



**Ministry of Investment,
Innovation & Social
Development**

Cayman Islands Government

ANNUAL REPORT 2022

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FOREWORD

ANDRE EBANKS MP

HON. MINISTER FOR INVESTMENT, INNOVATION & SOCIAL DEVELOPMENT

The Ministry of Investment, Innovation and Social Development endeavours to be a catalyst for 21st Century socio-economic positive change in the Cayman Islands.

Given the intrinsic intersection of three subject areas – investment, innovation and social development – the Ministry's ambition is to bring about transformations that fundamentally improve the lives of all residents in the Cayman Islands.

Whether through incremental or wholesale change, or anywhere in between, the Ministry's dedicated team seeks to enable all segments of Cayman's society to benefit from investment and innovation, while building and expanding our human and social capital.

Informed by international standards, global trends, and data, the Ministry's programme of work seeks to achieve these transformations by

- advancing a legislative, regulatory and policy reform agenda for each of its divisions;
- identifying and pursuing strategic and innovative changes in operations, HR management, communications, budgeting and finance within Ministry departments;
- leading by example, to foster innovation within and across the Cayman Islands Government.

The 2022 Annual Report for the Ministry of Investment, Innovation and Social Development provides an overview of the Ministry's work, within each division and with the Ministry's eight departments. It also contains the Ministry's audited financial statements for Financial Year 2022.



How does the Ministry advance its vision?

- Developing new legislation and regulation, enacting amendments to existing legislation and regulation, and designing accompanying policy reforms.
- Implementing tactical, strategic and operational changes within Ministry departments.
- Advancing digital initiatives to modernise and streamline the way that individuals and businesses transact with entities across the Cayman Islands Government.
- Creating and maintaining world class information technology systems and architecture to underpin Government systems and processes.
- Protecting and strengthening Government's entire value chain and reputation with robust cybersecurity capabilities, and building the Cayman Islands Government's Security Operations Centre.
- Building a diverse entrepreneurial ecosystem and an environment conducive to the thriving of micro- and small businesses.
- Delivering tangible improvements for vulnerable members of our community (including children, older persons, differently-abled persons) and advancing a swathe of holistic changes to enable their meaningful participation in the community, workforce and family life.
- Undertaking or facilitating home repairs for vulnerable Caymanians, upgrading physical premises to serve clients better, and creating opportunities to utilise Government's real estate for currently unmet needs.
- Communicating our reform agenda to the public, through focus groups, sponsorship of key events, and by providing information to the news media through press releases and interviews with the Minister, key Ministry staff and heads of departments.
- Leveraging purposeful and measurable partnerships with the private, civic / non-profit and voluntary sectors in the Cayman Islands.





INTRODUCTION

TAMARA EBANKS, ACTING CHIEF OFFICER

The Ministry of Investment, Innovation and Social Development is characterised by impressive energy, passion and dynamism that drives the entire team. I am honored to lead a group of people who are united in their ambitions to bring meaningful and measureable reforms to fruition, in tandem with the elected Government's strategic priorities.

The overall remit of the Ministry and its departments spans from reforming and modernising the Government's delivery of financial assistance, providing both social work services and inclusive support for adults with special needs. At the same time, its mandate includes building a robust entrepreneurial ecosystem for micro and small businesses and leveraging of strategic investment. It also includes the custodians of Government's digital infrastructure and cyber safety, and the architects of Government's burgeoning digital identity programme.

From the outset, the portfolio of subject areas and departments housed within the Ministry of Investment, Innovation and Social Development has necessitated an "out of the box" approach. With the breadth of cross-Governmental experience that characterises the entire team, it is my earnest hope and belief that we will continue to make significant progress for the benefit of all who live, work and do business in the Cayman Islands.

The Ministry has been tasked with re-imagining social development for the people of the Cayman Islands, to be "disruptive" innovators and to take steps to encourage diverse inward investment. We are grateful to many community partners and stakeholders who are taking concrete and innovative actions – and we invite others in the community to partner with us in similar "disruptive" innovations.

The Ministry's work in 2022 is covered in detail throughout this Annual Report, with the following highlights:

Several tangible improvements have been introduced since 2021 to streamline processes for persons who are applying for Government's financial assistance, including requests for housing repairs. In December 2021, the Needs Assessment Unit also launched an Online Application Portal which can be accessed through its user friendly and optimised website at www.nau.gov.ky.

