



GOVERNMENT OF THE CAYMAN ISLANDS

Cabinet Office

**ANNUAL REPORT
FOR THE YEAR ENDED
30th JUNE 2010**

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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 2010. 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 2009/10, 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 2009/10 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

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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* (2010 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* (2010 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 Office for the year ended 30 June 2010; or
- (b) fairly reflect the outputs delivered as at 30th June 2010.

Handwritten signature of Orrett Connor.

Orrett Connor
Chief Officer

Date: 21/10/2011

Handwritten signature of Matthew Tibbetts.

Matthew Tibbetts
Chief Financial Officer

Date: 21/10/11

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 2010 as set out on pages 6 to 34 in accordance with the provisions of Section 44(3) of the *Public Management and Finance Law (2010 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 Relations Advice and Services
- CAB 4 - Administrative Support for Cabinet
- CAB 6 - Tax Undertaking Certificates
- CAB 11 – Administration of Temporary Housing Initiative
- CAB 12 – Freedom of Information and Data Protection Coordination
- PCF 1 – Protocol Services
- 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
- CSD 36 – Information Technology Support Services
- CSD 37 – Information Technology Project and Demand Services
- CSD 38 – Copy/Mail Centre and Procurement Services
- ICO 1 – Freedom of Information Appeals
- ICO 2 – Compliance with Freedom of Information Legislation
- ICO 3 – Public Awareness of Freedom of Information Legislation
- GIS 1 – Events and Communications Campaigns
- GIS 2 – Public Information Services and Products
- GIS 5 – Press Conferences, Public Liaison and Advice
- GIS 6 – Crisis Communication and Response Plans
- GIS 7 – Special Editorial Services
- GIS 8 – Public Interest News Releases
- GIS 10 – Special Video and Audio Assignments
- GIS 13 – Special Photography Assignments
- GIS 17 – Providing Content for the Government's Internet Portal
- GIS 18 – Speeches for Government Officials
- GIS 19 – Graphic Products

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 (2010 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 2010:

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 2009/10.

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
21 October 2011

Part B
Statement of Outputs Delivered

CAB 1	Policy Advice and Coordination	\$307,637	
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	2009/10 Actual	2009/10 Budget	Variance
Quantity Number of hours of advice, management and coordination provided	1,630	1,000-1,100	530
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	\$43,460	\$307,637	(264,177)
Price	\$307,637	\$307,637	-
Related Broad Outcomes: 1: Addressing the Economic Crisis in the Cayman Islands 2: Restoring Prudent Fiscal Management			

CAB 2	Coordinating and Monitoring of Policy Implementation	\$112,152	
Description Coordinating and monitoring the implementation of policy initiatives by Ministries and Portfolios and public agencies to avoid the duplication of activity and promote synergy in areas of common responsibility.			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity - Number of hours spent coordinating and monitoring policy implementation - Number of policy implementation reports prepared	562 NA	450-500 12-15	62 NA
Quality - Policies coordinated and monitored by senior personnel - Reports are prepared accurately, properly researched and are signed off by Cabinet Secretary	98-100% 98-100%	98-100% 98-100%	98-100% 98-100%
Timeliness - Monitoring is conducted on an on-going basis - Reports arising from monitoring are provided monthly	100% 90-100%	100% 90-100%	100% 90-100%
Location Grand Cayman	100%	100%	100%
Cost	\$23,006	\$112,152	(89,146)
Price	\$112,152	\$112,152	-
Related Broad Outcomes: 1: Addressing the Economic Crisis in the Cayman Islands 2: Restoring Prudent Fiscal Management			

CAB 3	Public Relations Advice and Services	\$281,347	
Description			
Coordinating public information and communications strategies of the Government relating to policy initiatives through use of:			
• Press releases • Articles • Speeches • Newsletters			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity Number of press releases, articles, speeches, newsletters and other advice prepared	116	70-75	41
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	\$234,882	\$281,347	(46,465)
Price	\$281,347	\$281,347	-
Related Broad Outcomes:			
1: Addressing the Economic Crisis in the Cayman Islands			
2: Restoring Prudent Fiscal Management			

CAB 4	Administrative Support for Cabinet	\$503,118	
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	2009/10 Actual	2009/10 Budget	Variance
Quantity			
• Number of agendas prepared and circulated	104	80-90	14
• Number of minutes prepared and circulated	52	80-90	(28)
• Number of extracts prepared and circulated	2,510	1,600-1,700	810
• Number of Cabinet briefings conducted	46	40-45	1
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 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	90-100%	90-100%	-
Location			
Grand Cayman	100%	100%	-
Cost	\$784,846	\$503,118	\$281,728
Price	\$503,118	\$503,118	-
Related Broad Outcomes:			
1: Addressing the Economic Crisis in the Cayman Islands			
2: Restoring Prudent Fiscal Management			

CAB 7	Tax Undertaking Certificates	\$157,853		
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		2009/10 Actual	2009/10 Budget	Variance
Quantity Number of Tax Undertaking Certificates issued		8,292	5,500-6,000	2,292
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 - Licenses issued up to two working days after confirmation of minutes		90-100%	90-100%	-
Location Grand Cayman		100%	100%	-
Cost		\$110,449	\$157,853	(47,404)
Price		\$157,853	\$157,853	-
Related Broad Outcomes:				
1: Addressing the Economic Crisis in the Cayman Islands				
2: Restoring Prudent Fiscal Management				

CAB 11	Administration of Temporary Housing Initiative	\$381,395	
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	2009/10 Actual	2009/10 Budget	Variance
Quantity			
Number of temporary housing units administered and/or maintained	42	50-60	(8)
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	\$464,310	\$381,395	82,915
Price	\$381,395	\$381,395	-
Related Broad Outcome:			
6: Addressing Crime and Policing			
9: Improving the Lives of the Elderly and Disabled			

Note: The total cost of supplying this output is \$464,310. However, the revenue of \$22,570 from third parties reduces the cost to Cabinet to \$441,740.

