%

5.2 Maintenance of Capability

Human Capital Measures	2008/9 Actual	2008/9 Budget	Annual Variance
Total full time equivalent staff employed	114	121	7
Staff turnover (%) Managers Professional and technical staff Clerical and labourer staff	8 5 11	3 0 8	(5) (5) (3)
Average length of service (number of years in current position) Managers Professional and technical staff Clerical and labourer staff	14 7 6	13 6 6	(1) (1) -
Changes to personnel management system:			

Physical Capital Measures	2008/9 Actual 000	2008/9 Budget 000	Annual Variance
Value of total assets	$14,640	$7,908	$6,732
Asset replacements: total assets	38%	62%	24%
Book value of assets: initial cost of those assets	34%	22%	(12%)
Depreciation: cash flow on asset purchases	92%	70%	(22%)
Changes to asset management policies			

Major <u>New</u> Entity Capital Expenditures for the Year	2008/9 Budget ($)
Freedom of Information Software for compliance with FOI Legislation - (Allocated to FOI Coordination)	200,000
Airport VIP Lounge Renovations/Upgrades (Allocated to Protocol Office)	30,000
Vehicle for Protocol Purposes (Allocated to Protocol Office)	40,000

Preparing of site and relocating of Trailer homes (Allocated to THI)	200,000
Vehicle for IT support (Allocated to CSD)	15,000
Filing System for FOI in GIS (Allocated to GIS)	15,000

Major Entity Capital Expenditure Commenced but not completed in previous years	**Anticipated Project Status at 1st July 2009**

3.3 Risk Management

Key risks faced by the Portfolio	**Change in status from 2007/8**	**Actions to manage risk**	**Financial value of risk**
Natural Disaster – Loss of Vital Information	Unchanged	• Employees transfer vital information on a regular basis to the Archives • Archiving of application files and other documents • Off site real-time copies of data	
Security of Confidential Documents	Unchanged	• All confidential documents e.g. personnel records, are kept locked away in cabinets and are only accessed by authorised personnel	
Providing incorrect advice to client agencies	Increased risk due to the Creation of the Protocol Unit	• Ensure personnel are trained in the analysis of policy and protocol impacts • Policy Unit personnel to be familiar with the current division of policy responsibilities between Government agencies • Protocol Unit personnel to be familiar with the current protocol	

		guidelines	
Staff retention and recruitment	Unchanged	• Upgrade and promote staff in high demand positions. • Create job advertisements that inform potential new employees of the intangible benefits of living in the Cayman islands • Sharing of responsibilities by current staff/cross training • Succession Planning	
Destruction, damage or loss of Assets due to Natural Disaster	Unchanged	• Prevention and Recovery • Provide back-up devices • Build disaster tolerant data communications room. • Establishing disaster tolerant facilities at Grand Cayman and on Cayman Brac. • Provide training exercises and preparedness • Regular fire inspections	
Breach of Central Government Computer Security	Unchanged	• Implement IT audits and hire an experienced IT security manager • Approve an IT user policy	
Loss of Government's networked computer system	Unchanged	• Progressively update core IT infrastructure	

6. Equity Investments and Withdrawals

Equity Movement	2008/9 Actual	2008/9 Budget
Equity Investment from Cabinet into the Cabinet Office	1,014,550	500,000
Capital (Equity) Withdrawal by Cabinet from the Cabinet Office	-	-

Part D

Financial Statements for the Year

CABINET OFFICE

Cayman Islands Government
Government Administration Building
Grand Cayman, Cayman Islands, BWI
TEL: 244- 2292
FAX: 949-0650

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Cabinet Office in accordance with the provisions of the *Public Management and Finance Law (2005 Revision).*

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

As Chief Officer and Chief Financial Officer, we are responsible for establishing; and have established and maintain a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly record the financial transactions of the Cabinet Office.

As Chief Officer and Chief Financial Officer, we are responsible for the preparation of the Cabinet Office financial statements and for the judgements made in them.

The financial statements fairly present the statement of financial performance, statement of changes in net assets, statement of financial position and cash flow statement for the financial year ended 30 June 2009.

To the best of our knowledge, we represent that these financial statements:
(a) completely and reliably reflect the financial transactions of Cabinet Officefor the year ended 30 June 2009;
(b) fairly reflect the financial position as at 30th June 2009 and performance for the year ended 30th June 2009; and
(c)comply with International Public Sector Accounting Standards under the responsibility of the International Accounting Standards Board.

