

Ministry of District Administration, Tourism and Transport



MINISTRY OF
DISTRICT ADMINISTRATION,
TOURISM & TRANSPORT
CAYMAN ISLANDS GOVERNMENT

Annual Report for the Year Ended 31 December 2020

Physical Address

5th Floor, Government Administration Building
133 Elgin Avenue, George Town,
Grand Cayman

Mailing Address

Ministry of District Administration, Tourism & Transport
P.O. Box 106
KY1-9000, Grand Cayman
CAYMAN ISLANDS

Website: <http://www.gov.ky/portal/page/portal/mtehome>

Table of Contents

Message from Hon. Deputy Premier	3-5
Message from Chief Officer	6-7
Overview	8
Human Resource Report	9
Organizational Chart	10
Department of Tourism	11-15
District Administration	16-17
National Weather Service	18-19
Public Transport Unit	20-21
Audited Financial Statements	22

Hon. Moses Kirkconnell, JP

Deputy Premier

Deputy Premier's Annual Report Message

As Minister for District Administration, Tourism and Transport I am pleased to report on the developments and progress of the portfolios under my stewardship for the fiscal year 1 January 2020 to 31 December 2020.

Following historic air arrivals which exceeded 502,000 stayover visitors in 2019, the Cayman Islands tourism industry was poised to soar to even greater heights in 2020. However, the COVID-19 pandemic dealt an unprecedented blow to our tourism industry which began in the first quarter of 2020 and continued throughout the remainder of the fiscal year.

Out of necessity the Cayman Islands Government took the decision to close both of our International airports to commercial passenger flights with effect from 22 March 2020. The cruise port was also closed and has remained shuttered through to December 2020 and beyond.

Recognizing the economic impact that the COVID-19 pandemic had levied on the tourism industry, and on tourism workers in particular, the Ministry of Tourism on behalf of Government, has provided stipends and other assistance to tourism employees whose livelihoods became affected.

In addition to providing a one-off payment of \$600 to displaced workers shortly after the outset of the pandemic, the Ministry has actively encouraged Caymanians working in the tourism sector to register to receive a stipend of \$1,000 per month. As of 10 December 2020, a total of 2,889 persons had registered to receive these payments. The stipend programme has been extended to June 2021 and in February 2021 payments were increased to \$1,500 per month.

While the borders to the Cayman Islands remain closed to international stayover arrivals and cruise passengers, the Ministry is pleased to have launched the Global Citizen Concierge Program (GCCP), which is a tourism initiative designed to attract digital nomads to our shores. This initiative provides business executives, entrepreneurs and remote workers with the ability to remain on Island for up to 2 years, providing they meet established criteria. The programme launched in October 2020 and by 21 December 2020 a total of 72 applications were received equating to approximately 130 individuals. 45 of those hailed from the USA, 14 from Canada, and 8 from the UK, which represent our main source markets.

Through collaboration with Workforce Opportunities and Residency Cayman (WORC), the University College of the Cayman Islands (UCCI), the School of Hospitality Studies and others, the Ministry has also spearheaded a National Tourism Training Programme to provide education and training opportunities to reskill workers for alternate roles. In addition, a 2-day Job fair, hosted in collaboration with industry partners was held to provide attendees with the ability to network and have one-on-one sessions with industry representatives and employers.

In light of the downturn in tourism, the Ministry has also sought to provide assistance to our tourism industry partners in the accommodations sector, by alleviating the requirement to submit taxes and nil return forms. Tourism properties are mandated by law to pay a 13% Tourism Accommodations Tax (TAT) on accommodations costs, however the decision has been taken by Cabinet to waive the reporting of tourism tax from 1 January to 30 September, 2021.

Throughout the fiscal year 2020, the Ministry has maintained contact with the key stakeholders in the tourism community. In the early stages of the crisis, in conjunction with the Department of Tourism, extensive outreach was conducted with

the Cayman Islands Tourism Association (CITA), the Chamber of Commerce, as well as with the accommodation, dive, and attractions sectors, and the Public Transportation and Hotel Licensing Boards. The objective was to collaborate on solutions and recommendations to support the tourism industry through these difficult times.

It is recognized that normal commercial passenger flights cannot resume until there is a high degree of comfort that the well-being of residents has been secured, along with the safety and well-being of visitors to the island. Until such time, the Ministry will continue to do its best to protect our tourism industry, by protecting the people and businesses who service the industry until visitors can once again return to our shores.

Sister Islands Report

My Ministerial responsibility for District Administration also includes oversight for the sustainable development of Cayman Brac and Little Cayman. This includes the development of infrastructure and the implementation of programmes aimed at improving the quality of life in both Islands.

Throughout my tenure as Minister with responsibility for District Administration, my overarching policy for the Sister Islands has been to encourage economic growth, sustainability and development. This is being achieved through initiatives which principally support job creation and inward investment and by leveraging niche opportunities such as medical and sports tourism.

I am pleased to note that since the eight lane 25m competition swimming pool was officially opened by HRH the Prince of Wales on 28 March 2019, three changing rooms are being added to provide more comfort and convenience to users of the facility. In addition to providing extensive community benefit, the top-rated facilities at the sports complex will help to attract sports tourism opportunities to the Sister Islands in the future.

The Ministry has also facilitated the execution of an MOU with Daggaro, an aviation services provider which specializes in disaster responses. Daggaro are in the process of establishing a hub in Cayman Brac from which to provide emergency response services to the wider Caribbean region. Daggaro received planning permission from the relevant authorities to construct an airfield in Cayman Brac, which includes a hangar, administrative office, aircraft parking area, apron and a taxiway.

A new marina development proposal has been presented to government which is in keeping with the Ministry's overarching vision to encourage economic growth, sustainability and development in the Sister Islands. The proposal comprises of a marina capable of accepting larger yachts and includes a boutique hotel as well as retail, restaurant and retirement homes.

Prior to the COVID-19 pandemic the Cayman Islands tourism industry registered the best five years ever recorded. History has proven that our tourism industry is resilient and when the time comes to take on the task of rebuilding, the Ministry stands ready to spearhead innovative strategies to catapult our destination back into the forefront of the global travel and tourism market.

I would like to acknowledge Councillor David Wight for his assistance and support throughout this fiscal year, and extend my sincere thanks to all of the staff at the Ministry of District Administration, Tourism and Transport, led by Chief Officer Stran Bodden. I also extend my gratitude to the staff of the Department of Tourism, led by Director of Tourism Rosa Harris;

and thank our private sector partners and tourism employees for their confidence and support during a challenging and difficult year for tourism in the Cayman Islands.

Stran Bodden, JP

Chief Officer

Chief Officer's Annual Report Message

Following the achievement of record-breaking arrivals at the close of 2019, the goal for 2020 was to build on the positive performance by continuing to implement strategies for long term growth, while applying tactical measures to address short term seasonality.

With the suspension of international stayover visitation due to the COVID-19 pandemic, the Ministry has instead, taken the opportunity to focus on infrastructure and development projects which will serve the industry well once borders reopen.

Recognising that tourism is an important economic driver which underpins millions of dollars in development, I am pleased to report that the Owen Roberts International Airport (ORIA) Airside Project Upgrade is substantially complete well ahead of schedule. This has been accomplished by leveraging the ability to work unhampered by normal airline traffic. The project adds an additional 870 feet to the west end of the existing runway and provides for an apron which enlarges the turn-around area for aircraft; thereby allowing one plane to be waiting while another is taking off or landing.

The new National Weather Service building is at the building permit stage and construction will start once that process has been completed. The building will become the headquarters for the National Weather Service and will house all of the weather and aviation forecasting equipment. The facility is centrally located in George Town at the government site where the Royal Cayman Islands Police Service (RCIPS) traffic office is situated.

The Ministry has also used this time to complete small scale infrastructure projects at key tourist locations around the Island. New public conveniences have been installed at the Starfish Point public beach in North Side as well as at the Wreck of the Ten Sails attraction in East End. Similar facilities are also under construction at the West Bay Cemetery Beach and are slated for completion in March 2021.

The Department of Tourism, being the tactical unit within the Ministry's portfolio, has responsibility to strategically and aggressively promote the Cayman Islands in the global marketplace. With the cessation of stayover arrivals, the Department pivoted its attention to more overtly supporting domestic tourism. Tactics included the launch of a three-part video series featuring local musicians, culinary experiences, local crafts, attractions and more.

By utilizing its assets to visually promote the Islands attributes to locals and residents, the Department is successfully stimulating the local market to assist tourism-related businesses, restaurants and home share properties while the Cayman Islands borders remain closed.

The Cayman Islands is fortunate to have our own airline which never fails to support our Islands in times of need – whether the requirement is to strategically open new gateways, or to provide repatriation services to persons stranded far from home. Cayman Airways has played a vital role in the Cayman Islands COVID mitigation strategy, and will continue to play a central role in our future border reopening plans.

The Cayman Islands tourism industry has faced disruption in various forms, and has previously proven its resiliency in the face of adversity waged from natural disasters and worldwide economic recessions, to global crises and viral outbreaks such as Ebola and SARS. Now, confronted with the COVID-19 pandemic, the Ministry and Department have developed a tourism recovery strategy for the eventual return of travel in a post-pandemic world.

The plan, entitled 'The Road Back to 500K' or RB5, is considered to be a blueprint for the way forward and strategically builds on the principles within the National Tourism Plan (NTP). Both the RB5 and the NTP share the same guiding values; which are to lead tourism effectively, safely, responsibly and sustainably, now and into the future.

The Cayman Islands tourism industry is comprised of many business categories that both directly and indirectly service our visitors. From public transportation, accommodations, attractions, and restaurants, it is imperative that the industry is prepared for the reopening of these sectors pending return of global visitors.

Following collaboration with Government partners such as the Ministry of Health, Department of Environmental Health and co-operation with private sector stakeholders, standards of practice have been developed to establish industry guidelines for sanitation. The goal is to ensure that each touchpoint presents a clean and safe environment for the thousands of people in the industry, our community and for our guests when they return.

As a Ministry we set the bar high with respect to service delivery to the public and I am pleased that our staff continues to meet and exceed those high standards. During this fiscal period despite the unprecedented difficulties brought on by the pandemic, the Ministry has remained productive and staff have delivered on an often heavy workload while working remotely.

I am particularly pleased that effective 1 May 2020 the Ministry welcomed a qualified Caymanian with significant HR credentials and experience to the role of Human Resources Manager. Through diligent and effective succession planning, we continue to fill our vacancies either internally or with suitably qualified Caymanians, and as a consequence, 94% of our staff are Caymanian.

I once again extend sincere appreciation to all the staff within the Ministry for their dedication and professionalism throughout the year and gratefully acknowledge and commend the respective senior management teams for their mutual cooperation and support throughout a most eventful and challenging year.