CAB 12	Freedom of Information and Data Protection Coordination	\$449,990	
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 • Data Protection Awareness			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity • Number of proactive training and awareness sessions • Number of reactive assistance interactions with public entities • Number of statutory, regulatory and policy requirements reviewed • Number of implementation progress reports submitted • Number of web sites maintained	18 327 32 8 1	22 70 8 6 1	(4) 257 24 2 -
Quality • Training and awareness to be provided by qualified officer • Assistance provided by qualified officer • Reports will be accurate, concise and provide clear recommendations • Web site information approved by Senior FOI Officer	95-100% 95-100% 90-100% 95-100%	95-100% 95-100% 90-100% 95-100%	- - - -
Timeliness • Extensive training completed by June 2009 • Assistance provided as required • Reports submitted quarterly • Website online and maintained throughout the year	90-100% 90-100% 90-100% 90-100%	90-100% 90-100% 90-100% 90-100%	- - - -
Location Cayman Islands	100%	100%	-
Cost	\$138,051	\$449,990	(311,939)
Price	\$449,990	\$449,990	-
Related Broad Outcome: 1: Addressing the Economic Crisis in the Cayman Islands 2: Restoring Prudent Fiscal Management 15: Strengthening our Infrastructure			

PCF 1	Protocol Services	\$1,054,625	
Description			
Included in this output are:			
The provision of a wide range of protocol services and interventions to the Cayman Islands Government and to the wider community as required. Additionally, this output includes:			
- The budget of the Leader of Government Business - Various Ceremonies including - Hero's Day - Official Funerals - Remembrance Day			
Measures	3rd Quarter Actual	3rd Quarter Budget	Variance
Quantity - Advice and reporting in relation to protocol matters - Number of protocol policies and services developed - Number of ceremonial and official events coordinated - Number of official visits (local/overseas) planned and organized - Number of protocol officers trained in various entities	2,360 - 7 68 41	1,000-1,100 6-8 3-5 8-10 50-60	1,260 (6) 2 58 (9)
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 - Protocol advice, services and training to be provided by suitably experienced staff - Protocol advice, services and training in accordance with agreed policies and guidelines - Delivery of airport chaperone service to be provided in a professional and efficient manner	90-100% 90-100% 90-100%	100% 100% 100%	- - -
Timeliness - Protocol services will be delivered in line with timetables agreed with Cabinet Secretary - Ceremonial and official events coordinated as required - Planning and organization of visits as required - Training to be provided throughout the year	95-100% 95-100% 95-100%	95-100% 95-100% 95-100%	- - - -
Location Cayman Islands	95-100%	95-100%	-
Cost	\$786,190	\$1,054,625	(\$268,435)
Price	\$803,758	\$1,054,625	(\$250,867)
Related Broad Outcomes:			
4. Setting the stage for success in the Tourism Industry			
15. Strengthening our Infrastructure			

CSD 12	Policy Advice	\$10,622		
Description				
Develop Information Technology (IT) Policies, Procedures, and strategies for the Ministries/Portfolios, Government Agencies and the Computer Services Department.				
Measures		2009-10 Actual	2009/10 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		100%	98-100%	-
Timeliness Complete requirements; produce relevant reports and recommendations to deadline agreed with Chief Officer		100%	90-100%	-
Location Cayman Islands		100%	100%	-
Cost		\$-	\$10,622	(\$10,622)
Price		\$10,622	\$10,622	\$-
Related Broad Outcome:				
15. Strengthening our Infrastructure				

CSD 27	Disaster Tolerant Central Information Technology Infrastructure	\$418,466	
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 - Provision of Disaster Tolerant network ring to main government sites			
Measures	2009-10 Actual	2009/10 Budget	Variance
Quantity			
Number of file servers housed in secure facilities – Grand Cayman	99	70-80	19
Number of servers and devices housed in Cayman Brac	-	3-4	(3)
Disaster Tolerant network ring to main government sites	1	1	-
Quality			
Secure facilities rated as to withstand a category five 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	\$226,415	\$366,158	(\$139,743)
	\$366,158	\$366,158	\$-
Related Broad Outcome: 15. Strengthening our Infrastructure			

CSD 34	Government Wide Internet Portal and E-Government Support Services	\$397,768		
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		2009-10 Actual	2009/10 Budget	Variance
Quantity • Number of days on which the Government's internet portal is accessible • To deliver E-Government services moving Government to delivering a breath of online services		365 4	350-365 2-3	- 1
Quality • Services are delivered using Industry Accepted Web portal technologies • E-Government services delivered by trained and qualified staff members and external contractors as required		100% 95%	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 • Delivery of E-government services in accordance with agreed project time lines		98% 90%	95-100% 95-100%	- -
Location Grand Cayman		100%	100%	-
Cost		\$485,343	\$397,768	\$87,575
Price		\$397,768	\$397,768	\$-
Related Broad Outcome: 15. Strengthening our Infrastructure				

CSD 36	Information Technology Support Services	\$6,900,794	
Description:			
• Build, Implement, and Enhance Software Applications • Provision of Server, Network and Database Installation and Management • Provision of Information Technology (IT) Training • Provision of Technical Information Technology Support • Provision of Information Technology Analysis and Design. • Maintain licenses, maintenance and support contracts for IT hardware and software			
Measures	2009-10 Actual	2009/10 Budget	Variance
Quantity			
• IT Applications Users Assisted - 3rd Party Developed	78	100-140	(22)
• IT Applications Users Supported - In House Developed	4,117	2,700-3,100	1,017
• Databases Users Administered	3,071	2,700-3,000	71
• Number of IRIS licenses and Users supported - Core	683	490-540	143
• Security, Server and Network Users supported	2,615	2,300-2,600	15
• PCs Supported – Basic	57	40-60	-
• PCs Supported – Full	3,513	1,700-2,000	1,513
Quality			
Work complete suitably qualified by and experienced IT professionals	90%	90%	-
Timeliness			
• Logged "Urgent" priority problems responded within four hours	90%	90%	-
• Logged "High" priority problems responded within one working day	90%	90%	-
• Logged "Medium" priority problems responded within three working days	90%	90%	-
• Logged Low Priority problems responded within five working days	90%	90%	-
Location			
Cayman Islands, Other overseas territories	100%	100%	-
Cost	\$5,253,952	\$6,900,794	(1,646,842)
	\$6,900,794	\$6,900,794	\$-
Related Broad Outcome:			
1. Addressing the Economic Crisis in the Cayman Islands			
2. Restoring Prudent Fiscal Management			
15. Strengthening our Infrastructure			