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

Orrett Connor	*Matthew Tibbetts*
Chief Officer	Chief Financial Officer
Date: 18/5/11	Date: 18/5/11

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CAYMAN ISLANDS

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CAYMAN ISLANDS

Auditor General's Report

To the Cabinet Secretary and Members of the Legislative Assembly of the Cayman Islands

I have audited the accompanying financial statements for the Cabinet Office, which comprise the statement of financial position as at 30 June 2009 and the statement of income, statement of changes in net worth and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes as set out on pages 41 to 52 in accordance with the provisions of Section 44(3) of the *Public Management and Finance Law (2005 Revision).*

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair representation of these financial statements in accordance with International Public Sector Accounting Standards. This responsibility includes: designing, implementing and maintaining internal controls 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 for the Financial Statements

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 for the Financial Statements

Inventories

There was no inventory count performed at June 30, 2009 and as a result I am unable to evaluate the accuracy of the amount of $765K on the statement of financial position for inventory. In addition, I was unable to carry out satisfactory audit procedures to obtain reasonable assurance for the existence of inventory at June 30, 2009.

Property, plant and equipment

As the Cabinet Office did not maintain proper records, I was unable to satisfy myself as to the completeness, existence and valuation of property, plant and equipment amounting to $3M on the statement of financial position.

Net worth

I was unable to satisfy myself that the amount of $6.4M reported as net worth on the statement of financial position at 30 June 2009 was fairly stated because of the lack of adequate records on the beginning balance amounting to $2.6M.

Employee entitlements

I was unable to obtain sufficient evidence as to the accuracy of long service leave and other leave entitlement amounting to $389K on the statement of financial position.

Receivables

I was unable to satisfy myself as to the accuracy and validity of the net realizable value of receivables amounting to $8.7M due to lack of provision on doubtful accounts.

Revenues

I was unable to obtain reasonable assurance on the completeness of revenues due to system flaw in IRIS – Oracle Application. The magnitude of this observation to the statement of financial performance for the year ending 30 June 2009 cannot be determined due to the limitation in generating the required information on the system.

Qualified Opinion for the Financial Statements

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 existence and valuation of fixed assets and inventory and the accuracy of net worth and employee entitlements, as well as the accuracy and validity of receivables, the financial statements present fairly, in all material respects, the financial position of the Cabinet Office as of 30 June 2009, and of its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.

Emphasis of Matter

Some requirements for presentation and disclosures under IPSAS have not been complied with. This lack of disclosure is material to the readers' ability to understand these financial statements.

Alastair J. Swarbrick, MA (Hons), CPFA
Auditor General

Cayman Islands
18 May 2011

CABINET OFFICE
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual (Restated) $000
Revenue				
Outputs to Cabinet		5,546	7,657	6,336
Outputs to other government agencies		10,348	12,212	11,690
Outputs to others		967	721	668
Interest Revenue		-	-	10
Total Operating Revenue		16,861	20,589	18,704
Operating Expenses				
Personnel costs	2	9,733	11,307	9,019
Supplies and consumables	3	6,454	7,649	7,458
Depreciation	4	1,007	1,246	1,330
Capital charge	13	301	387	578
Other operating expenses		-	-	-
Total Operating Expenses		17,495	20,589	18,385
Surplus/ (Deficit) from operating activities		(634)	-	319
Gains/losses on foreign exchange transactions		(30)	-	-
Gains/losses on disposal or revaluation of non-current assets		-	-	-
Net Surplus (Deficit)		**(664)**	**-**	**319**

The Notes to the Financial Statements on pages 45 to 52form an integral part of these financial statements.

CABINET OFFICE
FORECAST STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual (Restated) $000
Opening balance net worth as previously reported		**6,261**	**6,141**	**5,089**
Prior period adjustment		-	-	626
Opening balance net worth as restated		**6,261**	**6,141**	**5,715**
Net (deficit)/surplus		(664)	-	319
Total recognised revenues and expenses				
Equity investment from Cabinet		1,015	500	546
Repayment of surplus to Cabinet		(218)	-	(319)
Closing balance net assets		**6,394**	**6,641**	**6,261**

The Notes to the Financial Statements on pages 45 to 52 form an integral part of these financial statements.