At the initiation of the Ministry, during 2022 both Digicel and CWC made it possible for any mobile device on their networks with an active SIM card to access the Needs Assessment Unit's website and its online application, at zero cost without paying for data transfer (for data download and upload).

In July 2022, the Needs Assessment Unit changed its renewal policy for older persons and persons with disabilities which are permanent in nature to be able to complete a "Continuation Certificate" if they have already qualified for financial assistance, and their circumstances have not changed. This policy change is intended to reduce the burden on people who need the financial assistance.

After extensive policy and consultative work throughout 2022, preceded by work in the Ministry of Community Affairs, the Financial Assistance Bill, 2022 was passed by the Parliament. This new Act creates modern and fit for purpose legislation to govern the Government's financial assistance given to Caymanians – creating accountability as well as legal recourse.

The Bill addresses numerous concerns brought to light in 2015 by the Office of the Auditor General. It fundamentally aligns with the Civil Service principle of improving the lives of those we serve in the Cayman Islands.

The Government's Housing Repairs Assistance continues to deliver repairs to homes, to make them watertight and secure from hazards, for Caymanians. Requests have been streamlined through the Needs Assessment Unit.

In 2022 the Ministry brought to fruition the relocation of the Sunrise Adult Training Centre to a larger and modern interim premises, centrally located in George Town, that enables significant improvements in service delivery to its 60+ clients, who are adults with special needs and disabilities. The next focus is to enable the Centre to have a permanent location.

Throughout 2022, the Ministry progressed draft legislation to support the eGovernment Unit's infrastructure that will enable CIG customers, and external entities in the private sector, to benefit from streamlined digital services with an underlying national identity register.

In the second half of 2022, the Ministry conducted extensive consultation through focus groups and presentations regarding the draft legislation to support the proposed programme.

The Identification Register Bill 2022 & Cayman Islands Identification Card Bill 2022 were approved by Cabinet and introduced for public consultation in early November 2022, and subsequently were passed during the December 2022 meeting of Parliament.

The national digital ID programme will aid greatly in retaining and augmenting the competitiveness of the Cayman Islands as a globally respected financial services and innovation centre of excellence. It will enhance Government's capability to serve its customers, our residents, with proven technology utilised with great success.

Chief among the benefits of the national digital identity for individuals is the elegant simplicity of a single identification document, and the amount of time it will save and hassle it will reduce.

We foresee a truly significant reduction in "red tape" which will result from a person being treated as the same individual when transacting with numerous Government entities. The digital identity also provides a necessary framework for future growth and innovation for Government, as well as private sector employment and entrepreneurship. It provides an individual with a means to prove their identity through a verifiable and secure electronic process.



Within its innovation division, the Ministry was the primary sponsor of the 2022 Cayman Islands Digital Economy Conference, held in person for the first time since 2019.

The Cybersecurity Unit continued to scale up its operations, through recruitment and by expanding its infrastructure that protects Government's value chain and reputation. The first national audit was conducted, with results delivered to Cabinet and the National Security Council. The CSU continued to develop and conduct public awareness campaigns regarding cybersafety.

The Computer Services Department provided over 8,000 hours of service to Government users, maintained hardware and software on close to 4,000 PCs, as well as IT infrastructure devices.

Within the Ministry's Investment division, the Cayman Islands Centre for Business Development launched two high profile initiatives – the "Raising Capital" Forum (June 2022) and the "Grow Your Business" programme (July 2022). The first iteration of this programme was designed to enable 20 Caymanian entrepreneurs to scale up their micro- and small businesses into a "growth" phase. The CICBD deployed an innovative "business asset stipend" program, with \$7.5 million approved by Parliament to support over 400 recipient tourism related businesses, which aided them during the prolonged recovery of tourism in 2022.





Ministry Departments & Directors – Investment

InvestCayman – Invest Cayman’s vision is to make Cayman the most attractive jurisdiction in which to invest. It serves as the government “single-front-door” case management service for significant investment in the Cayman Islands. The goal of this service is to increase the ease with which investment and business is conducted.

Director: Jane Scaletta

Centre for Business Development – Provides business advisory, business development and technical assistance services to entrepreneurs and business owners in order to support local micro, small and medium sized businesses.