Overview

What we do

The Ministry consists of the core ministry office and has responsibility for District Administration, Department of Tourism, Public Transport Unit, and National Weather Service. In addition the Ministry oversees (on the Minister's behalf) the performance of the following statutory authorities and Government companies (Tourism Attractions Board, Cayman Airways, Cayman Turtle Farm, Cayman Islands Port Authority, Cayman Islands Airports Authority).

Strategic Management

The Ministry of DAT&T administers the authority's operations at the organizational level; developing business plans and corporate policy; setting long-term goals and objectives; evaluating the agency's overall performance and progress towards established targets; managing programs to improve business processes and ensure consistent service delivery; preparing or revising laws and other regulatory instruments that affect the authority's functions and responsibilities; obtaining legal advice from external sources using the laws that regulate the function of government entities.

Statistics

\$ 29 Million Spent

5 Departments

299 Employees

260 Caymanians

Authorities, Boards and Committees

Port Authority

Airports Authority

Cayman Turtle Centre Ltd.

Cayman Airways Board

Hotel Licensing Board

Miss Cayman Committee

Public Transport Board

Land & Sea Co-op

Tourism Advisory Council

Tourism Attractions Board

Cayman Islands Tourism Association

Sister Islands Tourism Association

Tourism Apprenticeship

Training Programme Council

National Tourism Management Policy

Steering Committee

Sister Islands Affordable Housing Development Corporation

Human Resource Report

Human Resources Mission & Vision

The Ministry of DAT&T's Human Resources Division supports the Chief Officer and Heads of Departments through the development and administration of quality human resources systems, programs and services designed to enhance the work environment and increase organizational effectiveness. The vision is to provide strategic and operational human resources functions that are creative, customer-focused, quality-driven, and highly effective towards the pursuit of an exceptional and diverse workforce.

Recruitment

Human resources recruitment initiatives undertaken during the year centered on identifying well-qualified and experienced candidates to fill vacant positions. The Ministry is particularly pleased to confirm that through diligent and a successful recruitment we were able to hire and onboard two qualified Caymanian applicants for the Human Resources Manager and Deputy Chief Financial Officer.

Learning and Development

Several staff members have embraced opportunities to further their education and professional development by pursuing degrees at the Bachelors level, while others are completing accounting or other certifications relevant to their respective roles within the organization. Senior Management continues to participate in the Continuous Professional Development seminars for Senior Leaders, facilitated by the Portfolio of the Civil Service, as part of Strategic Goal #2 (Leadership) of the CIG's 5-Year Strategic Plan to become a World-Class Civil Service.

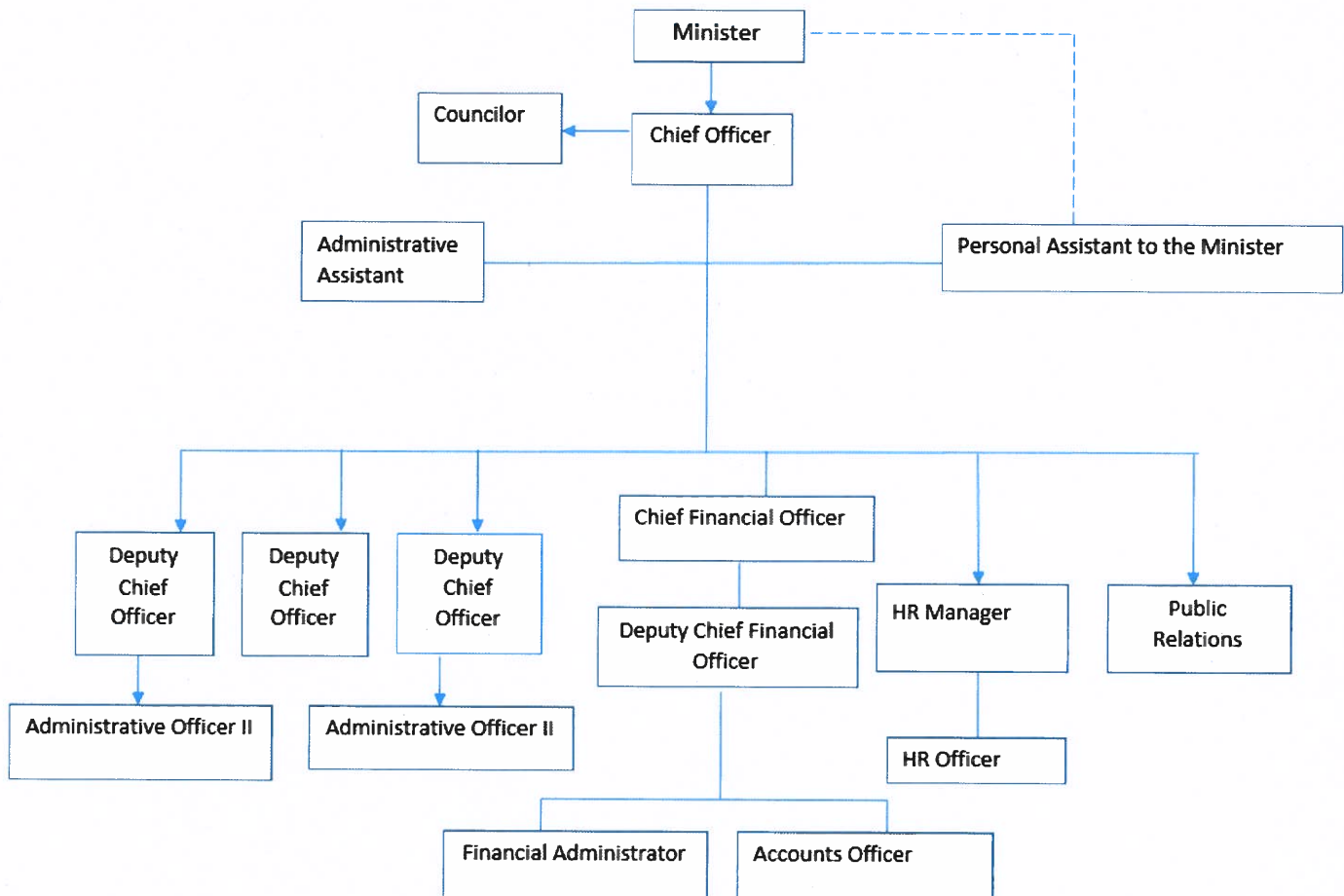
Cost Center	Caymanians	Non-Caymanians	Total Staff Complement	Percentage Caymanian
District Administration	175	8	183	95%
Core Ministry Administration	15	1	16	94%
Public Transport Unit	12	0	12	100%
National Weather Service	15	1	16	94%
Department of Tourism	43	29	72	60%
Total	260	39	299	87%

Organisational Chart

Ministry of District Administration, Tourism and Transport

Core Ministry

Org Chart



Department of Tourism



About us

The Cayman Islands Department of Tourism (CIDOT) is a public sector agency charged with short and medium-term responsibility for strategic planning and general destination management for the Cayman Islands tourism industry. The Department practices corporate business management acumen in the public sector environment and involves a close working relationship with a wide range of stakeholders. To be successful, the Department must maintain a global perspective and a parallel local sensitivity in order to meet its broadest objectives as identified in the National Tourism Plan to be implemented from 2020 onwards.

Scope of Activities

The nature of the activities executed by the Department range from research and policy advice to international marketing and sales, from industry training programmes to the development of responsible management of the tourism industry. At all times, the Department seeks to advance the heritage, culture and values of the Cayman Islands and promote the advancement of sustainable tourism policies for the benefit of present and future generations.

Our People

- Two (2) staff members advanced in continuing education and received their professional certification in Change Management Foundation & Practitioner delivered through the Strategic Reforms Implementation Unit Professional Certification Programme.
- One (1) employee received their Certified Incentive Travel Professional (CITP) exam, which is Society Incentive Travel Excellence's mid-level qualification aimed at incentive travel professionals with at least five years of full-time experience.
- One (1) staff member attended the UWI-Caribbean Development Bank Climate Smart Workshop in The Bahamas in February 2020
- Two (2) staff members attended a Regional Workshop on Disaster Risk Management in the Caribbean in October 2020 and received certificates.
- One (1) staff member participated in the Caribbean Tourism Organization Tourism Recovery Forum and Workshops in October/November 2020.
- Director of Tourism attended the World Economic Forum in Davos, Switzerland in January 2020.
- Twenty (20) staff from the Product, Marketing and Finance and Administration teams participated in the Global Sustainable Tourism Council Certification in Sustainable Tourism training course. The Department of Tourism Grand Cayman Head Office is comprised of 93% Caymanians.

Department of Tourism (continued)

Achievements:

Stayover Arrivals Highlights

- For the period January to December 2020, total visitation (stay-over arrivals and cruise passengers) was 659,959, a 71.72% decrease over the same period in 2019 (1,673,791 fewer persons).
- The destination welcomed 121,819 stay-over visitors in 2020. This was a 75.77% decrease when compared to 2019.
- Cruise passenger arrivals decreased by 70.61% (no cruise ship has entered the destination since 12 March 2020).
- Lowest stay-over and cruise visitation in recorded history.
- COVID-19 had a larger impact on visitation to the destination than any previous disaster or world event in recorded history.
- Stay-over visitation for January to February 2020 was the highest in recorded history for the first two months of a year.
- Stay-over arrivals declined in 2020 after ten consecutive years of growth due to COVID-19 pandemic.
- As of December 2020, tourist accommodation room stock totaled 7,263 rooms with 3,334 condos, 1,140 villas and 2,789 hotel rooms.

Destination Marketing and Promotion

- Produced a dashboard showing COVID-19 trends and how they relate to past visitation to the destination.
- Analysis of previous disasters and world events and how they impacted tourism as well as the recovery timeline for the Cayman Islands.
- Fostered engagement and tourism partner relations with members of the local community through the social media live session programme (SMLSP). The SMLSP was an innovative way to showcase the Cayman Islands and saw an increase of 979% to 1.1M video views year over year.
- Managed the Tourism Stipend Programme (supported by facilitated data collection, data validation, data cleaning and community communication.)
- Designed, launched, and manage the Global Citizen Concierge Program to stimulate the on-island tourism economy with media coverage and applications from around the world.
- “Dream in Cayman” marketing campaign launched in Canada and then paused Globally and replaced by social media content including “Dreaming of Being Reunited” and “Take A Moment” videos.
- Five “Our Cayman” videos produced to support the local Staycation market and “Cayman Live” events promoted to maintain Cayman awareness.
- Global sales team leveraged the virtual environment to engage a broader Business to Business audience by conducting dozens of webinars, trainings, graduate conversions, and lunch & learns to maintain engagement with the trade. Additionally, the US developed the foundation for a formal Travel Advisory Board featuring key travel advisors.
- Partnerships with Porsche, London Irish Rugby and Gloucester CCC established.
- Launch of Tourism Tuesday newsletter to keep local stakeholders informed.
- The Road Back to 500K Air Arrivals (RB5) recovery plan published.
- Introduction of weekly Virtual Tourism Conference during Q4
- Launched Global Citizen Concierge Programme with media coverage and applications from around the world.