CABINET OFFICE
STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2009

	Note	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual (Restated) $000
Current Assets				
Cash and cash equivalents	5	1,934	1,089	77
Accounts receivable	6	8,784	3,624	10,766
Inventories	7	765	188	575
Other Assets		57	-	51
Total Current Assets		11,540	4,901	11,469
Non-Current Assets				
Property, plant and equipment	8	3,099	3,678	3,014
Other non-current assets		-	-	-
Total Non-Current Assets		3,099	3,678	3,014
Total Assets		**14,639**	**8,579**	**14,483**
Current Liabilities				
Accounts payable	9	1,284	1,756	2,532
Unearned revenue		26	-	26
Employee entitlements	10	389	182	389
Other current liabilities	11	6,545	-	5,274
Total Current Liabilities		8,244	1,938	8,221
Non-Current Liabilities				
Employee entitlements	12	1	-	1
Other non-current liabilities		-	-	-
Total Non-Current Liabilities		1	-	1
Total Liabilities		**8,245**	**1,938**	**8,222**
NET ASSETS		**6,394**	**6,641**	**6,261**
NET ASSETS / EQUITY				
Contributed capital		7,058	6,641	6,261
Asset revaluation reserve		-	-	-
Accumulated surpluses/ (deficit)		(664)	-	-
TOTAL NET ASSETS / EQUITY		**6,394**	**6,641**	**6,261**

The Notes to the Financial Statements on pages 45 to 52 form an integral part of these financial statements.

CABINET OFFICE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009

	Note	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual (Restated) $000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Sale of Outputs		18,411	7,680	16,538
Interest received		10	10,712	5
Other receipts		193	634	(454)
Payments				
Personnel costs		(9,745)	(11,307)	(8,786)
Suppliers		(6,666)	(6,977)	(6,821)
Other payments		(269)	(150)	(3)
Net cash flows from operating activities	14	**1,934**	**592**	**479**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of non-current assets		(1,092)	(1,792)	(1,294)
Proceeds from sale of non-current assets		-	-	-
Net cash flows from investing activities		**(1,092)**	**(1,792)**	**(1,294)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Equity investment		1,015	500	395
Repayment of surplus		-	-	-
Capital withdrawal		-	-	-
Net cash flows from financing activities		**1,015**	**500**	**395**
Net increase/(decrease) in cash and cash equivalents		**1,857**	**(700)**	**(420)**
Cash and cash equivalents at beginning of period		77	1,789	497
Cash and cash equivalents at end of period		**1,934**	**1,089**	**77**

The Notes to the Financial Statements on pages 45 to 52 form an integral part of these financial statements.

Description and principal activities

These financial statements are for the Cabinet Office. The Cabinet Office is comprised of several departments namely Cabinet Office, Computer Services Department, Government Information Services, Temporary Housing Initiative, London Office, Freedom of Information, Protocol Office and Constitutional Review Secretariat. In general, these are the Outputs to Cabinet and other government agencies namely to support for Leader of Government Business and the Cabinet; provides critical infrastructure support and management of Government's information technology assets; providing for a well-informed populace through the communication of information relating to the activities of Government agencies; providing advice and support to Government agencies with responsibility for protocol services; providing a range of services relating to official visits and promotion of the Cayman Islands from an office in the United Kingdom.

Note 1: Significant Accounting Policies

Basis of preparation
The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSASs) using the accrual basis of accounting. Where there is currently no IPSAS, other authoritative pronouncements such as International Accounting Standards and United Kingdom reporting standards applicable to the public sector have been used. The measurement base applied is historical cost adjusted for revaluations of certain assets.

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently.

Reporting Period
The annual reporting period is for the twelve months ended 30 June 2009.

Revenue
Output revenue
Output revenue, including entity revenue resulting from user charges or fees, is recognised when it is earned.

Interest revenue
Interest revenue is recognised in the period in which it is earned.

Expenses
General
Expenses are recognised when incurred.

Depreciation
Depreciation of non-financial physical assets is provided on a straight-line basis at rates based on the expected useful lives of those assets.

Note 1: Significant Accounting Policies (continued)

Assets

Cash and cash equivalents

Cash and cash equivalents include cash held in the Cabinet Office bank account and any money held on deposit with the Portfolio of Finance and Economics (Treasury).

Receivables and advances

Receivables and advances are recorded at the amounts expected to be ultimately collected in cash.