**This was an interagency output in 2008-9*

CSD 37	Information Technology Project and Demand Services		\$500,141
Description			
Provision of cost variable IT Projects and on demand driven services and deliverables.			
Measures	2009-10 Actual	2009/10 Budget	Variance
Quantity			
• Number of Internet Users - Basic	1,634	1,100-1,350	284
• Number of Internet Users - Low Video Streaming	153	34-45	108
• Number of Servers hosted for Website	1	1	-
• Number of Website Hosted -Shared	59	15-25	34
• Number of Remote Services Users – Blackberry/Forward Email	585	550-650	-
• Number of Remote Services Users – Token	593	350-400	(193)
• Number of Leased Circuit – Dedicated 100 Mb	1	1	-
• Number of Website Hosted – Dedicated 3 Mb	1	1	-
• Project Requests for IT work (Applications, Operations, Tech Support, ECM, and IRIS)	23	1-25	-
Quality			
Work completed by suitably qualified and experienced IT professionals	90%	90%	-
Timeliness			
• Logged "Urgent" priority problems responded within four hours	90%	90%	-
• Logged "High" priority problems responded within one working day	90%	90%	-
• Logged "Medium" priority problems responded within three working days	90%	90%	-
• Logged Low Priority problems responded within five working days	90%	90%	-
Location			
Cayman Islands, Other overseas territories	100%	100%	-
Cost	\$1,111,519	\$500,141	\$611,378
Price	\$500,141	\$500,141	\$-
Related Broad Outcome:			
15. Strengthening our Infrastructure			

**This was an interagency output in 2008-9*

CSD 38	Copy/Mail Centre and Procurement Services	\$382,662	
Description Provision of Copy/Mail Centre and Procurement Services. This includes services of: • Printing, Copying, Binding, Shredding • Internal Sales of Paper, PC and Print Consumables items • Providing internal Mail distributions services • Procurement Quotations services for Copy/Mail Centre and for IT equipment			
Measures	2009-10 Actual	2009/10 Budget	Variance
Quantity • Number of pages printed or copied • Number of Paper, PC and Print Consumables and Procurement Quotations requests items filled • Mail Services Distributed for Government Agencies	1,846,272 1,524 77	675,000 - 950,000 48,000- 68,000 35 -40	896,272 (46,476) 37
Quality • Work completed by suitably qualified and experienced staff • Copies and prints at the quality standard of the original or output device	95% 95%	95% 95%	- -
Timeliness • Completed within agreed time scales with Customer • Complete procurement quotations within two working days • Mail sorted within one hour of receipt from Post Office	90% 90% 90%	90% 90% 90%	- - -
Location Cayman Islands	100%	100%	-
Cost	\$356,428	\$382,662	(26,234)
Price	\$382,662	\$382,662	\$-
Related Broad Outcome: 15. Strengthening our Infrastructure			

**This was an interagency output in 2008-9*

ICO 1	Freedom of Information Appeals	\$210,731		
Description				
The Office of the Information Commissioner will process, mediate, and hear appeals to ensure that the public's rights under the law have been upheld.				
Measures	2009/10 Actual	2009/10 Budget	Variance	
Quantity Number of hours available to mediate, hear and decide on appeals	308	250-300	8	
Quality • Appeals processed in accordance with internal policies and procedures developed in accordance with the Law • Suitable qualified staff available to process appeals	90-100% 90-100%	90-100% 90-100%	- -	
Timelines • Appeals processed within timelines established in internal policies and procedures • Staff available to process appeals 10am to 4pm on working days	90-100% 100%	90-100% 100%	- -	
Location Cayman Islands	100%	100%	-	
Cost	\$221,455	\$210,731	\$10,724	
	\$210,731	\$210,731	\$-	
Related Broad Outcome:				
15. Strengthening our Infrastructure				

ICO 2	Compliance with Freedom of Information Legislation		\$210,731
Description The Office of the Information Commissioner will monitor and report on Public Authorities compliance in accordance with their obligations under the FOI law within the Cayman Islands.			
Measures	2009/2010 Actual	2009/10 Budget	Variance
Quantity			
• Monitor and report on compliance by public authorities with their obligations under the FOI Law	4	4	-
• Number of Public Authorities (as defined by FOI Law) monitored	87	89	-
• Number of reports to the Legislative Assembly	6	1	5
• Number of investigations of public entities conducted	8	2	6
• Recommendations for reform both of a general nature and directed at specific public bodies	40	6	34
Quality			
• Content of annual report on the operation of this Law during the year containing: • The number of applications for access received, granted, deferred, refused or granted subject to deletions; • The categories of exemptions claimed and the number of each category; • The number of applications received for (i) amendment of personal records (ii) annotation of personal records • The number of- (i) applications for internal review of relevant decisions (ii) appeals against relevant decision, and the rate of success or failure thereof	90-100%	90-100%	-
• All public authorities monitored in compliance with the Information Commissioner's requirements	90-100%	90-100%	-
• Investigations carried out in accordance with ICO procedures	85-100%	85-100%	-
Timelines			
• Annual report presented to the Legislative Assembly by the end of March 2010	100%	100%	-
• Monitoring - reports obtained from departments on a quarterly basis	100%	100%	-
• Investigations completed in accordance with timelines in ICO policies and procedures	100%	100%	-
• Recommendations for Law reform by the end of June 2010	100%	100%	-
Location Cayman Islands	100%	100%	-
Cost	\$221,455	\$210,731	\$10,724
Price	\$210,731	\$210,731	\$-
Related Broad Outcome: 15. Strengthening our Infrastructure			

ICO 3	Public Awareness of Freedom of Information Legislation		\$210,731
Description			
The Office of the Information Commissioner will publicize the requirements of this Law to ensure the public is informed on how they can exercise their rights.			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity Number of promotional activities planned to promote awareness of FOI	158	30	128
Quality Promotional activities approved by the Information Commissioner	90-100%	90-100%	-
Timelines Public awareness of FOI will be carried out on a monthly basis	95-100%	95-100%	-
Location Cayman Islands	100%	100%	-
Cost	\$221,455	\$210,731	\$10,724
Price	\$210,731	\$210,731	\$-
Related Broad Outcome:			
15. Strengthening our Infrastructure			

GIS 1	Events and Communication Campaigns	\$67,121	
Description			
Development, monitoring of execution, and evaluation of events and communications campaigns			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity Hours spent on events and communication campaigns	131	50	81
Quality All services provided by communications professionals	90-100%	100%	-
Timeliness Delivery as agreed with client, provided lead-time and content from client department are arranged to the agreed timetable. Overtime incurred due to the late delivery of content by the client will be billed separately	90-100%	100%	-
Location Cayman Islands	100%	100%	-
Cost	\$8,707	\$67,121	(\$58,414)
Price	\$67,121	\$67,121	\$-
Related Broad Outcomes:			
15. Strengthening our Infrastructure			

Note: This was an interagency output in 2008/9 Budget.