Department of Tourism (continued)

Destination Accolades

- Cayman Islands - Travel Pulse Online - Top 30 influential people in travel - Cayman Islands Minister of Tourism, Hon. Moses Kirkconnell (Jan 2021).
- Cayman Islands #1 - Caribbean Airport of the Year, Owen Roberts International Airport, January 2020.
- Seven Mile Beach #3 - Best Beach in the Caribbean: TripAdvisor Travelers' Choice 2020.
- Cayman Islands #6 - Best Beach in the World: TripAdvisor Travelers' Choice Awards 2020.
- Cayman Islands #20 - Travel & Leisure - Top Islands in the Caribbean.
- Cayman Islands #22 - Travel & Leisure - Kimpton Seafire Resort + Spa, Top Resorts in the Caribbean.



CIDOT Tourism Revenue

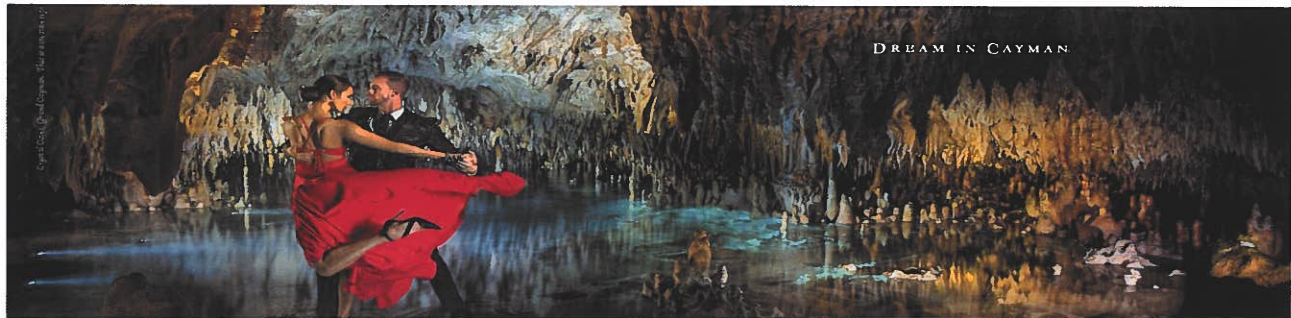
- The COVID-19 pandemic had a significant impact on the collection of revenues. Out of a budgeted \$37 million in total revenues, the department only collected approximately \$10.6 million in 2020.
- Breakdown as follows: Approximately \$10.3 million for tourist accommodation charges, \$179k in timeshare ownership charges, and \$176k for hotel licenses.

Tourism Education, Career Promotion and Stakeholder Training

- Tourism Open House for displaced tourism employees was held at the Grand Cayman Marriott Beach Resort on 8 September 2020 and attracted over 400 participants.
- Workforce Opportunities & Residency Cayman (WORC) facilitated a Back 2 Work training programme for displaced tourism employees during the September to October 2020 period on behalf of CIDOT. Seventy-seven persons attended.
- University College of the Cayman Islands facilitated a Customer Service in a COVID-19 Landscape course during the September to October 2020 period on behalf of CIDOT. One hundred and twenty-four persons attended.
- CIDOT provided tourism partners and stakeholders with access to the Caribbean Hotel and Tourism Association/Caribbean Tourism Organization/Caribbean Public Health Association Caribbean Tourism Health Safety Training series and guidelines focusing on COVID-19 as well as product development webinars.

Department of Tourism (continued)

- CIDOT also developed and provided tools to stakeholders in response to the COVID-19 pandemic including sanitation operational protocols, business continuity planning template CIDOT offered the following PRIDE Training:
 - Six Promises Customer Service Excellence Workshops with 114 participants trained.
 - Nineteen Promises Customer Service Excellence Webinars with 201 participants trained.
 - Eight Know Your Cayman Islands Workshops with 126 participants trained.
 - Twelve Know Your Cayman Islands History Webinars with 68 participants trained.
 - Eleven Know Your Cayman Islands Culture Webinars with 76 participants trained.
- Eleven Founded (Tourism Business Acumen) Webinars with 87 participants trained.
- 11 Local school visits to promote tourism awareness. In a post COVID-19 era, with restrictions placed on in-person school visits, Zoom and Gomeeting was used to conduct school presentations.
- 2 Career fairs were conducted.
- 9 Scholarships were awarded with majors ranging from media arts, Commercial Pilot and Tourism/Hospitality Management. Scholarship amounts ranged from USD\$18,000 to USD\$25,000.



Looking Forward

The Cayman Islands Department of Tourism looks into 2021 learning to live with increasing uncertainty and rapid dynamic shifts. Our goal is to turn these variables to our advantage where possible in a world emerging out of COVID-19.

There have been drastic changes in customer behaviour and economic activity during 2020 with increased government intervention and controls restricting the ability to travel. Shifts in customer priorities and preferences as health concerns bring new perspectives for many. As a result, the CIDOT team are prepared to capitalise on the increasing pent-up demand in the key source markets and gain a competitive share of voice in what will be a highly competitive destination marketplace. Recovery will be in phases once the vaccine rolls out both in Cayman and in the key source markets.

The following strategic and high priority initiatives are targeted for implementation in the 2021 fiscal year to start the Road Back to 500k air arrivals:

- Stay abreast of global travel treats to mitigate any Cayman Islands tourism industry impact, propose new business development trends under the disciplines of marketing and tourism management in order to provide strategic technical information to the Ministry of DATT.
- Continue implementation of the 5 year National Tourism Plan 2019-2023 and the Road Back to 500k Air Arrivals Strategic Tourism Plan (RB5).
- Continuation of the National Tourism Training Programme in preparation for the wider opening of our borders with additional training e.g., dive training, additional elements to the PRIDE training programme and continued access to training webinars from external organizations (e.g. Caribbean Tourism Organization, Caribbean Hotel and Tourism Association, Aquila).

Department of Tourism (continued)

- Continued participation in career fairs and expos, school visits and participation in the CIG Skills4Life initiative.
- Continuation of CIDOT's Virtual Tourism Series webinars on a range of tourism-related topics.
- Operation of the Global Citizens Concierge Programme Command Centre.
- 2020 was an unprecedented year where many were prevented from visiting friends and family abroad - as a result as soon as the market allows, there is a huge opportunity for VFR (visiting friends and/or relatives) travel.
- Weddings: Many weddings plans were cancelled in 2020 – Cayman can be promoted as a safe, stress free alternative wedding destination.
- Aviation: Reassure existing airlines of the profitability of the Cayman route and promote opportunity to new airlines.
- Re-opening airlines routes and re-establish the success of GCM routes.
- New/Old Markets: Focus on return leisure business from existing core markets whilst establishing a medium-term strategy and groundwork to open new markets in continental Europe, the Middle East and Asia and LATAM.
- Reinforce Cayman sustainable practices and promote as best in class (in Caribbean).
- Stay abreast of global travel threats to mitigate any Cayman Islands tourism industry impact, propose new business development trends under the disciplines of marketing and tourism management in order to provide strategic technical information to the Ministry of DATT.
- Refine and/or begin implementation of key strategic projects focusing on aviation, economic measurement of tourism, public transportation, cruise tourism and small business incentives.
- Approval and implementation of modernized Tourism Law (1995 Revision) and Tourism Regulations (2002 Revision) and transitioning of the Hotels Licensing Board to a Tourism Licensing Board with an expanded mandate.
- Opening of the new International Scuba Diving Hall of Fame museum.
- Aviation development for Latin America market.
- Advance Aviation as a critical success factor, sustain visitation and diversify source markets by focusing on United Kingdom/Europe and Canada.
- Expand Global Destination Brand Awareness through delivery of increased visitation from the Cayman Islands' primary market (USA), secondary markets (Canada & United Kingdom/Europe) and new growth markets e.g. Latin America and China (in the long-term).
- Further business development opportunities for stakeholders e.g., home sharing, new experiences.
- Launch of online revenue and inspections platform to better serve the accommodations sector.
- Destination Mystery Shopping assessment.
- Support the advancement of cruise and stayover tourism and the modernization of entry points.
- Build internal and external human resource capacity to enhance sustainable destination management and operation through the School of Hospitality Studies programme, support for tourism education and career development, CIDOT industry workshops, seminars, and training tools as well as staff training and development.
- Continue to explore a Digital Tourism Tax Remittance solution to enhance revenue collection efficiency.
- Expand Global Destination Brand Awareness through sales, advertising, aviation relations and create marketing strategies and partnerships with the Cayman Island's primary market (USA), secondary markets (Canada & United Kingdom/Europe) and new growth markets (e.g. Latin America and China).
- Continue to conduct research on Tourism Satellite Account development for economic measurement of tourism and reporting purposes.

District Administration



About us

District Administration Department is the main Government Office within the Sister Islands. The general nature of activities are to administer and support the business of government in Cayman Brac and Little Cayman, ensuring the timely and efficient implementation of government policies. It is headed by the District Commissioner and the Deputy District Commissioner.

The sections that fall under the remit of District Administration include:

- District Commissioner's Office
- Human Resources
- Finance/Budget
- Computer Services
- General Administration
- Public Works
- Facility Management (New)
- Treasury
- Day Care Centre
- District Office (Little Cayman)
- Heritage House
- Marketing & Promotions
- Museum
- Vehicle Licensing

Scope of Activities:

To provide the following services in Cayman Brac and Little Cayman:

- General Administration, Policy Formulation, Coordination and Implementation
- Public Works Implementation and Management
- Facility Management
- Disaster Management
- Treasury Services
- Vehicle and Licensing Services
- Coordinate VIP Visits and Host Official Ceremonial and Social Functions
- Administer Museum/Cultural/Heritage Awareness Services
- Provide Pre-School and Child Care Services
- Marketing & Promotions Services
- IT Services
- Respond to the needs of other government (client) departments and agencies

District Administration (continued)

Customers and Location of Activities

District Administration customers include the general public, resident and non-resident, and, other government departments and agencies. District Administration Department Headquarters is located at 19 Kirkconnell Street, Stake Bay, Cayman Brac with other operational offices at various locations on Cayman Brac and Little Cayman.