Inventory

Inventories are recorded at the lower of cost and net current value. Where inventories are valued at cost, specific identification or the FIFO method has been used. Appropriate allowance has been made for obsolescence.

Property, Plant and Equipment (including Infrastructure Assets)

Buildings are recorded at historical cost (or fair value as at time of first recognition) or valuation.

Other plant and equipment, which includes motor vehicles and office equipment, is recorded at cost (or fair value if acquired prior to 2005) less accumulated depreciation.

Computer Hardware and Software

Computer hardware and software are recorded at cost, and depreciated in accordance with the policy on depreciation.

Liabilities

Accounts Payable

Accounts payable are recorded at the amount owing after allowing for credit notes and other adjustments.

Provisions

Provisions are recognised in accordance with IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets.

Note 1: Significant Accounting Policies (continued)

Liabilities (continued)

Employee Benefits

a) *Annual leave entitlement*
Annual leave due, but not taken, is recognised as a current liability at current rates of pay.

b) *Pension obligations*
Pension contributions for employees of the Cabinet Office are paid to the Public Service Pensions Fund (the "Fund). The fund is administered by the Public Service Pensions Board and is operated as a multi-employer non-contributory Fund, whereby the employer pays both employer and employee contributions. Prior to 1 January 2000 the scheme underlying the Fund was a defined benefit scheme. With effect from 1 January 2000 the Fund had both a defined benefit and a definedcontribution element. Participants joining after that date became members of the defined contribution element. Pension scheme contributions are included in the personnel costs in the statement of income.

The Public Service Pension Liability for all civil servants (both current and past) is an executive liability managed by the Hon. Financial Secretary. This liability is reported on the Hon. Financial Secretary's executive financial statements.

Employee entitlements

Amounts incurred but not paid at the end of the reporting period are accrued. Annual leave due, but not taken, is recognised as a liability.

Long service leave liabilities are measured as the present value of estimated leave service entitlements.

NOTE 2: PERSONNEL COSTS

	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual $000
Salaries and wages (including employee pension contributions)	9,319	10,799	8,382
Employer pension expense	404	508	396
Other personnel costs	10	-	241
Total Personnel Costs	**9,733**	**11,307**	**9,019**

NOTE 3: SUPPLIES AND CONSUMABLES

	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual $000
Supply of goods and services	5,336	6,897	6,251
Operating lease rentals	1,118	400	1,207
Other	-	352	-
Total Supplies and Consumables	**6,454**	**7,649**	**7,458**

NOTE 4: DEPRECIATION

	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual $000
Buildings	21	-	21
Other Infrastructure Assets	117	117	117
Vehicles	15	15	15
Furniture and fittings	5	30	28
Computer hardware and software	815	977	1,099
Office equipment	29	101	44
Other plant and equipment	-	-	-
Other assets	6	6	6
Total Depreciation	**1,007**	**1,246**	**1,330**

Assets are depreciated on a straight-line basis as follows:

	Years
Vehicles	4 - 5
Furniture and fittings	10 - 20
Computer hardware and software	3 - 10
Office equipment	5 - 10
Other plant and equipment	4 - 25

CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

NOTE 5: CASH AND CASH EQUIVALENTS

	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual (Restated) $000
Cash on hand	2	149	1
Bank accounts	1,932	940	76
Deposits with Portfolio Finance and Economic (Treasury)	-	-	-
Total Cash and Cash Equivalents	**1,934**	**1,089**	**77**

NOTE 6: ACCOUNTS RECEIVABLE

	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual (Restated) $000
Outputs to Cabinet	1,612	605	1,756
Outputs to other government agencies	6,218	2,748	8,314
Outputs to others	119	101	50
Prepayments	394	-	193
Interest Receivable	-	4	-
Other Receivables	441	166	453
Total Gross Accounts Receivable	8,784	3,624	10,766
Less: provision for doubtful debts	-	-	-
Total Net Accounts Receivable	**8,784**	**3,624**	**10,766**

NOTE 7: INVENTORIES

	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual $000
Raw Materials (including Consumable Stores)	765	188	575
Work in Progress	-	-	-
Total Inventories	**765**	**188**	**575**