GIS 2	Public Information Services and Products		\$323,831
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	2009/10 Actual	2009/10 Budget	Variance
Quantity - Number of public information services hours - Number of calendar of events published - Number of local/overseas publications handled - Number of television programmes - Number of annual reports	2,983 52 50 56 2	1,600-1,800 45-52 4-6 45-48 1	1,183 - 44 8 1
Quality - Public Information Services provided by experienced Information Officers (IOs) - Updating of calendar of events supervised by Manager of IOs - Local/Overseas press relations handled by the Chief Information Officer (CIO) or Manager of IOs or designates - Overseas publication updates undertaken by senior GIS staff - Television programmes overseen by senior GIS staff - Annual Report reviewed by Senior GIS Staff and Chief Information Officer	100% 95-100% 100% 100% 100% 100%	100% 95-100% 100% 100% 100% 100%	- - - - - -
Timeliness Public Information Services provided in accordance with timescale agreed with the relevant agency Calendar updated and placed on the Government website each Friday Response to local/overseas press within 24 hrs of request Meet deadline set by overseas publishers Annual Report published by December 2009	100% 90-100% 95-100% 100% 90-100%	100% 90-100% 95-100% 100% 90-100%	- - - - -
Location Grand Cayman	100%	100%	-
Cost	\$135,132	\$323,831	(\$188,699)
Price	\$323,831	\$323,831	\$-
Related Broad Outcome: 1. Addressing the Economic Crisis in the Cayman Islands 2. Restoring Prudent Fiscal Management 15. Strengthening our Infrastructure			

GIS 5	Press Conferences, Public Liaison and Advice	\$31,962	
Description Media Contacts (Not billable to clients but to "Whole Government" covered under ABS). Provision of arrangements for press conferences, which may include issuing media advisories, arranging location, electronic media set up, press kits, participant preparation and dry run of event, moderation of event and media follow-ups Provision of issues-related public relations advice (Not billable to clients, covered under ABS) Issue of press advisories and bulletins (Not billable to clients but to "Whole Government", covered under ABS)			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity Number of press conferences arranged annually	29	8	21
Quality All services provided by communications professionals	100%	100%	-
Timeliness A minimum of five working days' notice is required for press conferences. Overtime incurred due to the late delivery of content by the client will be billed separately.	100%	100%	-
Location Cayman Islands	100%	100%	-
Cost	\$16,194	\$31,962	(\$15,768)
Price	\$31,962	\$31,962	\$-
Related Broad Outcomes: 15. Strengthening our Infrastructure			

Note: This was an interagency output in 2008/9 Budget.

GIS 6	Crisis Communication and Response Plans	\$53,569		
Description				
Development and maintenance of crisis communications and response plans				
Measures	2009/10 Actual	2009/10 Budget	Variance	
Quantity Number of crisis communication plans maintained	3	1	2	
Quality Plans developed and maintained by communications professionals and (where appropriate) trained volunteers	100%	100%	-	
Timeliness Plans maintained on an on-going basis	100%	100%	-	
Location Cayman Islands	100%	100%	-	
Cost	\$20,364	\$53,569	(33,205)	
Price	\$53,569	\$53,569	\$-	
Related Broad Outcome:				
15. Strengthening our Infrastructure				

Note: This was an interagency output in 2008/9 Budget.

GIS 7	Special Editorial Services	\$88,727	
Description			
Provision of editorial services for information items fully or partly written or edited by GIS. Development of content for special avenues of publication, such as Internet, internal or external magazines, newsletters, etc.			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity Number of hours per quarter spent providing editorial services and advice on editorial matters	179	1,300-1,310	(1,121)
Quality Editorial services provided by communications professionals	100%	100%	-
Timeliness Service provided to a timescale agreed with client	100%	100%	-
Location Cayman Islands	100%	100%	-
Cost	\$8,326	\$88,727	(\$80,401)
Price	\$12,217	\$88,727	(\$76,510)
Related Broad Outcomes:			
15. Strengthening our Infrastructure			

Note: This was an interagency output in 2008/9 Budget.

GIS 8	Public Interest News Releases		\$393,630
Description			
Provision of print and video news releases on subjects of interest to the public.			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity			
- Number of print releases issued to the media - Number of video releases issued to the media	592 160	225-250 175-200	342 (15)
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 - Video news releases provided as agreed	95-100% 95-100%	95-100% 95-100%	- -
Location			
Grand Cayman	100%	100%	-
Cost	\$115,995	\$393,630	(\$277,635)
Price	\$393,630	\$393,630	\$-
Related Broad Outcomes:			
1. Addressing the Economic Crisis in the Cayman Islands 2. Restoring Prudent Fiscal Management 15. Strengthening our Infrastructure			

GIS 10	Special Video and Audio Assignments	\$157,484	
Description			
Video and audio assignments carried out, including pre-production, production and post-production of information videos, DVDs, CD's audio presentations and one-off items to be aired in the local media.			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity Number of hours	7,292	1,200-1,500	5,792
Quality Overall client satisfaction rating of 4 or higher on a scale of 1 to 6 on questionnaires returned within 14 days of invoice date.	100%	100%	-
Timeliness Delivery as agreed with client, provided content from client department is delivered to the agreed timetable.	100%	100%	-
Location Cayman Islands	100%	100%	-
Cost	\$1,047,950	\$157,484	\$567,837
	\$157,484	\$157,484	\$-
Related Broad Outcomes:			
15. Strengthening our Infrastructure			

Note: This was an interagency output in 2008/9 Budget.

GIS 13	Special Photography Assignments	\$36,300	
Description Carrying out special photography assignments, including shoots for photo spreads in the media, for external publications, special projects and official portraits.			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity Number of hours spent on assignment	308	115	193
Quality All assignments carried out using professional grade digital cameras	100%	100%	-
Timeliness Assignment delivered as agreed with the requesting client	100%	100%	-
Location Cayman Islands	100%	100%	-
Cost	\$23,236	\$36,300	(13,064)
Price	\$36,300	\$36,300	\$-
Related Broad Outcomes: 15. Strengthening our Infrastructure			

Note: This was an interagency output in 2008/9 Budget.