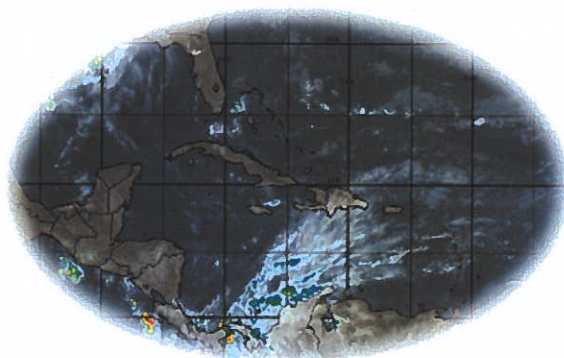
Achievements - Cayman Brac & Little Cayman

- 49 houses repaired for Senior Citizens
- Roads repaired in West End and Spot Bay areas as Water Authority installed water pipelines
- Secondary public roads paved with asphalt in West End, Spot Bay and the Bluff
- Salt Water Pond – Water level and pumps maintained/monitored
- Four (4) New Buildings by District Administration for much needed Office Space – Vehicle Licensing, Planning/Lands & Survey, Customs and Immigration and two new changing rooms plus a Public Restroom at the 25m Pool (Under construction – 90% completed)
- Continuation of Brac & LCM Roadside Clean-Up Programme in phases - January thru December 2020
- Hired Architects for design and engineer - District Administration main building renovations with new elevator (Building Permits 90% complete).

Forward looking – Cayman Brac & Little Cayman

- Repair approximately 40 additional houses for senior citizens
- Continue Paving with asphalt, secondary roads, as well as repairs to main roads in Cayman Brac, due to Water Authority pipeline installation
- Complete two new changing rooms plus a public restroom facility for the 25m pool.
- Construct the parking lots for the 25m swimming pool & multi-purpose hall
- Start construction of renovations on the District Administration Building
- Continue roadside clean-up program
- Continue the maintenance/monitoring of salt water pond water levels/pump
- Complete four (4) new office space buildings by District Administration Building
- Continue road repairs in Little Cayman
- Construct two public docks on the western end of Little Cayman
- Procure for much needed replacement heavy equipment and vehicles at Public Works Unit and District Administration

National Weather Service



About us

The Cayman Islands National Weather Service (CINWS) provides services to a wide suite of customers including the aviation sector, marine boaters and sea sporting activities, fishermen and General Public. The CINWS also provides warnings to protect life and property from adverse weather conditions including those during the passage of tropical cyclones. The Cayman Islands National Weather Service (CINWS) is involved in a four-fold mission: monitoring; research; service provision and international cooperation.

Scope of Activities

CINWS provides the following services:

- Meteorological observing, monitoring and related services (manual observations, weather website, weather app and radar images),
- Range of weather information, forecast and warning services, (aviation lightning alerting and weather radio)
- Maintenance of systems for the collection and quality control of observational data, (including Cayman Brac)
- Maintenance of the national climate archive (for both Grand Cayman and Cayman Brac)

Governance

- Locally the service is supported by the National Weather Service Law, 2010, “Section 3 (1) The Cayman Islands National Weather Service shall be recognized as the authority for all weather, climate, seismic and other meteorological matters in the Islands.”
- Meteorological duties are carried out under strict rules and regulations as agreed by international bodies such as the World Meteorological Organization (WMO) and the International Civil Aviation Organization (ICAO).

Our People

The Service operates with a staff of 16 officers, 15 of which are Caymanian. The staff operates on a shift system that covers 17 hours for the day. All staff is qualified through the regional training center in Barbados. Additionally a staff of 5 from the Cayman Islands Airports Authority provides observational services in Cayman Brac at the Charles Kirkconnell International Airport (CKIA). This service is supported by the CINWS through a quality Management System to carry out regular checks on all observations.

National Weather Service (continued)

Achievements

- Weather observer training in Cayman Brac for 3 officers (2 for CKIA and 1 CINWS).
- Ongoing plans for new Cayman Islands National Weather Service Operational and Research Center including approval from the Planning Board.
- Continued work on dealing with aviation audit findings.
- Continued work on dealing with marine audit findings.
- Continued implementation phases of the CINWS Strategic Plan 2018–2022.
- Tracked and produced relevant warnings for 5 Tropical Storms (Laura, Marco, Nana, Zeta, and Eta) and 1 Hurricane (Delta).
- Purchase of a wave modeling computer.
- Purchase and installation of Intellisense systems at Owen Roberts and Charles Kirkconnell International Airports.
- Provided meteorological observational and terminal aerodrome forecast messaging review for air traffic controllers in Grand Cayman and Cayman Brac.
- Released 12 public education articles to the media.

Forward looking

- Hire and train weather observers.
- Final building design and ground breaking of new Cayman Islands National Weather Service Operational and Research Center in September 2020.
- Continued work on salary structure of the organization through extensive work on upgrading job descriptions for each position.
- Installation of new Automatic Weather Station on site adjacent to Jose Gas Station, the future building site for the Cayman Islands National Weather Service Operational and Research Center.
- Continued implementation phases of the CINWS Strategic Plan 2018–2022.
- Implementation of wave modeling project: Delivery of specialized products to specific sectors.
- Continued development of the CINWS Weather application.
- Procured radio equipment to the weather radio/ to be installed in first quarter 2021.
- Installation of Intellisense system at our new site to begin comparative readings for climatology - 2nd quarter 2020.
- Continued implementation of Impact Based Forecasting.

Public Transport Unit

About us

The Public Transport Unit (PTU) is vital for the proper functioning, growth and development of the Cayman Islands. The Public Transport Unit ensures efficient and effective transportation services in six categories including bus routes at acceptable levels of modern, urbanized cities. The PTU has 12 staffs whom are all Caymanians.

The Transport Unit together with its stakeholders provides public transportation for residents, and tourist alike. The provision of best services includes customer service, hailing options, and routes circulation in a timely manner and care for older and disabled passengers with various types of modern vehicles.

2020 was on track to be a record year for persons gaining employment in the Transportation sector as the Cayman Islands Tourism product was poised to set new records. However, due to Covid19, these numbers were reduced. Despite many challenges there were a multitude of positive initiatives that occurred with the Transportation sector.

Scope of Activities

- Assist with the training of all public passenger operators and drivers.
- Conduct general knowledge test and reviews.
- Conduct inspections for customer assurance both on public passenger vehicles and drivers to ensure operators and drivers are compliant with the Laws, Regulations, Public Transport Board (PTB) policies and guidelines.
- Prepare reports as requested for the PTB to assist in their decision making process.
- Prepare agendas, and minutes of the PTB meetings.
- Prepare and issue letters to applicants.
- Prepare reports for the PTB at the Public Transport Appeals Tribunal meetings.
- Investigate complaints.
- Queue and dispatch omnibuses from the Bus Depot.
- Co-ordinate with tourism stakeholders to enhance their businesses and our guest experience.
- Provide information and answer queries about all forms of transportation.
- Monitor all operators and drivers to ensure the travelling public receives quality of service.

Customers/Location of activities/ Total number of persons employed as 31 December 2020

PTU customers include guest and residents in the Cayman Islands at ports of entry, hotels, restaurants, attractions, and local residences.

In 2020, 122,239 passengers took the public bus from the Bus Depot. This is a significant decrease of 167,548 (289,787) from 2019. Dispatching also decreased from 90,197 in 2019 compared to 50,012 per annum in 2020. This is due to Covid19 and the Bus Depot being closed for 4 months, a number of residents leaving the island and the Cayman Islands borders being closed to tourists.

Currently there are 632 persons employed in the transportation sector as of 31 December 2020, a decrease of 222 from 2019. However despite the challenging year 26 Caymanians received employment in the Transportation industry, out of 41 persons in total. Currently there are 547 Caymanians employed in the transportation industry an increase of 9% to 86.6%.

Governance

There were several amendments to the Public Passenger Vehicles Regulations including taxi app amendments and the reduction on application renewals requirements which included no medical and urine certificate.

Public Transport Unit (continued)

Achievements

- 1) In 2020 the taxi app CIGO was launched.
- 2) The Bus Depot increased operation hours from 7am - 6pm to 6am - 7pm Monday through Friday.
- 3) PTU Launch its new Website www.Cayman.Transport.com where forms can now be obtained online making it easier for stakeholders to obtain information.
- 4) PTU launched new social media campaign with a social media manager to answer queries.
- 5) PTU transitioned to more digital and online presence by processing electronic applications and having meetings online.
- 6) Stakeholders are no longer required to attend PTU office to register/deregister vehicles and conduct other business. Application transactions can be carried out via email request.
- 7) Assist stakeholder with tourism stipend request.
- 8) Streamlined application process by reducing application requirements.

Forward looking

- 1) To develop a Public Bus App.
- 2) Work with DOT and School of Hospitality to develop new workshops for stakeholders to ensure they are prepared and trained when the borders are re-opened.
- 3) Increase bus depot hours by opening the Bus Depot on Saturdays.
- 4) Provide increase in staff training.



**MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND
TRANSPORT**

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

CONTENTS

	Page
1. Statement of Responsibility for the Financial Statements	2
2. Auditor General's Report	3-4
3. Statement of Financial Position	5
4. Statement of Financial Performance	6
5. Statement of Changes in Net Worth	7
6. Cash Flow Statement	8
7. Notes to the Financial Statements	9-27



Cayman Islands Government
Government Administration Building
Grand Cayman,
Cayman Islands
Tel: 345-949-7900 ext. 2420

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Ministry of District Administration, Tourism and Transport in accordance with the provisions of the Public Management and Finance Act (2020 Revision) and International Public Sector Accounting Standards.

We are responsible for establishing; and have established and maintained a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by Act, and properly record the financial transactions of the Ministry of District Administration, Tourism and Transport.

We are responsible for the preparation of the Ministry of District Administration, Tourism and Transport's financial statements and for the judgements made in them. We accept responsibility for their accuracy and integrity.

The financial statements fairly present the statement of financial position, statement of financial performance, statement of cash flows and statement of changes in net worth for the year ended 31 December 2020.

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

- (a) completely and reliably reflect the financial transactions of the Ministry of District Administration, Tourism and Transport for the year ended 31 December 2020;
- (b) fairly reflect the financial position as at 31 December 2020 and performance for the year ended 31 December 2020;
- (c) comply with the provisions of the Public Management and Finance Act (2020 Revision) and International Public Sector Accounting Standards.

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.

A handwritten signature in black ink, appearing to read 'Stran Boddan'.

Stran Boddan
Chief Officer
Date: 9 April 2021

A handwritten signature in black ink, appearing to read 'Neyka Webster'.

Neyka Webster
Chief Financial Officer
Date: 9 April 2021

AUDITOR GENERAL'S REPORT

To the Members of Parliament and the Chief Officer of the Ministry of District Administration, Tourism and Transport

Opinion

I have audited the financial statements of the Ministry of District Administration, Tourism and Transport (the "Ministry"), which comprise the statement of financial position as at 31 December 2020 and the statement of financial performance, statement of changes in net worth and cash flows statement for the year ended 31 December 2020, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 9 to 26.