Director: Althea West-Myers

Ministry Departments & Directors – Innovation

eGovernment Unit – Implements, improves and promotes Government’s digital infrastructure platforms and digital service solutions to enhance people’s lives and enable business in a digital society.

Director: Ian Tibbetts

Computer Services Department – Provides strategic solutions and acts as an internal business partner to serve the whole of core Government and select Statutory Authorities/Government Companies, to achieve their digital and technological objectives and deliver a world class experience.

Director: Simon Spiers; Director Designate (appointed June 2022): Darvy Whittaker

Cybersecurity Unit – Protects, defends and strengthens the Cayman Islands Government’s cyber security capability, its online services and digital assets. Maintains and promotes trust and confidence in the jurisdiction globally, and increases awareness and understanding of cybersecurity in the community.

Director: Pamela Greene

MINISTER AND PARLIAMENTARY SECRETARY

Hon. André Ebanks MP, Minister for Investment, Innovation and Social Development

Heather Bodden MP, Parliamentary Secretary for Social Development

MINISTRY STAFF

Tamara Ebanks
Acting Chief Officer*

Charles Brown
Acting Deputy Chief Officer
(Investment & Innovation)

Rayle Roberts
Acting Deputy Chief Officer
(Social Development); secondment from
Department of Children & Family Services

Vinton Chinsee
Chief Financial Officer

Gretel Rawcliffe
Acting Chief HR Officer

Tracey Anniford
Office Support Assistant

Destini Bush
Accounts Officer II

Ernesto Carter
Housing Repairs Assistance
Programme Manager

Trevor Gibbs
Senior Policy Advisor, Investment & Innovation

Ashlyn Goubault-Ebanks
Policy Advisor, Social Development

Cory Hunter
Policy Assistant

Kirkland Marshall
Executive Officer II

Angela Mowbray
PA to Hon. Minister Ebanks

Shushan O'Connor
Deputy Chief Financial Officer

Kendra Okonski
Senior Policy Advisor,
Global Communications

Mehr Petkovsek
Senior Policy Advisor, Social
Development

Shennique Seales
Policy Advisor, Investment

Christine Solly
Housing Repairs Assistance Coordinator

Deborah Webb-Sibbles
Strategic Policy Advisor, Older Persons

Sean Whewell
Policy Advisor - Innovation

Victoria Whittaker
Financial Administrator

* Appointed on 7 June 2022 when
previous Chief Officer Eric Bush became
the Chief Officer of the Ministry of
Planning, Agriculture, Housing and
Infrastructure.

Ministry Departments & Directors – Social Development

Sunrise Adult Training Centre – Empowers and advocates for adults with different abilities and a range of special needs, through therapeutic and recreational programmes, and vocational training including supervision of employment in the community as well as wider inclusion.

Director: Kim Voaden

Department of Children and Family Services – Delivers best practice social work services to care for and protect children, families and the elderly.

Director: Paulinda Mendoza-Williams

Needs Assessment Unit – Improves quality of life by providing financial assistance to Caymanians on a temporary or permanent basis, including assessments.

Director: Tamara Hurlston

Boards & Authorities

Children and Youth Services (CAYS) Foundation
Adoption Board
Housing Repairs Board

The Cayman Islands Intellectual Property Office (staff and remaining budget) was transferred to the Ministry of Financial Services and Commerce as at 1 July, 2022.

INVESTMENT

The Ministry's Investment Division undertakes to identify opportunities for policy reform and to pursue strategic, purposeful changes to structural barriers that entrepreneurs and small businesses encounter within the Cayman Islands economy, as well as support and build capacity in those businesses.

These activities are aligned with the Government's strategic outcomes including
Goal 3: to provide solutions to improve the well-being of our people so they can achieve their full potential; and
Goal 8: to build a modern infrastructure to ensure a successful future for our Islands

Working with the Ministry, the Centre for Business Development distributed Government's business stipend and asset grant funding in 2021 and 2022. This financial assistance was provided to ensure the survival of various micro and small tourism related businesses until tourism numbers returned to more sustainable levels following the reopening of the borders. Simultaneously, the Centre served micro and small businesses throughout the year, with support and tailored programmes described in detail below.

Likewise, InvestCayman worked closely with the Centre as well as the Ministry's Investment and Social Development divisions throughout the year as they continue to establish the department and grow their support and facilitation services to the local business and investment communities. In addition, between January and March 2022, the Ministry facilitated the three month presence and participation of the Cayman Islands at the World Expo Dubai.