GIS 17	Providing Content for the Government's Internet Portal	\$43,738	
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	2009/10 Actual	2009/10 Budget	Variance
Quantity Number of hours	755	600-650	105
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 Update central Government website material quarterly	95-100% 95-100%	95-100% 95-100%	- -
Location Grand Cayman	100%	100%	-
Cost	\$23,447	\$43,738	(20,291)
Price	\$43,738	\$43,738	\$-
Related Broad Outcomes: 1. Addressing the Economic Crisis in the Cayman Islands 2. Restoring Prudent Fiscal Management 15. Strengthening our Infrastructure			

GIS 18	Speeches for Government Officials	\$81,005		
Description				
Writing of speeches and messages for Government clients				
Measures	2009/10 Actual	2009/10 Budget	2008/9 Estimated Actual	
Quantity Number of speeches	248	300	-	
Quality All speeches pass internal quality checklist before delivery	90-100%	100%	-	
Overall client satisfaction rating of 4 or higher on a scale of 1 to 6 on questionnaires returned within 14 days of invoice date	90-100%	100%	-	
Timeliness Speech delivered to requesting client five working days before it is due to be given, if all content for the speech is agreed 15 working days before the speech is due to be given. Any departure must be agreed with the Chief Information Officer or designate	90-100%	100%	-	
Location Cayman Islands	90-100%	100%	-	
Cost	\$74,454	\$81,005	(\$6,551)	
	\$67,480	\$81,005	(\$13,525)	
Related Broad Outcomes:				
15. Strengthening our Infrastructure				

Note: This was an interagency output in 2008/9 Budget.

GIS 19	Graphic Products	\$241,625	
Description			
Supply of graphic products such as brochures, posters, flyers, logos, banners direct mail pieces, website design, etc.			
Measures	2009/10 Actual	2009/10 Budget	Variance
Quantity Number of hours spent on design	4,956	4,000-5,000	-
Quality Overall client satisfaction rating of 4 or higher on a scale of 1 to 6 on questionnaires returned within 14 days of invoice date	100%	100%	-
Timeliness Design delivered as agreed with client, provided content from client department is delivered to the agreed timetable	100%	100%	-
Location Cayman Islands	100%	100%	-
Cost	\$136,078	\$241,625	(\$105,547)
Price	\$241,625	\$241,625	\$-
Related Broad Outcomes:			
15. Strengthening our Infrastructure			

Note: This was an interagency output in 2008/9 Budget.

Part C
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 (2010 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 (2010 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 2010.

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

- (a) completely and reliably reflect the financial transactions of Cabinet Office for the year ended 30 June 2010;
- (b) fairly reflect the financial position as at 30th June 2010 and performance for the year ended 30th June 2010; 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

Chief Officer

Date: 21/10/2011

Matthew Tibbetts

Chief Financial Officer

Date: 21/10/11

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 2010 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 40 to 59 in accordance with the provisions of Section 44(3) of the *Public Management and Finance Law (2010 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, 2010 and as a result I am unable to evaluate the accuracy of the amount of \$854K 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, 2010.

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 \$4.2M on the statement of financial position.

Net worth

I was unable to satisfy myself that the amount of \$8.7M reported as net worth on the statement of financial position at 30 June 2010 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 \$197K on the statement of financial position.

Accounts Receivable

I was unable to satisfy myself as to the validity, accuracy and existence of the accounts receivable amounting to \$8.4M due to lack of provision on doubtful accounts and inadequate records to prove that the amounts were recorded on the books of the debtors. I was unable to perform alternative audit procedures to obtain reasonable assurance on the existence and accuracy of the account at June 30, 2010.

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 2010 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 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 2010, 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.

A handwritten signature in blue ink, appearing to read 'A. Swarbrick', with a long horizontal flourish extending to the right.

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

Cayman Islands
21 October 2011

CABINET OFFICE
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010
(Expressed in Cayman Islands Dollars)

Prior Year Actual CIS000		Note	Current Year Actual CIS000	Final/Original Budget CIS000	Variance (Original vs. Actual) CIS000
Current Assets					
1,934	Cash and cash equivalents	2	2,595	4,924	2,329
7,867	Trade receivables	3	8,461	8,321	(140)
679	Other Receivables		756	-	(756)
765	Inventory	4	854	847	(7)
296	Prepayments		80	-	(80)
11,541	Total Current Assets		12,746	14,092	1,346
Non-Current Assets					
3,099	Property, plant and equipment	5	4,220	2,866	(1,354)
3,099	Total Non-Current Assets		4,220	2,866	(1,354)
14,640	Total Assets		16,966	16,958	(8)
Current Liabilities					
1,503	Trade payables	6	1,926	4,876	2,950
1,411	Other payables and accruals	6	260	623	363
26	Unearned Revenue		26	152	126
390	Employee entitlements	7	197	389	192
3,330	Total Current Liabilities		2,409	6,040	3,631
Non-Current Liabilities					
1	Employee Entitlements		-	1	1
4,697	Other Payables and accruals	8	5,777	-	(5,777)
4,698	Total Non-Current Liabilities		5,777	1	(5,776)
8,028	Total Liabilities		8,186	6,041	(2,145)
6,612	Net Assets		8,780	10,917	2,137
Net Worth					
6,880	Contributed capital		7,254	7,131	(123)
(268)	Accumulated surpluses (deficit)		1,526	3,786	2,260
6,612	Total Net Worth		8,780	10,917	2,137

The Notes to the Financial Statements on pages 43 to 59 form an integral part of these financial statements.

CABINET OFFICE
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2010
(Expressed in Cayman Islands Dollars)

Prior Year Actual CI\$000		Note	Current Year Actual CI\$000	Final Budget CI\$000	Original Budget CI\$000	Variance (Original vs. Actual) CI\$000
Revenue						
11,315	Sale of goods and services	9	2,132	989	989	(1,143)
5,546	Output from Cabinet		12,893	15,115	15,534	2,641
16,861	Total Revenue		15,025	16,104	16,523	1,498
Expenses						
9,732	Personnel costs	10	8,760	9,377	9,685	925
6,493	Supplies and consumables	11	4,240	5,269	5,780	1,540
1,007	Depreciation	5	481	645	1,058	577
293	Other expenses (Capital charge)	12	-	-	-	-
17,525	Total Expenses		13,481	15,291	16,523	3,042
(664)	Surplus or (Deficit) for the period		1,544	813	-	(1,544)

The Notes to the Financial Statements on pages 43 to 59 form an integral part of these financial statements.

CABINET OFFICE
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 JUNE 2010
(Expressed in Cayman Islands Dollars)

	Contributed Capital CIS\$000	Accumulated Surplus/ (deficits) CIS\$000	Total CIS\$000	Total Net worth CIS\$000	Final/ Original Budget CIS\$000	Variance (Original vs. Actual) CIS\$000
Balance at 30 June 2008	5,866	395	6,261	6,261	6,141	(120)
Equity Investment from Cabinet	1,015	-	1,015	1,015	500	(515)
Repayment of surplus to Cabinet	-	-	-	-	-	-
Surplus/(deficit) for the period (2008/09)	-	(664)	(664)	(664)	-	664
Balance at 30 June 2009	6,881	(269)	6,612	6,612	6,641	29
Equity Investment from Cabinet	373	-	373	373	490	117
Net adjustment to accumulated surplus	-	1,795	1,795	1,795	-	(1,795)
Repayment of surplus to Cabinet	-	(1,544)	(1,544)	(1,544)	-	1,544
Surplus/(deficit) for the (period 2009/10)	-	1,544	1,544	1,544	3,786	2,242
Balance at 30 June 2010	7,254	1,526	8,780	8,780	10,917	2,137

The Notes to the Financial Statements on pages 43 to 59 form an integral part of these financial statements.