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

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Ministry in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, together with the ethical requirements that are relevant to my audit of the financial statements in the Cayman Islands, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Ministry's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Ministry or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

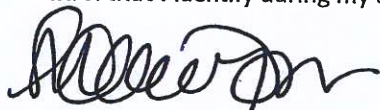
AUDITOR GENERAL'S REPORT (continued)

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Ministry's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Ministry to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I have undertaken the audit in accordance with the provisions of section 60(1)(a) of the *Public Management and Finance Act (2020 Revision)*. I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Sue Winspear, CPFA
Auditor General

9 April 2021
Cayman Islands

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020
(EXPRESSED IN CAYMAN ISLANDS DOLLAR)

31 December 2019			31 December 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		Note	\$'000	\$'000	\$'000	\$'000
	Current Assets					
13,866	Cash and cash equivalents	3	6,674	16,196	16,196	9,522
4,815	Trade receivables	4	12,588	3,145	3,145	(9,443)
188	Other receivables	4	69	178	178	109
318	Inventories	5	339	215	215	(124)
846	Prepayments	6	712	329	329	(383)
20,033	Total Current Assets		20,382	20,063	20,063	(319)
11,264	Property, plant and equipment	7	11,008	13,242	12,642	2,234
60	Intangible assets	7b	60	20	20	(40)
11,324	Total Non-Current Assets		11,068	13,262	12,662	2,194
31,357	Total Assets		31,450	33,325	32,725	1,875
	Current Liabilities					
189	Trade payables	8	210	263	263	53
2,395	Other payables and accruals	8	1,022	1,853	1,853	831
478	Employee entitlements	9	504	518	518	14
15,218	Repayment of surplus	22	16,126	12,745	12,745	(3,381)
18,280	Total Current Liabilities		17,862	15,379	15,379	(2,483)
18,280	Total Liabilities		17,862	15,379	15,379	(2,483)
13,077	Net Assets		13,588	17,946	17,346	4,357
	NET WORTH					
5,641	Contributed capital	23	6,152	10,565	9,965	4,413
7,436	Revaluation reserve		7,436	7,436	7,436	-
-	Accumulated surpluses		-	(55)	(55)	(55)
13,077	Total Net Worth		13,588	17,946	17,346	4,358

The accounting policies and notes on pages 9-27 form an integral part of these financial statements.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2020
(EXPRESSED IN CAYMAN ISLANDS DOLLAR)

31 December 2019			31 December 2020	Original Budget	Final Budget	Variance (Orig vs actual)
\$'000		Note	\$'000	\$'000	\$'000	\$'000
	Revenue					
36,582	Sale of goods and services	10	30,147	37,430	33,430	7,283
36,582	Total Revenue		30,147	37,430	33,430	7,283
	Expenses					
16,754	Personnel costs	11	16,396	17,620	17,620	1,224
18,022	Supplies and consumables	12	11,851	18,716	14,716	6,865
810	Depreciation	7	856	909	909	53
11	Amortisation of Intangible Assets	7b	15	15	15	0
184	Legal costs	13	123	156	156	33
10	Losses on impairment of property, plant and equipment	14	35	-	-	(35)
(123)	Other gains	14	(15)	-	-	15
19	Losses on foreign exchange transactions	14	(22)	14	14	36
35,687	Total Expenses		29,239	37,430	33,430	8,191
895	Surplus for the year		908	-	-	(908)

The accounting policies and notes on pages 9-27 form an integral part of these financial statements.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 31 DECEMBER 2020
(EXPRESSED IN CAYMAN ISLANDS DOLLAR)

	Contributed Capital	Revaluation Reserve	Accumulated (deficits)/surplus (Restated)	Total Net worth (Restated)	Original Budget	Final Budget	Variance (Orig. vs. Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 31 December 2018	4,483	7,436	-	11,919	11,918	11,918	(1)
Prior Year Adjustments	27			27	-	-	(27)
Equity Investment from/to Other Government Entity	-	-	-	-	-	-	-
Equity Investment from Cabinet	1,131	-	-	1,131	1,275	1,275	144
Net revenue / expenses recognised directly in net worth	1,158	-	-	1,158	1,275	1,275	117
Surplus for the period 2019	-	-	892	892	-	-	(892)
Repayment of surplus	-	-	(892)	(892)	1,837	1,837	2,729
Total recognized revenues and expenses for the period	1,158	-	-	1,158	3,112	3,112	1,953
Balance as at 31 December 2019	5,641	7,436	-	13,077	15,030	15,030	1,953
Changes in net worth for 2019:							
Prior Year Adjustments	12	-	-	12	-	-	(12)
Adjusted Balance as at 31 December 2019	5,653	7,436	-	13,089	15,030	15,030	1,941
Equity Investment from/to Other Government Entity	-	-	-	-	-	-	-
Equity Investment from Cabinet	606	-	-	606	2,916	2,316	2,310
Net revenue / expenses recognised directly in net worth	606	-	-	606	2,916	2,316	2,310
Surplus for the period 2020	-	-	908	908	-	-	(908)
Repayment of surplus	-	-	(908)	(908)	-	-	908
Capital Withdrawal	(107)		-	(107)	-		107
Total recognized revenues and expenses for the period	499	-	-	499	2,916	2,316	2,417
Balance as at 31 December 2020	6,152	7,436	-	13,588	17,946	17,346	4,358

The accounting policies and notes on pages 9-27 form an integral part of these financial statements.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020
(EXPRESSED IN CAYMAN ISLANDS DOLLAR)

31 December 2019			31 December 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		Note	\$'000	\$'000	\$'000	\$'000
	CASH FLOWS USED IN OPERATING ACTIVITIES					
	<i>Receipts</i>					
34,438	Outputs to Cabinet		21,958	37,388	33,388	15,430
863	Sale of goods and services - third party		300	209	209	(91)
801	Other receipts		792	22	22	(770)
	<i>Payments</i>					
(16,699)	Personnel costs		(15,758)	(17,620)	(17,620)	(1,862)
(18,348)	Supplies and consumables		(14,050)	(18,716)	(14,716)	(4,666)
(650)	Other payments		(590)	-	-	590
<u>405</u>	Net cash flows (used in)/from operating activities		<u>(7,348)</u>	<u>1,283</u>	<u>1,283</u>	<u>8,631</u>
	CASH FLOWS USED IN INVESTING ACTIVITIES					
(1,067)	Purchase of property, plant and equipment	7	(664)	(2,916)	(2,316)	(2,252)
9	Proceeds from sale of property, plant and equipment	7	-	-	-	-
<u>(1,058)</u>	Net cash flows used in investing activities		<u>(664)</u>	<u>(2,916)</u>	<u>(2,316)</u>	<u>(2,252)</u>
	CASH FLOWS USED IN FINANCING ACTIVITIES					
1,250	Equity Investment		821	2,916	2,316	2,095
<u>1,250</u>	Net cash flows used in financing activities		<u>821</u>	<u>2,916</u>	<u>2,316</u>	<u>2,095</u>
597	Net (decrease)/increase in cash and cash equivalents		(7,191)	1,283	1,283	8,474
13,269	Cash and cash equivalents at beginning of period		13,866	14,913	14,913	1,047
<u>13,866</u>	Cash and cash equivalents at end of period	3	<u>6,674</u>	<u>16,196</u>	<u>16,196</u>	<u>9,522</u>

The accounting policies and notes on pages 9-27 form an integral part of these financial statements.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 1: Description and Principal Activities

The Ministry of District Administration, Tourism and Transport ("the Ministry") is a Government owned entity as defined by section 2 of the Public Management and Finance Act (2020 Revision) and it is domiciled in the Cayman Islands.

- The Ministry's principal activities and operations include the activities carried out by the departments as follows: The Department of Tourism seeks to advance the heritage, culture and values of the Cayman Islands and promote the advancement of sustainable tourism policies for the benefit of future generations. The Department is charged with short and medium term responsibility for strategic planning and general destination management for the Cayman Islands tourism industry. The nature of the activities include such areas as research and policy advice, international marketing and sales, industry training programmes, and development of environmentally responsible management of the tourism industry. The Department operates offices in the Cayman Islands, New York and London.
- The District Administration department administers the business of the Cayman Islands Government in Cayman Brac and Little Cayman, ensuring the timely and efficient implementation of Government policies.
- The Cayman Islands National Weather Service is responsible for monitoring meteorological events and provision of meteorological information. The unit also plays a key role in Cayman's hurricane preparedness and mitigation efforts. The weather service operates from the General Aviation Terminal at the Owen Roberts International Airport.
- The Public Transport Unit is responsible for the public transport network, schedules and fares in the Cayman Islands. The Unit manages the dispatch of buses to all districts from the Bus Depot located in central George Town.

Note 2.1: Statement of Compliance and Basis of Preparation

The financial statements of the Ministry have been prepared on an accrual basis in accordance with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Cayman Islands dollars, which is the functional and reporting currency of the Ministry. Except where noted, all values in these financial statements are rounded to the nearest thousand (\$000). The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method.

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

IPSAS 41, Financial Instruments was issued in August 2018 and shall be applied for financial statements covering periods beginning on or after 1 January 2023. IPSAS 41 establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement. Based on our assessment it is anticipated that these standards will not be applicable to the Ministry in future periods, however, we will reassess IPSAS 41, Financial Instruments more fully closer to the effective date of adoption.

IPSAS 42, Social Benefits was issued in December 2018 and shall be applied for financial statements covering periods beginning on or after 1 January 2023. IPSAS 42 defines social benefits and determines when expenses and liabilities for social benefits are recognised and how they are measured.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 2.2: Significant Accounting Policies

(a) Changes in accounting policies

The Ministry recognises the effects of changes in accounting policy retrospectively. 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 Ministry has presented prior year comparative information in the financial statements in accordance with IPSAS 1, Presentation of Financial Statements.

(b) Budget amounts

The original budget amounts for the financial year are presented in the "2020-21 Budget Statements" and were approved by the The Parliament of the Cayman Islands in December 2019. For 2020, there were decreases that were not in the original budget numbers. These are noted as followed:

Department	Description	Amount
Department of Tourism	Supplementary Decrease to DAT15	4,000,000
Ministry Admin	Supplementary Decrease to EI68	600,000
	Total decrease to 2020 Budget	4,600,000

Funds reallocated from output group DAT 15 - Tourism Advertising Activities, Marketing, Public Relations, Sales and Promotions to Transfer Payment TP67 - Sports and Cultural Tourism Programme Assistance to assist with providing financial assistance to displaced Caymanian tourism employees that have been affected by the COVID-19 pandemic and the resulting closure of the Cayman Islands borders.