CAYMAN ISLANDS CENTRE FOR BUSINESS DEVELOPMENT

The important and primary mandate of the CICBD is to build capacity in micro and small businesses in the Cayman Islands, to provide ongoing support to entrepreneurs, and to advocate on their behalf. Throughout the year, the Centre conducted individual client consultations with micro and small businesses, ranging from 25 to 75 per quarter.

Business Asset Stipend / Grant Program

In 2022, the Cayman Islands Centre for Business Development (CICBD) administered a business stipend and asset preservation grant program, given to tourism related businesses. Following a successful innovative pilot program in September and October 2021, supplementary funding was approved subsequently by Parliament in March 2022, and continued to be administered by the CICBD until its conclusion.

Initially, the pilot programme grants were targeted specifically towards asset preservation for businesses involved in watersports and land tour operations. Similar support was provided for the benefit of other qualifying tourism related businesses including transportation and restaurants– all of whom had anticipated more sustainable levels of tourism following the re-opening of the borders in 2022. Over 400 businesses received this support, with approximately \$7.5 million in funding distributed. The programme came to an end in November 2022.

Tamara Ebanks,
Acting Chief Officer, MIISD:

“Since the very beginning of the global pandemic, the Centre has played a key role in the Government’s response to alleviating the economic consequences of a prolonged absence of tourism. I commend the Centre for administering the business asset grant program for nearly eighteen months, with excellent public service, accuracy and efficiency. It truly is fitting that the Centre was honoured for its efforts at the Deputy Governor’s Team Awards event earlier [in 2022].”

Level UP: Grow Your Business Programme

In July 2022, the Centre launched the inaugural “Level UP – Grow Your Business” program, which provides business development support for micro and small businesses that have a viable market but need assistance taking their business to the next level, during their “growth phase”, to assist them in devising and implementing effective plans, strategies, ideas, products and/or services.

Between July and October 2022, the Centre facilitated the programme through weekly workshops and business coaching, to assist small business owners in developing innovative strategies that drive decision-making, and increase productivity. A graduation event was held in October 2022 with the 21 participants.

Workshop sessions were mandatory for the participants, and conducted for three hours each week. All participants were assigned a business advisor who will work with him/her for a minimum period of one year (into 2023) to implement the strategies they learned, and set growth goals and performance standards.



INVESTCAYMAN

Throughout the year, InvestCayman worked closely with the core Ministry divisions, as well as the Centre for Business Development to continue to establish the department (only initially launched in September 2021).

In its first full year of operation, InvestCayman added to staff complement and was able to secure its office infrastructure. It also worked to fulfill the strategic vision of the Hon. Minister working synergistically with the core Ministry investment team to progress key Ministry projects.

In particular, it conducted initial analysis of Government's identified policy objectives, and liaised with potential investors and stakeholders to support Ministry initiatives. A chief focus of this activity in 2022 was participating in the review and consideration of social housing development projects funded by local investors. These projects range from schools, to specialised housing for older persons, and also for recipients of Government's financial assistance.

Another aspect of InvestCayman's work was to identify opportunities to streamline and improve the transactions that are undertaken by an investor, entrepreneur and/or business owner across the Cayman Islands Government.

InvestCayman also facilitated collaborations and connections through sponsorship of two local events – the Bsides Cybersecurity Conference (May 2022) and the CFASociety (October 2022).

In partnership with the Centre for Business Development, InvestCayman undertook work throughout the year to identify and tackle specific challenges for micro and small businesses in the Cayman Islands. Specific issues included supporting local sources of lending, venture capital, and talent for the benefit of businesses who are on the threshold of growth. InvestCayman also provided information about the Cayman Islands as a jurisdiction, through its award-winning website, social media channels, and monthly newsletters.

2022 HIGHLIGHTS - INVESTMENT

JANUARY – MARCH: World Expo Dubai

The Cayman Islands activities, events, and promotions in Dubai during the World Expo 2020 exposed the islands to millions of people through a social media campaign, Cayman Days at the Expo UK Pavilion, Taste of Cayman events, and Cayman's presence at several conferences on diverse topics from technology and foreign investment to arts and boating.