CABINET OFFICE
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2010
(Expressed in Cayman Islands Dollars)

Prior Year Actual CI\$000		Note	Current Year Actual CI\$000	Final/ Original Budget CI\$000	Variance (Original vs. Actual) CI\$000
CASH FLOWS FROM OPERATING ACTIVITIES					
	<i>Receipts</i>				
6,532	Outputs to Cabinet		12,367	15,334	2,967
10,917	Outputs to other government agencies		873	703	(170)
962	Sale of goods and services - third party		1,030	1,486	456
10	Interest received		-	-	-
193	Other receipts		-	-	-
	<i>Payments</i>				
(9,745)	Personnel costs		(8,963)	(9,377)	(414)
(6,666)	Supplies and consumables		(4,784)	(4,280)	504
(269)	Other payments		-	-	-
1,934	Net cash provided by operating activities	13	523	3,866	3,343
CASH FLOWS FROM INVESTING ACTIVITIES					
(1,092)	Purchase of property, plant and equipment		(235)	(1,013)	(778)
(1,092)	Net cash used by investing activities		(235)	(1,013)	(778)
CASH FLOWS FROM FINANCING ACTIVITIES					
1,015	Equity Investment		373	380	7
1,015	Net cash provided by financing activities		373	380	7
1,857	Net increase/(decrease) in cash and cash equivalents		661	2,925	2,264
77	Cash and cash equivalents at beginning of period		1,934	1,999	65
1,934	Cash and cash equivalents at end of period		2,595	4,924	2,329

The Notes to the Financial Statements on pages 43 to 59 form an integral part of these financial statements.

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Description and principal activities

The Cabinet Office is a Government owned entity as defined by section 2 of the *Public Management and Finance Law (2010 Revision)* and it is domiciled in the Cayman Islands.

Its principal activities and operations include all activities carried out in terms of the outputs purchased by the Deputy Governor as defined in the Annual Plan and Estimates for the Government of Cayman Islands for the financial year ending 30 June 2010.

In addition, the Portfolio has reported the activities and trust monies that it administers on behalf of Cabinet.

Note 1: Significant Accounting Policies

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants and its International Public Sector Accounting Standards Board using the accrual basis of accounting. Where additional guidance is required, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board are used.

There are no known accounting standards that have been adopted by the IPSAS Board for use in future years that will impact these financial statements. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of preparation

The financial statements are presented in Cayman Islands dollars and are prepared on the accrual basis of accounting, unless otherwise stated. The measurement base applied to these financial statements is the historical cost basis.

Changes in Accounting Policies

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

The presentation of the prior year financial statements has been changed to include a comparison of actual amounts with amounts in the original and final budget as required by IPSAS 24 including explanations of material difference between original budget and actual amounts.

The details and presentation of the Statement of Changes in Net Worth has been changed to show greater detail and to reflect changes in accounting policies and corrections of errors and omissions.

Segment reporting has been included in accordance with IPSAS 18.

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Note 1: Significant Accounting Policies (continued)

(b) Reporting Period

The reporting period is the year ended 30 June 2010.

(c) Budget amounts

The original budget amounts for the financial year are as presented in the 2009/2010 Annual Budget Statement and approved by the Legislative Assembly on the 14 October 2009. The Final Budget is those budget amounts approved in Supplementary Budget.

(d) Judgments and Estimates

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

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

(e) Revenue

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

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

(f) Expenses

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

(g) Operating leases

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

(h) Capital Charges

Capital charges on the net assets due to the Cayman Islands Government are recognized as an expense in the period in which they are incurred.

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Note 1: Significant Accounting Policies (continued)

(i) Cash and Cash Equivalents

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

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

(j) Prepayments

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

(k) Inventories

Inventories held for distribution, or consumption in the provision of services, that are not issued on a commercial basis are measured at the lower of cost and net realisable value. Where inventories are acquired at no cost, or for nominal consideration, the amount reported is the current replacement cost at the date of acquisition.

The amount reported for inventory held for distribution reflects management's estimates for obsolescence or other impairments.

Inventories held for sale or use in the production of goods and services on a commercial basis are valued at the lower of cost and net realisable value.

Costs are assigned to inventories using specific identification as appropriate.

The write-down from cost to current replacement cost or net realisable value is recognised in the statement of financial performance in the period when the write-down occurs.

(l) Property, Plant and Equipment

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

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

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Note 1: Significant Accounting Policies (continued)

<u>Asset Type</u>	<u>Estimated Useful life</u>
Buildings and structures	10 – 60 years
Building fit-out (when accounted for separately)	5 – 25 years
Computer Equipment	3 – 10 years
Developed software	4 – 10 years
Office equipment and furniture	3 – 25 years
Motor vehicles	3 – 20 years
Boats and marine equipment	3 – 25 years
Cleaning, refuse and recycling equipment	3 – 15 years
Construction and other equipment	3 – 25 years
Telecommunications	5 – 50 years
Books, Music, manuscripts and works of art	2 – 10 years
Clothing	0 – 4 years
Aeroplanes and airport/aviation equipment	8 – 33 years
Fire fighting plant and equipment	10 – 12 years
Other equipment	5 – 20 years
Medical and medical laboratory equipment	1 – 25 years
Library assets	5 – 10 years
Scientific and laboratory equipment	4 – 25 years
Leasehold Improvement	Over the unexpired period of lease or the useful life of the improvement

Disposals

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

(m) Employee Benefits

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

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

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Note 1: Significant Accounting Policies (continued)

Prior to 1 January 2000 the Board operated a defined benefit scheme. With effect from 1 January 2000 the Board continued to operate a defined benefit scheme for existing employees and a defined contribution scheme for all new employees. Obligations for contribution to defined contribution retirement plans are recognised in the Statement of Financial Performance as they are earned by employees. Obligations for defined benefit retirement plans are reported in the Consolidated Financial Statements for the Entire Public Sector of the Cayman Islands Government.

(n) Financial Instruments

The Cabinet Office is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short term deposits, trade and accounts receivables and trade and accounts payable, all of which are recognised in the Statement of Financial Position.