Funds reallocated from appropriation EI68 - Ministry of District Administration, Tourism & Transport Fixed Assets to Transfer Payment TP86 - Sister Islands Beaches and Community Clean Up Programme to assist with the Sister Islands economic stimulus and employment relief effort and transfer payment TP66 - Sister Islands Home Repairs Assistance to assist with continual housing repairs for Sister Islands senior citizens and to provide economic stimulus via the construction sector.

(c) Judgments and estimates

The preparation of financial statements in conformity with IPSAS requires management to make 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 affected by those revisions and future years, where applicable.

(d) Changes in accounting estimates

As at 31 December 2020 there were no material changes to accounting estimates as defined by IPSAS 3.

(e) Revenue

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

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

(f) Expenses

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

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 2.2: Significant Accounting Policies (continued)

(g) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under the operating leases are recognised as an operating expense on a straight-line basis over the lease term.

(h) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, cash in-transit and cash at bank with an original maturity of three months or less from the date of acquisition. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

(i) Prepayments

The portion of recognised expenditure paid in advance of receiving goods and/or services has been recognised as a prepayment in these financial statements.

(j) Inventory

Inventory shall be 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.

Costs are assigned to inventory using the first in first out method.

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.

(k) Property, plant and equipment

Plant and equipment, is stated at historical cost less accumulated depreciation and impairment losses. Items of plant and equipment are initially recorded at cost. Cost includes expenditure that is directly attributable to the acquisition of the items. Property is stated at the revaluation model, after initial recognition, the asset is carried at fair value being recognised in the statement of changes in net worth in accumulated net worth under the heading revaluation reserve. Any increases in the fair value are only recognised in the statement of financial performance to the extent that the increase reverses a revaluation decrease of the same asset previously recognised in profit or loss.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Ministry recognises such parts as individual assets with specific useful lives and depreciated them accordingly. All other repairs and maintenance costs are recognised in the statement of financial performance as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation on assets is charged on a straight-line basis over the useful life of the assets (with the exception of land). Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life; rates are stipulated in the table below.

<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
• Leasehold Improvement	Over the unexpired period of lease or the useful life of the Improvement
• Computer equipment	3 – 10 years
• Developed software	4 – 10 years
• Office equipment and furniture	3 – 25 years
• Motor vehicles	3 – 20 years
• Telecommunications	5 – 50 years
• Other equipment	5 – 20 years

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 2.2: Significant Accounting Policies (continued)

(k) Property, plant and equipment (continued)

Disposals

The Ministry derecognises items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit at the time the asset is derecognised.

(l) Intangible assets

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

An intangible asset with a finite life is amortized over its useful life: Software 4 – 10 years

Intangible assets with a finite useful life are assessed for impairment whenever there is an indication that the asset may be impaired. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the surplus or deficit when the asset is derecognised.

An intangible asset with an indefinite useful life should not be amortised. Its useful life should be reviewed each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset.

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

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 contributions 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 centralized in the Government and therefore, reported in the consolidated financial statements for the entire public sector of the Cayman Islands Government.

(n) Financial instruments

The Ministry 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.

When there is objective evidence that a financial asset or group of financial assets is impaired the losses are recognised as a loss in the statement of financial performance.

Classification

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

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

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 2.2: Significant Accounting Policies (continued)

Recognition

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

Measurement

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

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

De-recognition

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

(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.

(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 at year end date;
- 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) Revenue from non-exchange transactions

The Ministry receives various services from other government entities for which payment is made by the Cayman Islands Government. These services include but are not limited to computer repairs and software maintenance by the Computer Services Department, human resources management by the Portfolio of the Civil Service and office space from the Cayman Islands Airport Authority.

The Ministry 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 recognised in the cost of the fixed asset.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 3: Cash and cash equivalents

Cash and cash equivalents include cash on hand; bank accounts in the name of the Ministry of District Administration, Tourism and Transport maintained at Royal Bank of Canada, Cayman National Bank, Barclays Bank (UK) and Bank of America (NY), and short term deposits invested with the Cayman Islands Government Treasury Department. As at 31 December 2020 the Ministry held restricted cash balances of \$307 thousand dollars payable to other Government departments. The District Administration Department acts as an intermediary for the other government departments as it is the only department in Cayman Brac with a bank account.

Actual 2019	Description	Foreign Currency	Exchange Rate	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000		\$'000	\$'000	\$'000	\$'000
2	Cash on hand	-	-	2	1,199	1,199	1,197
-	Cash in transit	-	-	-	1	1	1
8,414	CI\$ operational current account	-	-	5,377	8,422	8,422	3,045
485	US\$ operational current account	485	0.8375	406	879	879	473
102	Payroll current account	-	-	421	412	412	(9)
(135)	US\$ bank accounts	355	0.8375	298	-	-	(298)
(185)	CDN\$ bank accounts	50	0.6480	32	-	-	(32)
(41)	GBP bank accounts	124	1.1148	138	-	-	(138)
5,223	Fixed Deposits	-	-	-	5,283	5,283	5,283
13,866	TOTAL			6,674	16,196	16,196	9,522

Note 4: Trade receivables and other receivables

As at 31 December 2020 all overdue receivables have been assessed and appropriate provisions made.

Actual 2019	Description	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
30	Sale of goods and services	10	25	25	15
4,785	Outputs to Cabinet	12,578	3,120	3,120	(9,458)
-	Other trade receivable	-	-	-	-
4,815	Total trade receivables	12,588	3,145	3,145	(9,443)

Actual 2019	Description	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
6	Advances (salary, official travel, etc.)	-	52	52	52
-	Dishonoured cheques	-	2	2	2
182	Other receivables	69	124	124	55
188	Total other receivables	69	178	178	109

Actual 2019	Description	Actual 2020	Non-current	Total Current Year	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
4,790	Current	11,591	-	11,591	-	-	(11,591)
3	Past due 1-30 days	-	-	-	3,003	3,003	3,003
-	Past due 31-60 days	987	-	987	-	-	(987)
-	Past due 61-90 days	-	-	-	-	-	-
-	Past due 90 and above	-	-	-	79	79	79
1	Non-current	7	-	7	-	-	(7)
21	Past due 1 year and above	3	-	3	63	63	60
4,815	Total	12,588	-	12,588	3,145	3,145	(9,443)

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 4: Trade receivables and other receivables (continued)

The provision for doubtful debts has been calculated based on expected losses from a review of specific debtors, an analysis of the Ministry losses in previous periods. As at 31 December 2020 trade receivables were not impaired.

Note 5: Inventories

Actual 2019	Description	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
318	Inventory held for use in the provision of goods and services	339	215	215	(124)
318	Total Inventory	339	215	215	(124)

As at 31 December 2020 inventory was held at a net realizable value of \$339k. Management determined that no write down of inventory was required.

Note 6: Prepayments

Actual 2019	Description	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
846	Accrued Prepayments	712	329	329	(383)
846	Total Prepayments	712	329	329	(383)

As at 31 December 2020, the Ministry made payments in advance for several contracts for the delivery of services relating to the Department of Tourism. At 31 December 2020, the amounts paid in advance for several contracts entered into for the provision of services relating to the Department of Tourism.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 7: Property, plant and equipment

Cost	Plant and equipment	Buildings	Furniture and Office Equipment	Computer Hardware	Infrastructure	Water reticulation	Motor Vehicles	Marine Vessels	Aircrafts Equipment	Assets under construction or development	Total	Original Budget 2019	Final Budget 2019	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2019	855	9,813	378	368	197	19	4,754	161	36	386	16,967	16,956	16,956	(11)
Additions	33	92	61	58	-	-	814	-	-	1,740	2,798	2,112	2,112	(687)
Revaluations	-	39	3	-	-	-	-	-	-	(17)	25	(228)	(228)	(253)
Disposals	(28)	(13)	(48)	(66)	(3)	-	(657)	-	-	(1,065)	(1,880)	-	-	1,880
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2019	860	9,931	394	360	194	19	4,911	161	36	1,044	17,910	18,840	18,840	930

Cost	Plant and equipment	Buildings	Furniture and Office Equipment	Computer Hardware	Infrastructure	Water reticulation	Motor Vehicles	Marine Vessels	Aircrafts Equipment	Assets under construction or development	Total	Original Budget 2020	Final Budget 2020	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2020	860	9,931	394	360	194	19	4,911	161	36	1,044	17,910	18,840	18,840	930
Additions	54	13	16	86	-	-	251	-	-	762	1,182	2,727	2,127	1,545
Revaluations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	(2)	(37)	(32)	(76)	(2)	-	(538)	(17)	-	(437)	(1,141)	-	-	1,141
Transfers	-	(4)	(15)	(2)	-	-	(73)	(144)	-	-	(238)	-	-	238
Balance at 31 December 2020	912	9,902	363	368	192	19	4,551	-	36	1,369	17,713	21,567	20,967	3,854

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 7: Property, plant and equipment (continued)

Accumulated Depreciation	Plant and equipment	Buildings	Furniture and Office Equipment	Computer Hardware	Infrastructure	Water reticulation	Motor Vehicles	Marine Vessels	Aircrafts Equipment	Assets under construction or development	Total	Original Budget 2019	Final Budget 2019	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2019	629	1,118	311	251	33	1	4,253	43	3	-	6,642	6,592	6,592	(50)
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation expense	58	459	25	53	23	-	179	12	1	-	810	775	775	(35)
Eliminate on disposal	(28)	(5)	(47)	(66)	(3)	-	(657)	-	-	-	(806)	(1)	(1)	805
Balance at 31 December 2019	659	1,572	289	238	53	1	3,775	55	4	-	6,646	7,415	7,415	769

Accumulated Depreciation	Plant and equipment	Buildings	Furniture and Office Equipment	Computer Hardware	Infrastructure	Water reticulation	Motor Vehicles	Marine Vessels	Aircrafts Equipment	Assets under construction or development	Total	Original Budget 2020	Final Budget 2020	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2020	659	1,572	289	238	53	1	3,775	55	4	-	6,646	7,415	7,415	769
Transfers	-	-	(12)	(2)	-	-	(71)	(46)	-	-	(131)	-	-	131
Impairment reserve	-	-	-	-	-	-	13	-	-	-	13	-	-	(13)
Depreciation expense	64	462	20	60	23	-	218	8	1	-	856	909	909	53
Eliminate on disposal	(2)	(14)	(31)	(75)	(2)	-	(538)	(17)	-	-	(679)	-	-	679
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 31 December 2020	721	2,020	266	221	74	1	3,397	-	5	-	6,705	8,324	8,324	1,619
Net Book value 31 December 2019	201	8,359	105	122	141	17	1,136	106	32	1,044	11,264	11,425	11,425	161
Net Book value 31 December 2020	191	7,882	97	147	118	17	1,153	-	31	1,369	11,008	13,242	12,642	2,234