At the Expo UK Pavilion, one day each month, Cayman essentially took over the pavilion for the entire day, creating a "Cayman Day" at the Expo. Thousands of visitors attended each of the Cayman Day events. The UK Pavilion, open 7 days per week, showcased Cayman videos and imagery every day, and celebrated over 1.1 million visitors. On Commonwealth Day (14 March), Cayman's environmental conservation initiatives were highlighted.

Associated social media campaigns reached over nine million people across Twitter, Instagram, Facebook, and LinkedIn.

Cayman Days at World Expo: 24 January / 8 February / 22 March 2022

Location: UK Pavilion, World Expo Dubai

The Cayman Islands took over the UK Pavilion at the Expo, showcasing over 3,000 visitors that day a journey through visiting, investing, and living in the Cayman Islands. Custom-made backlit 20-foot-long walls, 10 feet high, guided visitors through a visual experience. Video walls displayed video collateral from the Department of Tourism, InvestCayman, Cayman Turtle Centre, Art Week, and others.

Cayman-based artist Jason Kennedy joined the Expo team in Dubai for the February Cayman Day. Jason executed a live painting at the Expo, celebrating the common seafaring heritage of Cayman and Dubai. Thousands of visitors experienced the live painting and the visual displays of Cayman artworks, heritage, beaches and people.

Commonwealth Day Celebration: 14 March

The focus of the Commonwealth Day celebration at the UK Pavilion was on environmental protection. Cayman co-hosted the event with the UK Pavilion. Cayman took the opportunity to showcase a turtle release video from the Cayman Islands Turtle Centre. The almost 10-minute video of the turtle release featured Cayman Turtle Centre Curator Mr. Geddes Hislop, who spoke about the cultural and environmental importance of turtles, and the captive breeding programme on Grand Cayman.

MAY: InvestCayman sponsored and emceed the BSides Cyber Security conference.

JUNE: CICBD Raising Capital Forum

One of the strategic priorities of the CICBD is to help to create an enabling business environment for start-ups, micro and small businesses. In June, the CICBD hosted the first in a series of discussions dubbed “Raising Capital.” with over 110 people in attendance for the duration of the event.

Acting Minister Katherine Ebanks-Wilks delivered opening remarks, and the audience was very engaged with the speakers. This also served as a significant outreach opportunity for the Centre, enabling more small businesses to be aware and avail of their services.

The purpose of the Forum was to highlight existing options for accessing financing. Panelists included representatives from the banking sector, private investor groups, Government, and small business owners with a track record of success.

CICBD Director Althea West-Myers stated, “Business owners had an opportunity to engage with the panelists – to share their dreams, air their challenges and raise their concerns.”



JULY: Level UP: Grow Your Business Programme

In July, the Centre for Business Development (CICBD) launched the inaugural “Level UP – Grow Your Business” program with 20 participating businesses.

SEPTEMBER: Start Your Business Workshop

The CICBD held a week long, full day “Start Your Business” workshop for seventeen participants. The workshop introduced the proper steps for starting a business and creating a Business Plan for the proposed business venture.

OCTOBER: Conclusion (initial phase) of “Level Up: Grow Your Business”

In October, 21 entrepreneurs graduated from the “Level Up: Grow Your Business” Programme - and for the subsequent year will be taken through 12 months of business coaching – with continued support from a dedicated CICBD business advisor. This will enable implementation of strategies learned in the “classroom” setting of the programme as well as set growth goals and performance standards.

Acting Minister Katherine Ebanks Wilks and Ministry staff attended the graduation event along with the Centre’s staff and all of the programme participants.



NOVEMBER

Along with Cayman Finance and support from the Cayman Islands UK Office, InvestCayman attended the "Going Global" Live show in London at the ExCel Exhibition Centre, in partnership with the UK Department for International Trade.

Observing "Entrepreneurship Month" in November, the CICBD hosted and executed a full week of activities to celebrate, promote and create networking opportunities.

CICBD worked with the Central Procurement Office to organize a workshop and increase awareness around Bonfire, the Government's procurement platform. The intention going forward will be to launch a major campaign to increase small business participation in government procurement opportunities.

The first Entrepreneurship club (E-club) was launched in November at the Clifton Hunter High School with 24 members and 4 faculty advisors. CICBD will provide guidance in the form of entrepreneurship education, mentorship, sponsorship, facilitate corporate involvement in club activities and facilitate internships for the participating students.