Classification

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

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

Recognition

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

Measurement

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

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

(o) Contingent Liabilities and Assets (including guarantees)

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

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Note 1: Significant Accounting Policies (continued)

De-recognition

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

(p) Foreign Currency

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

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

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

(q) Comparative Figures

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

(r) Revenue from Non Exchange Transactions

The entity receives various services from other government entities for which payment is made by the Cayman Islands Government. These services include accommodation in the central government building, computer repairs and software maintenance by the computer services department, project management by the Public Works Department and human resources management by the Portfolio of the Civil Service. The entity has designated these non exchange transactions as Services in-Kind as defined under IPSAS 23- Revenue from non-exchange Transactions. When fair values of such services can be reliably estimated then the non-exchange transaction is recorded as an expense and an equal amount is recorded in other income as a service in-kind. Where services in-kind offered are directly related to construction or acquisition of a fixed asset, such service in-kind is recognized in the cost of the fixed asset.

CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 2: Cash and cash equivalents

Cash and cash equivalents include cash on hand; bank accounts in the name of Cabinet Office maintained at Royal Bank of Canada; and short term deposits invested with the Cayman Islands Government Treasury. As at 30 June 2009 and 30 June 2010 the Cabinet Office unrestricted cash balances were presented below. No restricted cash balances were held by the Cabinet Office at 30 June 2010.

Actual Prior Year	Description	Foreign Currency	Exchange Rate	Actual Current Year
64,993	Cash on hand (IRIS Confirmation Account)			29,727
45,320	Cash in transit (IRIS Remittance Account)			26,047
1,754,169	CI\$ Operational Account at Royal Bank of Canada			2,436,725
39,236	US\$ Operational Account at Royal Bank of Canada		0.83	88,802
30,694	Payroll Current Account at Royal Bank of Canada			14,182
1,934,412	TOTAL			2,595,483

Note 3: Trade receivables and other receivables

At year end all overdue receivables have been assessed and appropriate provisions made. The provision for doubtful debts has been calculated based on expected losses for the Cabinet Office and review of specific debtors. Expected losses have been determined based on an analysis of the Ministry / Portfolio losses in previous periods.

Actual Prior Year	Trade Receivables	Actual Current Year	Final/Original Budget	Variance (Original vs. Actual)
2,090,899	Outputs to Cabinet	5,196,504	2,957,943	(2,238,561)
5,775,948	Outputs to other government agencies	3,264,085	4,492,142	1,228,057
-	Other	-	871,039	871,039
-	Less: provision for doubtful debts	-	-	-
7,866,847	Total trade receivables	8,460,589	8,321,124	(139,465)

CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 3: Trade receivables and other receivables (continued)

Actual Prior Year	Other Receivables	Actual Current Year	Final/Original Budget	Variance (Original vs. Actual)
231,113	Advances (salary, official travel, etc.)	146,960	8,684	(138,276)
5,644	Dishonoured cheques	3,625	-	(3,625)
442,329	Other	605,695		(605,695)
679,086	Total trade receivables	756,280	8,684	(747,596)

	Trade Receivables	Prior Year Impairment	Net	Gross amount
Current	1,888,015	-	-	1,888,015
Past due 1-30 days	16,910	-	-	16,910
Past due 31-60 days	26,321	-	-	26,321
Past due 61 and above	21,141	-	-	21,141
Past due 90 and above	6,508,202	-	-	6,508,202
Total	8,460,589	-	-	8,460,589

Changes in the provision of doubtful debts:

Actual Prior Year	Description	Actual Current Year
	- Balance at 1 July	-
	- Additional provisions made during the year	-
	- Receivables written off during the year	-
	- Balance at 30 June	-

CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 4: Inventory

The carrying amount of inventories held for distribution as at 30 June 2010 was \$854,040.

No inventories are pledged as security for liabilities.

Actual Prior Year	Inventories	Actual Current Year	Final/Original Budget	Variance (Original vs. Actual)
764,751	Inventory held for sale	854,040	847,000	(7,040)
764,751	Total inventories	854,040	847,000	(7,040)

Note 5: Property, plant and equipment

	Buildings	Furniture	Computer	Other Assets	Infrastructure	Motor Vehicles	Total
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<u>COST</u>							
Balance at July 1, 2008	314	182	6,385	512	1,598	101	9,092
Additions	-	-	-	-	-	-	-
At June 30, 2009	314	182	6,385	512	1,598	101	9,092
Balance at July 1, 2009	314	182	6,385	512	1,598	101	9,092
Additions	-	-	629	-	-	-	629
Balance as at June 30, 2010	314	182	7,014	512	1,598	101	9,721
<u>ACCUMULATED DEPRECIATION</u>							
	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Balance at July 1, 2008	71	96	4,007	178	570	69	4,985
Depreciation expense 2008/09	21	10	815	24	123	15	1,008
At June 30, 2009	92	106	4,822	196	693	84	5,993
Balance at July 1, 2009	92	106	4,822	196	693	84	5,993
Depreciation expense 2009/10	23	20	304	31	87	16	481
Adjustment during the year	(29)	(66)	(768)	(68)	(25)	(16)	(972)
At June 30, 2010	86	60	4,358	159	755	84	5,502
Net book value 30 June 2009	222	76	1,563	316	905	17	3,099
Net book value 30 June 2010	228	122	2,656	353	843	17	4,219

CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 6: Trade payables, other payables and accruals

Actual Prior Year CI\$000	Description	Actual Current Year CI\$000
754	Creditors	1,275
749	Creditors Ministries/Portfolios	652
1,311	Accrued Expenses	163
100	Payroll deductions	96
2,914	Total trade payables, other payables and accruals	2,186

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

Note 7: Employee entitlements

Actual Prior Year CI\$000	Description	Actual Current Year CI\$000
	Current employee entitlements are represented by:	
357	Annual Leave	165
32	Comp Time	32
389	Total current portion	197
	Non-current employee entitlements are represented by:	
1	Retirement and long service leave	-
390	Total employee entitlements	197

The retirement and long-service leave entitlements are calculated based on current salary paid to those employees who are eligible for this benefit.

NOTE 8: Other Payables and Accruals – Non Current

Actual Prior Year CI\$000	Description	Actual Current Year CI\$000
741	Creditors Owed to Other Ministries	469
3,748	Surplus Payable	5,292
208	Others	16
4,697	Total trade payables, other payables and accruals	5,777

CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 9: Revenue

Actual Prior Year CI\$000	Revenue type	Actual Current Year CI\$000	Final/Original Budget CI\$000	Variance (Original vs. Actual) CI\$000
	Sale of Goods and Services			
10,348	Outputs to other government agencies	991		
879	Outputs to Others, fees and charges	1,141		
11,227	Total sales of goods and services	2,132	989	(1,143)
5,634	Outputs to Cabinet	12,893	15,534	2,641
16,861	Total Revenue	15,025	16,523	1,498

During the financial years ended 30 June 2009 and 2010 there were no revenue concessions.