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 7b: Intangible Assets

Cost	Computer Software	Total	Original Budget 2019	Final Budget 2019	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2019	75	75	75	75	-
Additions	24	24	-	-	(24)
Revaluations	3	3	-	-	(3)
Disposals	(6)	(6)	-	-	6
Transfers	-	-	-	-	-
Balance at 31 December 2019	96	96	75	75	(21)

Cost	Computer Software	Total	Original Budget 2020	Final Budget 2020	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2020	96	96	75	75	(21)
Additions	16	16	-	-	(16)
Revaluations	-	-	-	-	-
Disposals	-	-	-	-	-
Transfers	-	-	-	-	-
Balance at 31 December 2020	112	112	75	75	(37)

Accumulated Depreciation	Computer Software	Total	Original Budget 2019	Final Budget 2019	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2019	31	31	31	31	-
Amortization expense	11	11	14	14	3
Eliminate on disposal	(6)	(6)	(5)	(5)	1
Balance at 31 December 2019	36	36	40	40	4

Accumulated Depreciation	Computer Software	Total	Original Budget 2020	Final Budget 2020	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2020	36	36	40	40	4
Amortization expense	15	15	15	15	-
Balance at 31 December 2020	51	51	55	55	4

Net Book value 31 December 2019	60	60	35	35	(25)
---------------------------------	----	----	----	----	------

Net Book value 31 December 2020	60	60	20	20	(40)
---------------------------------	----	----	----	----	------

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 8: Trade payables, other payables & Accruals

Actual 2019	Description	Current	Non-current	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
85	Creditors	87	-	87	263	263	176
104	Creditors other government agencies	124	-	124	-	-	(124)
-	Payroll deductions	1	-	1	2	2	1
2,193	Accrued expenses	623	-	623	1,439	1,439	816
202	Other payables	397	-	397	412	412	15
2,584	Total trade payables, other payables & accruals	1,231	-	1,231	2,116	2,116	884

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

Note 9: Employee entitlements

Actual 2019	Description	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
Current employee entitlements are represented by:					
53	Comp time	41	54	54	13
330	Annual leave	350	261	261	(89)
-	Accrued Salaries	-	1	1	1
95	Pension	113	202	202	89
478	Total employee entitlements	504	518	518	14

The compensatory time in excess of standard time and long-service leave entitlements as per the individual employment contract is calculated based on current salary paid to those employees who are eligible for this benefit.

Note 10: Sales of goods & services

Actual 2019	Description	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
36,002	Outputs to Cabinet ¹	29,965	37,199	33,199	7,234
365	Fees and charges ²	86	123	123	37
111	General sales	59	38	38	(21)
27	Rentals	20	47	47	27
77	Other	17	23	23	6
36,580	Total sales of goods and services	30,147	37,430	33,430	7,283

¹ Outputs to Cabinet comprise goods delivered to and services performed on behalf of the Cayman Islands Government in accordance with the Plan and Estimates for the year ended 31 December 2020.

²Fees & charges, general sales, rentals & others include administrative fees and user charges levied on the public for the delivery of government services. Certain respective rates and fee structures are gazetted and governed by the relevant revenue acts and regulations.

One revenue concession was granted during the financial year ended 31 December 2020. This concession relates to District Administration's day-care centre. Effective 1 January 2019 the Ministry made a decision that the department will no longer collect revenues for day-care fees.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 11: Personnel costs

Actual 2019	Description	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
13,408	Salaries, wages and allowances	13,085	13,990	13,987	905
2,623	Health care	2,595	2,914	2,914	319
679	Pension	684	697	697	13
(21)	Leave	8	-	-	(8)
65	Other personnel related costs	24	19	22	(5)
16,754	Total personnel costs	16,396	17,620	17,620	1,224

Note 12: Supplies and consumables

Actual 2019	Description	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
276	Supplies and materials	239	421	421	182
14,343	Purchase of services	9,000	14,384	10,384	5,384
195	Maintenance of vehicles and equipment, roads, buildings, etc.	125	-	-	(125)
593	Lease of property and equipment	597	752	752	155
588	Utilities	539	723	723	184
10	General insurance	11	26	26	15
114	Interdepartmental expenses	113	99	99	(14)
827	Travel and subsistence	320	872	872	552
169	Recruitment and training	53	232	232	179
278	Local promotion / community sponsor	142	-	-	(142)
296	Programme support services	342	-	-	(342)
233	Research and development	111	-	-	(111)
100	Other	259	1,207	1,207	948
18,022	Total supplies and consumables	11,851	18,716	14,716	6,865

Note 13: Legal costs

The Attorney General's Office provides litigation services to the Ministry. During the year ended 31 December 2020 the use of legal services by the Department of Tourism was from legal firms outside of the Government for services such as contract reviews and human resources related matters. The cost were \$123 thousand for the year ended 31 December 2020 (31 December 2019: 184 thousand).

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 14: Gains / (Losses)

Actual 2019	Description	Actual 2020	Original Budget	Final Budget	Variance (Orig vs Actual)
\$'000		\$'000	\$'000	\$'000	\$'000
10	Net losses on impairment of property, plant and equipment	35	-	-	(35)
19	Net losses on foreign exchange transactions	(22)	14	14	36
(123)	Other (gains)/Losses	(15)	-	-	15
(94)	Total (gains)/ losses	(2)	14	14	16

Note 15: Contingent liabilities and assets

The Ministry has no contingent assets and liabilities as at 31 December 2020. (31 December 2019: NIL).

Note 16: Explanation of major variances against budget

Explanations for major variances for the Ministry's performance against the original budget are as follows:

Statement of financial position

Cash and cash equivalents

The actual year-end cash balance was \$9.5 million below the original budget primarily due to delays in Cabinet billing. October, part of November and December were not collected until early 2021. In addition, \$4 million of the Department of Tourism's budget was reallocated to assist with the displaced tourism employee stipend programme. Also, there was a significant underspend in EI68 capital budget by \$2.3 million as a result of COVID-19 delaying various projects.

Trade receivables

The actual year-end trade receivables were \$9.4 million above budget primarily due to the delay in collection of funds related to cabinet funding and the delay in billing and collection of funds related to EI68 capital funds.

Inventories

Inventories were \$124 thousand above budget primarily due to improved recording of inventory in stock. In addition, inventory usage decreased in 2020 due to the lockdown that resulted from COVID-19.

Prepayments

Prepayments were over budget by \$383 thousand due to the Department of Tourism ramping up projects prior to COVID-19 lockdown; this department contributes significantly to the pre-payment balance due to the need of having to pay for marketing and advertising items in advance, advance travels and subscriptions.

Property, plant and equipment

Property, Plant and Equipment was under budget by \$2.2 million due to delays in starting projects as result of the COVID-19 lockdown. EI68 appropriation is mainly to complete project works at the District Administration building in Cayman Brac as well as the architectural design and preparations for the new National Weather Service building.

Current liabilities

Current liabilities were \$2.5 million above budget mainly due to repayment of surpluses to the Ministry of Finance in recent years being higher than expected as a result of savings arising from careful management of expenditure.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 16: Explanation of major variances against budget (continued)

Statement of financial performance

Sales of Goods and Services

Sales of goods and services from third parties were \$7.3 million below budget due to \$4 million of the Department of Tourism's budget being reallocated to assist with the displaced tourism employee stipend programme. The transfer was approved by the Parliament of the Cayman Islands in October 2020. In addition, \$3.2 million of Cabinet revenue was not earned due to output targets not met as a direct result of COVID-19. These appropriations will be transferred to the 2021 budget to assist with the displaced tourism employee stipend programme and approval will be sought in Parliament in 2021.

Personnel Costs

Personnel costs were \$1.2 million below budget due to delayed recruitment, savings in expenses such as overtime, acting allowance, duty allowance encouraging staff to take annual leave and comp time as a result of the lockdown caused by COVID-19.

Supplies and consumables

Supplies and consumables were \$6.9 million below budget mainly due to the fact that \$4 million of the Department of Tourism's budget was reallocated to assist with the displaced tourism employee stipend programme. In addition, various projects were either delayed or did not start as a direct result of COVID-19.

Depreciation

Depreciation expense was below budget by \$53 thousand in the financial year due to delay or reduction in the purchases of assets as a direct result of COVID-19.

Statement of changes in net worth

Net Worth was below budget by \$4.4 million mainly due to delays in capital projects over the last two years and exacerbated by the COVID-19 lockdown.

Statement of cash flows

Net cash flows from operating activities

The decrease in cash from operating activities was \$8.6 million below budget; this was primarily due to delays in Cabinet billing. October, part of November and December were not collected until early 2021. In addition, \$4 million of the Department of Tourism's budget being reallocated to assist with the displaced tourism employee stipend programme.

Net cash flows from financing and investing activities

The decrease in cash flow from financing activities was \$2.3 million below budget; this was due to a significant underspend in EI68 capital budget as a result of COVID-19 delaying various projects. EI68 appropriation is mainly to complete project works at the District Administration building in Cayman Brac as well as the architectural design and preparations for the new National Weather Service building.

Note 17: Related party and key management personnel disclosures

Related party disclosure

The Ministry is a wholly owned entity of the government from which it derives a major source of its revenue. The Ministry transacts with other government entities on a regular basis. These transactions were provided free of cost during the 12 month financial year ended 31 December 2020 and were consistent with normal operating relationships between entities and were undertaken on terms and conditions that are normal for such transactions.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 17: Related party and key management personnel disclosures (continued)

Key management personnel

Key management personnel of the Ministry received the following remuneration:

Actual 2019	Description	Actual 2020	Number of persons
\$'000		\$'000	
1,384	Salaries & other short-term employee benefits	1,433	11
1,384	Total	1,433	11

No loans were granted to key management personnel and or their close relatives. During the year, the entity had no transactions which are considered a related party to key management personnel.

Note 18: Events occurring after reporting date

No events materially affecting these financial statements occurred after 31 December 2020. However, due to the COVID-19 pandemic, the following events may have a material impact on the 2021 fiscal year. They are as follows:

- Air arrival visitation was down by approximately 60% for the month of March 2020 therefore it is expected that the same level of reduction will impact tourism accommodation tax and time share tax remittances (executive revenue).
- The Ministry and especially the Department of Tourism output activities will be significantly reduced starting in January 2021 due to many tourism activities being placed on hold as a result of the border closures in March 2020. A conservative ratio will be expected in the initial return of air arrivals for a minimum of 18 - 24 months until 2020 levels of 502,739 are achieved in the medium to long term future for air arrivals to the Cayman Islands. The Ministry will bill Cabinet on the reduced outputs and cover short falls by requesting Cabinet funding to cover any on-going expenses if required.
- Services will be scaled until international travel and the Cayman Islands border is reopened. Therefore, the Ministry strategy has refocused to support the sector, delivering the National Tourism Plan strategy and ensuring to stay top of mind with global audiences through a softer no sell approach.
- Contracts will continue to be repurposed for a later date to take advantage of underutilised agency hours for the global destination marketing relaunch plan.
- Due to employees returning to the Government Administration building, no major impact on the continuity of operations or services.
- No major expenditures introduced to date and no significant loss of third party revenue since the Ministry does not collect significant operational third party revenue.
- A portion of 2020 budget underspend will be requested to be reallocated to 2021 in preparation for market rebound. However, a significant amount of the 2021 Department of Tourism's budget may be reallocated to financially assist the Tourism sector.