NOTE 8: PROPERTY, PLANT AND EQUIPMENT

	200/9 Cost or Revalued Amount	2008/9 Acc Dep	2008/9 Book Value Actual	2007/8 BookVal ue Actual (Restated)
	$000	$000	$000	$000
Buildings	314	92	222	242
Other Infrastructure Assets	1,598	693	905	1,028
Vehicles	101	84	17	32
Furniture and fittings	182	106	76	85
Computer hardware and software	2,039	4,822	(2,783)	(1,972)
Office equipment	176	177	(1)	23
Other plant and equipment	336	19	317	317
Work / Construction in Process	170	-	170	61
Fixed Assets Mass Additions	4,176	-	4,176	3,198
Total	**9,092**	**5,993**	**3,099**	**3,014**

NOTE 9: ACCOUNTS PAYABLE

	2008/9 Actual	2008/9 Budget	2007/8 Actual
	$000	$000	$000
Trade Creditors	184	372	785
Accruals	1,100	1,384	1,747
Total	**1,284**	**1,756**	**2,532**

NOTE 10: EMPLOYEE ENTITLEMENTS (CURRENT)

	2008/9 Actual $000	2007/8 Budget $000	2007/8 Actual $000
Long service leave and other leave entitlements	357	172	357
Other salary related entitlements	32	10	32
Total Employee Entitlements	**389**	**182**	**389**

NOTE 11: OTHER CURRENT LIABILITIES

The total amount of $6.5M ($5.3M in 2008) included a surplus payable to the Cabinet Office in the amount of $1.1M for the year ending 30 June 2005; $1.5M for the year ending 30 June 2006; $959K for the year ending 30 June 2007 and $100K for the year ending 30 June 2008. As a result of restatement for 2008 financial statements, surplus payable for 2008 is increased to $319K. Under the Public Management & Finance Law (2005 Revision) section 39 (3) (f) the Office may "retain such part of its net operating surplus as is determined by the Financial Secretary". Therefore, the Cabinet Office has booked a surplus payable to the Government in the amount of $3.7M (30 June 2009) as the Office has not requested or received any approval from the Financial Secretary to retain the surplus achieved since 2005.

Included also in this section are Creditors –owed to other ministries or departments in the amount of $2.3M ($1.6M in 2008).

NOTE 12: EMPLOYEE ENTITLEMENTS (NON-CURRENT)

	2008/9 Actual $000	2008/9 Budget $000	2007/8 Actual $000
Long service leave and other leave entitlements	1	-	1
Other salary related entitlements	-	-	-
Total	**1**	**-**	**1**

NOTE 13: CAPITAL CHARGE

A capital charge is payable to the Portfolio of Finance and Economics as required by Public Management and Finance Law, (2005 Revision) section 41(5). The Financial Secretary annually sets the capital charge rate which was 5.95% for 2008/9 (2007/8 5.95%). The capital charge is recorded semi-annually, on December 31 and June 30 and calculated by multiplying the capital charge rate by the net assets/net worth amount. For 2008/9, the capital charge is $301K (2007/8: $578K).

NOTE 14: RECONCILIATION OF OPERATING SURPLUS TO CASH FLOWS FROM OPERATING ACTIVITIES

	2008/9 Actual	2008/9 Budget	2007/8 Actual (Restated)
	$000	$000	$000
Operating surplus/(deficit)	(664)	-	319
Non-cash movements			
Depreciation	1,007	1,246	1,330
Increase in payables/accruals	309	822	2,069
Increase in other current assets	(3)	-	(215)
(Increase)/decrease in receivables	1,285	(1,476)	(3,024)
Net cash flows from operating activities	**1,934**	**592**	**479**

NOTE 15: RESTATEMENT OF 2007-08 FINANCIAL STATEMENTS

The 2007-08 financial statements were restated due to a reclassification of accounts resulting from transactions which occurred during the 2007-08 fiscal year which were not posted to the general ledger until late 2010. These transactions were legitimate interagency transactions that were posted to the sub-ledgers but, due to various reasons, were not transferred to the general ledger, which resulted in their omission from the 2007-08 financials. The total value of these reclassifications was $626K.

NOTE 16: RELATED PARTY DISCLOSURES

During the year, the entity engaged the services of other government entities. The following are list of government entities and the amount owed by the Cabinet Office: Cayman Islands Government – Treasury Department - $1M and Lands and Survey Department - $213K.

There are 7 full-time equivalent personnel considered at the Senior Management Level. The total remuneration includes: regular salary, allowances, pension contributions and health insurance contributions. Total remuneration for senior management in 2008-09 was approximately $819K (2008: $700K).