CICBD held the first staging of the breakfast meeting "Ecosystem Conversations" in which major players (organizations) in the entrepreneurship ecosystem were invited to speak about their roles and how they intend to assist in integrating the various elements to create an enabling environment for small business.

DECEMBER

The CICBD hosted its third Holiday Market in Central George Town, attended by hundreds of people - with its newly revitalised Cardinall Avenue on Saturday 10 December, with 28 participating enterprises to support local businesses, local products, and foster holiday spirit in the community.



INNOVATION

The Ministry's Innovation Division maintains and enhances the Government's IT infrastructure and digital presence – enabling Government to

- maintain trust and confidence in Cayman's international reputation;
- ensure adequate tools and resources to carry out the government's digital and technological objectives, including operation of an internal, standard business hours IT helpdesk;
- implement, improve and promote Government's digital infrastructure platforms and digital service solutions to enhance people's lives and enable business in a digital society.

In the first quarter of 2022, the Innovation entities worked with the Ministry to finalise a two-year strategic roadmap based on the 2022-23 Annual Budget Statement. The Ministry's innovation division is committed to delivering on the elected Government's vision outlined in its 2021 Strategic Policy Statement, specifically:

Goal 3: to provide solutions to improve the well-being of our people so they can achieve their full potential; and

Goal 8: to build a modern infrastructure to ensure a successful future for our Islands

Throughout 2022, a primary focus of the core Ministry Innovation team was to advance the creation of primary legislation for the Identification Register and the Cayman Islands Identification Card.

Identification Register Bill 2022 & Cayman Islands Identification Card Bill 2022

The vision of these two legislative acts is to create a Cayman Islands digital ID and an underlying suite of systems and technologies to launch the Cayman Islands into the 21st Century. Government aims to provide an enabling innovation that will truly modernise governance, and transform how Cayman Islands residents transact with Government and businesses, and thereby enhance the digital infrastructure, service delivery and overall economic competitiveness of the country. Over the longer term, this will reduce the Government's costs in maintaining redundant databases, registers and systems.

Following a year of work in the Ministry, and preceded by several years of work in the Ministry of Commerce, Planning and Infrastructure, the Identification Register Bill 2022 & Cayman Islands Identification Card Bill 2022 were approved for public consultation by Cabinet and published in the Gazette on Friday, 4 November, 2022.

Both bills were read in the second meeting of the 2022-23 session of Parliament in December. At the Committee Stage (Wednesday 13 December 2022), the Hon. Minister proposed amendments to both Bills in response to public sentiment during the public consultation process. The amendments approved by Parliament were to:

- make enrollment in the ID Register voluntary;
- “ring fence” the information in the Register (thus, any future modifications or additions will require an amendment by Parliament);
- enshrine the use of the ID Register and Card as a form of Government-issued identity that can be relied upon, but equally, to ensure that public entities cannot withhold services to anyone who has chosen not to participate in the Register.

What is the Identification Register?

The Identification Register will be an official database of persons with the right to reside in the Cayman Islands containing basic identity information and a unique identification code. As a resident of the Cayman Islands, you will be able to view, edit and share your information in the identification register.

What are the benefits of the identification register?

- It will enable the person to view personal information, request updates or share their information held in the register.
- Persons will be able share their information to provide proof of their identity information held in the register.
- Information in the register can be used by persons to confirm their immigration status in the Cayman Islands.

The Register makes it possible to redesign and streamline existing paper processes to create digital workflows, by incorporating core Identity information. It minimises our citizens' digital footprints, improves accuracy and efficiency, and saves time for customers.

What is the Cayman Islands Identification Card?

The Cayman Islands Identification Card will be a Cayman Islands Government-issued identity card for Cayman Islands residents.

Residents will be able to use the identity card to prove identity and use the digital features of the card, to provide identity authentication and the highest level of digital signature.

How do the digital features of the identity card work?

The card has a secure electronic chip (similar to those used in bank cards) containing basic identity information and a QR code to provide access to information the card holder chooses to share. The card has two digital certificates, can be used to digitally sign documents, or to login to the Government's online services.

What are the benefits of the identity card?

- Provides proof of identity information printed on the card.
- Confirms immigration status in the Cayman Islands.
- Easier to carry and more convenient to use than other identity documents such as passports.
- Use of the card to prove identity physically in person, or digitally for use online.
- Can be used to apply a digital signature to documents, eliminating the need to print, sign and scan a document.