Note 10: Personnel costs

Actual Prior Year CI\$000	Description	Actual Current Year CI\$000	Original Budget CI\$000	Final Budget CI\$000	Variance (Original vs Actual) CI\$000
8,009	Salaries, wages and allowances	7,256	7,779	7,471	523
906	Health care	895	1,017	1,017	122
807	Pension	794	888	888	94
10	Other personnel related costs	(185)	-	-	(185)
9,732	Total Personnel Costs	8,760	9,685	9,376	925

Note 11: Supplies and consumables

Actual Prior Year CI\$000	Description	Actual Current Year CI\$000	Final/Original Budget CI\$000	Variance (Original vs. Actual) CI\$000
295	Supplies and Materials	225	-	(225)
3,627	Purchase of services	2,817	4,948	2,131
944	Lease of Property and Equipment	280	611	331
531	Utilities	484	-	(484)
-	Insurance	18	-	(18)
838	Interdepartmental expenses	271	-	(271)
256	Travel and Subsistence	145	-	(145)
-	Other	-	221	221
6,493	Total Supplies & consumables	4,240	5,780	1,540

CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010

Note 12: Capital Charge

A capital charge is payable to the Entity 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 0% as no capital was budgeted for in 2009-10 (2009: 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 2009-10, the capital charge is \$0K (2009: \$301K).

Note 13: Reconciliation of net cash flows from operating activities to surplus

Actual Prior year CI\$000	Description	Actual Current year CI\$000
(664)	Surplus/(deficit) from ordinary activities	1,544
	Non-cash movements	
1,007	Depreciation expense	481
	Changes in current assets and liabilities:	
620	(Increase)/decrease in other current assets	(35)
458	(Increase)/(decrease) in receivables	2,884
899	(Increase)/decrease in receivables – Cabinet	(2,156)
(189)	(Increase)/decrease in inventories	(89)
(193)	(Increase)/decrease in payables	(893)
-	(Increase)/decrease in provision relating to employee costs	(192)
1,935	Net cash flows from operating activities	523

Note 14: Investment revenue

Cabinet Office had no Investment revenue during 2009-10.

Note 15: Donations

Cabinet Office had no donations during 2009-10.

Note 16: Finance costs (Bank Overdraft)

During the year Cabinet Office did not incur any finance charges.

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

Note 17: Litigation costs

The Attorney General's Office provides litigation services to Cabinet Office.

Note 18: Gains / (Losses)

During the period the Cabinet Office did not disposed of property, plant or equipment.

NOTE 19: Explanation of major variances against budget

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

Statement of financial performance

Revenue

Revenue from cabinet was \$1.5 million below budget due to significant budget cuts which occurred during 2009-10.

Personnel Costs

Personnel costs were \$925K below budget due to significant budget cuts which occurred during 2009-10.

Supplies and consumables

Supplies and consumables were \$1.5 million below budget due to significant budget cuts which occurred during 2009-10.

Depreciation

Depreciation expenses were \$577K below budget due to the delay in purchasing additional fixed assets.

Finance costs

No finance costs were incurred.

Litigation costs

No litigation costs were incurred.

Extraordinary items

No extraordinary costs were incurred.

Other operating expenses

No other operating expenses were incurred.

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 19: Explanation of major variances against budget (continue)

Statement of financial position

Cash and cash equivalents

The actual year-end cash balances were \$2.3 million below budget due to significant payments made on trade payables and accruals.

Debtors and other receivables

The actual year-end debtors and other receivables balances were \$975K higher than the original budget as it was originally projected that Cabinet Office would have collected Cabinet revenue earlier in the year.

Fixed assets

Fixed assets were \$1.4 million above the original budget due to updating the fixed asset register.

Creditors and other payables

Creditors, accruals and other payables were lower than the original budget because, as stated above, significant payments are being made to reduce creditors.

Repayment of surplus

No repayment of surplus planned.

Statement of cash flows

Cash from operating activities

The decrease in cash from operating activities is due to significant budget cuts.

Cash from investing activities

The decrease in cash from operating activities of \$3.3 million is due budget cuts which appropriated less funds from Cabinet due to the current economic situation.

Cash from financing activities

Financing activities in line with budget expectations.

NOTE 20: Related party and key management personnel disclosures

Related party disclosure

The Entity is a wholly owned entity of the government from which it derives a major source of its revenue. The Entity and its key management personnel transact with other government entities on a regular basis. These transactions were provided free of cost during the financial year ended 30 June 2010 and were consistent with normal operating relationships between entities and were undertaken on terms and conditions that are normal for such transactions.

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 20: Related party and key management personnel disclosures (continued)

Key management personnel

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 2009/10 was approximately \$869K (2009: \$819K).

NOTE 21: Financial instrument risks

The Entity is exposed to a variety of financial risks including credit risk and liquidity risk. The Entity's risk management policies are designed to identify and manage these risks, to set appropriate risk limits and controls, and to monitor the risks and adhere to limits by means of up to date and reliable information systems. These risks are managed within the parameters established by the Financial Regulations (2008 Revision).

Credit risks

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

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

The Entity is also exposed to a significant concentration of credit risk in relation to accounts receivable, significant of which are due from other Government entities. No credit limits have been established. As at 30 June 2010 and 2009, no provision for doubtful debts has been made on these receivable as none of these accounts are impaired and management considers these debts to be recoverable in full.

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

Liquidity risk

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

The ability of the Entity to meet its debts and obligation is dependent upon its ability to collect the debts outstanding to the Entity in a timely basis. In the event of being unable to collect its outstanding debts, it is expected that the Government would temporarily fund any shortfalls the Entity would have with its own cash flows. As at 30 June 2010 and 2009, all of the financial liabilities were due within three months of the year end dates.

**CABINET OFFICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2010**

NOTE 22: Financial instruments – fair values

As at 30 June 2010 and 2009, the carrying values of cash and cash equivalents, accounts receivable, accounts payable and employee entitlements approximate their fair values due to their relative short-term maturities.

Fair values are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions, economic conditions and other factors could cause significant changes in fair value estimates.

NOTE 23: Revenue from Non Exchange Transactions

During the year ended 30 June 2010, the entity received services in-kind in the form of accommodation in the central government building. The fair value of these services cannot be determined and therefore no expense has been recognized in these financial statements.