Note 19: Financial instrument risks

The Ministry is party to financial instrument arrangements as part of its everyday operations. These financial instruments include cash and bank balances, advances, accounts receivable, debtor-Cabinet and creditors and other payables. The fair value of financial instruments is equivalent to the carrying amount disclosed in the statement of financial position.

Credit risk

In the normal course of its business the Ministry is subject to credit risk from debtors other than the Cabinet. The Ministry does not have significant concentrations of credit risk for its other financial instruments.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
Note 19: Financial instrument risks (continued)

Currency and interest rate risk

The Ministry has no significant exposure to currency exchange loss risk and interest rate risk.

Liquidity risk

In meeting its liquidity requirements, the Ministry closely monitors its forecast cash requirements with expected cash drawdowns from Cabinet and receipts from third parties. The Ministry maintains a target level of available cash to meet liquidity requirements.

All of the Ministry financial liabilities (creditors and payables) will be settled in less than six months from the date of these financial statements.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 20: Segment Reporting

	Department of Tourism - New York		Department of Tourism - Grand Cayman		Department of Tourism - London		Department of Tourism - Toronto		District Administration		National Weather Services		Ministry Administration		Public Transport Unit		Consolidated	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Revenue																		
Outputs from Cabinet	7,510	11,577	6,078	6,894	1,506	1,316	1,126	1,556	9,224	9,955	1,596	1,453	2,113	2,406	812	846	29,965	36,002
Revenue from External Sources	-	-	21	34	6	-	-	-	142	474	-	48	-	-	13	22	182	578
Total Revenue	7,510	11,577	6,099	6,928	1,512	1,316	1,126	1,556	9,366	10,429	1,596	1,501	2,113	2,406	825	868	30,147	36,580
Expenses																		
Personnel	1,352	1,309	3,754	3,688	307	282	165	141	7,308	8,114	1,255	1,123	1,623	1,520	632	577	16,396	16,754
Supplies & Consumables	6,225	10,421	1,570	2,739	1,350	1,524	968	1,145	1,112	1,204	263	263	226	611	137	114	11,851	18,022
Depreciation	6	-	33	37	1	1	-	-	749	710	52	52	8	5	22	17	871	822
Other expenses	20	54	87	62	(5)	(2)	-	-	18	(121)	1	-	-	8	-	90	122	90
Total Expenses	7,603	11,784	5,444	6,526	1,653	1,805	1,133	1,286	9,187	9,907	1,571	1,438	1,857	2,144	791	798	29,240	35,688
Surplus/(Deficit) from Operating Activities	(93)	(207)	655	402	(141)	(489)	(7)	270	179	522	25	63	256	262	34	70	907	892
Assets																		
Current Assets	737	101	166	1,058	238	60	92	(139)	552	6,405	264	54	18,327	12,469	6	26	20,382	20,084
Fixed Assets	9	-	80	69	20	3	-	-	10,022	10,286	323	86	493	748	61	71	11,008	11,263
Fixed Assets - Intangible	-	-	13	13	-	-	-	-	-	-	(2)	(2)	49	49	-	-	60	60
Total Assets	746	101	259	1,140	258	63	92	(139)	10,574	16,691	585	138	18,869	13,266	67	97	31,450	31,357
Liabilities																		
Current Liabilities	190	1,649	252	360	34	206	258	45	571	416	27	11	386	367	18	9	1,736	3,063
Repayment of Surplus	-	-	-	-	-	-	-	-	-	-	-	-	15,126	15,218	-	-	16,126	15,218
Total Liabilities	190	1,649	252	360	34	206	258	45	571	416	27	11	15,512	15,585	18	9	17,862	18,281

The Ministry of District Administration, Tourism and Transport's segment report is prepared on the basis of four major sections: District Administration, Tourism, Public Transport and National Weather Service. Activities that cannot be allocated to any other segment are reported under Ministry Administration. The District Administration department administers the business of the Cayman Islands Government in Cayman Brac and Little Cayman. The Department of Tourism seeks to advance the heritage, culture and values of the Cayman Islands and promote the advancement of sustainable tourism policies for the benefit of future generations. The Public Transport Unit is responsible for the public transport network, schedules and fares in the Cayman Islands. The National Weather Service is responsible for monitoring meteorological events and provision of meteorological information.

The Ministry uses segment reporting to identify allocated resources to the operating segments and assesses their performance. The reportable segments are identified, and the disclosures selected, in line with the internal financial reporting system and based on the group accounting policies.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 21: Commitments

Future minimum lease commitments under non-cancellable operating leases:

Operating Commitments	One Year or Less	One to Five Years	Over Five Years	Total
	\$'000	\$'000	\$'000	\$'000
Total Operating Commitments	597	859	609	2,065

The London Office in the Department of Tourism leases from the Cayman Islands London Office. The current lease will expire in the year 2021.

The New York Office in the Department of Tourism leases from the Empire State Building Company L.L.C. On 29 April, 2016 the lease was renewed for another 10 years, expiring in the year 2026.

The amounts disclosed above as future commitments are based on the rental rates as stated in the lease contracts.

Note 22: Surplus repayment

As at 31 December 2020, the Ministry recorded a surplus payable of \$16.1 million (31 December 2019: \$15.2 million). As per section 39 3 (f) of the Public Management and Finance Act (2020 Revision), the entity shall "retain such part of its net operating surplus as is determined by the Minister of Finance". We confirm that as of year-end, the entity has not been advised that it may retain any operating surplus.

Note 23: Contributed capital

As at 31 December 2020, the Ministry recorded contributed capital of \$6.2 million (31 December 2019: \$5.6 million). Contributed capital is the contribution made from Cabinet at the inception of the Ministry and any additional funding requirements such as purchasing of assets.

Note 24: Revenue from non-exchange transactions

During the year ended 31 December 2020, the Ministry received services in-kind in the form of accommodation in the central government building, computer repairs and software maintenance by the computer services department and human resources management by the Portfolio of the Civil Service. The fair value of these services cannot be reliably determined and therefore no expense has been recognised in these financial statements.

MINISTRY OF DISTRICT ADMINISTRATION, TOURISM AND TRANSPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Note 25: Explanation of Appropriation Changes

In 2020, Cabinet authorised a reallocation of funds from DAT 15 and EI68 under section 11(5) Public Management and Finance Act (2020 Revision) (the "PMFA"). A Supplementary Appropriation Bill with the proposed changes has been introduced in the Parliament of the Cayman Islands at the date the financial statements were authorized for issuance. The appropriation reallocations are as follows:

Nature	Date	FS Note	Purpose	Amount \$000	Approval Status
Section 11.5	Jun. 2020	10, 11	Appropriation reallocated from output group DAT 15 - Tourism Advertising Activities, Marketing, Public Relations, Sales and Promotions to transfer payment TP67 - Sports and Cultural Tourism Programme Assistance to assist with providing financial assistance to displaced Caymanian tourism employees that have been affected by the COVID-19 pandemic and the resulting closure of the Cayman Islands borders.	(4,000,000)	Approved at the Parliament in October 2020
Section 11.5	Jul. 2020	7, 23	Appropriation reallocated from appropriation EI68 - Ministry of District Administration, Tourism & Transport Fixed Assets to transfer payment TP86 - Sister Islands Beaches and Community Clean Up Programme to assist with the Sister Islands economic stimulus and employment relief effort and transfer payment TP66 - Sister Islands Home Repairs Assistance to assist with continual housing repairs for Sister Islands senior citizens and to provide economic stimulus via the construction sector.	(600,000)	Approved at the Parliament in October 2020
				(4,600,000)	

The Ministry is required to comply with The Public Management Finance Act (Revision 2020) (the "PMFA") section 9(5). An appropriation lapses at the end of the budget period to which the Act by which the appropriation is granted relates. Unused appropriation in 2020 was transferred to the 2021 budget year as follows:

Section 11.5	Dec. 2020	10, 11	Appropriation reallocated from DAT 1 - Advice and Support to the Minister of District Administration, Tourism and Transport to Transfer Payment TP67 - Sports and Cultural Tourism Programme Assistance to assist with providing financial assistance to displaced Caymanian tourism employees that have been affected by the COVID-19 pandemic and the resulting closure of the Cayman Islands borders.	115,273	Parliament approval will take place in 2021
Section 11.5	Dec. 2020	10, 11	Appropriation reallocated from DAT 2 - Government Services in Cayman Brac and Little Cayman to Transfer Payment TP67 - Sports and Cultural Tourism Programme Assistance to assist with providing financial assistance to displaced Caymanian tourism employees that have been affected by the COVID-19 pandemic and the resulting closure of the Cayman Islands borders.	500,000	Parliament approval will take place in 2021
Section 11.5	Dec. 2020	10, 11	Appropriation reallocated from DAT 13 - Meteorological Services to Transfer Payment TP67 - Sports and Cultural Tourism Programme Assistance to assist with providing financial assistance to displaced Caymanian tourism employees that have been affected by the COVID-19 pandemic and the resulting closure of the Cayman Islands borders.	83,977	Parliament approval will take place in 2021
Section 11.5	Dec. 2020	10, 11	Appropriation reallocated from DAT 14 - Public Transport Services to Transfer Payment TP67 - Sports and Cultural Tourism Programme Assistance to assist with providing financial assistance to displaced Caymanian tourism employees that have been affected by the COVID-19 pandemic and the resulting closure of the Cayman Islands borders.	35,045	Parliament approval will take place in 2021
Section 11.5	Dec. 2020	10, 11	Appropriation reallocated from DAT 15 - Tourism, Advertising Activities, Marketing, Public Relations, Sales and Promotions to Transfer Payment TP67 - Sports and Cultural Tourism Programme Assistance to assist with providing financial assistance to displaced Caymanian tourism employees that have been affected by the COVID-19 pandemic and the resulting closure of the Cayman Islands borders.	966,497	Parliament approval will take place in 2021
Section 11.5	Dec. 2020	10, 11	Appropriation reallocated from DAT 16 - Support for Local Tourism Providers and Public Education Programmes to Transfer Payment TP67 - Sports and Cultural Tourism Programme Assistance to assist with providing financial assistance to displaced Caymanian tourism employees that have been affected by the COVID-19 pandemic and the resulting closure of the Cayman Islands borders.	1,533,537	Parliament approval will take place in 2021
				3,234,329	