Deputy Governor
Hon. Franz Manderson

"Fundamentally, Government should enable its citizens to prove their identity, because individual identity is an essential attribute of participating in society, the workforce and our community. This is the vision we are pursuing with these two bills, which will help immensely in our ambition to deliver world class civil service to our customers, the residents of the Cayman Islands. I promise to work with the Chief Officers across the Civil Service to evaluate and determine the easiest services that can be connected to digital workflows, and to pinpoint services where there will be a clear and distinct benefit derived from accepting documents with digital signatures."

COMPUTER SERVICES DEPARTMENT

The Computer Services Department (CSD) serves the entire core Government/Civil Service, as well as a number of Statutory Authorities and Government Companies.

It provides the crucial IT framework and underpinning for Government to serve the people of the Cayman Islands. It builds and maintains the systems that enable Government to conduct business as well as generate core Government revenue. It maintains software and hardware for users – close to 4,000 PCs, as well as IT infrastructure devices.

CSD also maintains the Government's Data Centres and network, and serves internal users and partners with technology. Likewise, CSD plays a critical role in the Government's revenue generation. It acts as an internal business partner for Government entities to create their own outward facing digital processes and systems to serve Government's external customers.

CSD works in tandem to support the Deputy Governor's mandate that Government bring more of its services online and to create a more aligned / "joined up" approach with external customer interfaces. This includes maintaining a large proportion of the core internal elements and aspects of equipment, services and data management. CSD contributes significantly to this nexus which then enables other Government teams, including the eGovernment Unit, as well as external contractors, to streamline and add value.

CSD also maintains IT policies and plans for the Government, including among others Acceptable Use, Disaster Recovery, Vulnerability Management, Data Governance, and Document Retention.

In 2022, the CSD provided over 8,000 hours of service to Government users through its help desk, and resolved over 37,000 service logs.

Hon. Minister for Investment, Innovation
& Social Development,
André Ebanks MP

**"The staff of the
Computer Services
Department are the
unsung heroes of the
Civil Service."**

During 2022, the Computer Services Department also

- created, hosted and/or managed more than 80 online Government services, and completed 25 major projects;
- implemented a new Enterprise Archive Storage Solution;
- completed a significant procurement in the form of a Universal License Agreement with Oracle, creating significant cost savings for Government while ensuring continuity of operations with much needed replacements and/or updates to “end of life” systems;
- upgraded and updated several online services and databases;
- launched new websites for three ministries, the Portfolio of the Civil Service, the Passport Office, Public Consultation Hub, DG Awards, and Parliament in Government.



CYBERSECURITY UNIT

The Cybersecurity Unit (CSU) runs the Government’s Security Operations Center, and operates a Cyber Threat Intelligence sharing and collaboration portal across Government. Formal cyber threat intelligence training has been arranged for January 2023 to include for key Government representatives and entities.

In 2022, the CSU received business case approval and completed the procurement and evaluation process for a prospective Data Centre Facility in Cayman Brac. It also carried out a national Cyber Risk Assessment, liaising extensively with stakeholders in the private sector. The Assessment and recommendations were provided as a report to the Cabinet and the National Security Council.

The CSU also conducts cyber training programmes across the Civil Service and carries out public awareness campaigns regarding cybersafety, designed for both general and specific audiences. The CSU involved volunteers from across the community to be part of its “Cyber-Safe Community Photo Campaign”. Interns from the Sunrise Adult Training Centre played an integral role in planning this campaign, and their contributions were greatly appreciated by the Ministry. In addition, a radio campaign was launched in December and will be followed with a roadside billboard campaign, as well as new video collateral on CIG TV.



eGOVERNMENT UNIT

The eGovernment Unit (eGov/EGU) brings digital government to life for the convenience and efficiency of the residents and businesses of our Islands. At the same time, eGov continues to facilitate and streamline the onboarding of new Government departments as they embark on new methods of service delivery.

eGov has implemented digital infrastructure solutions to enable single sign-on with strong authentication for Government's online services, and a secure system-to-system interoperability solution. In 2022, it worked to complete initial, functional digital identity and service portal solutions to facilitate the implementation of a more customer centric and efficient online delivery of services, while ensuring security and privacy.

Throughout 2022, the EGU has worked to prepare relevant systems in anticipation of the passing of legislation for the Identification Register and Cayman Islands Identification Card.

Procurement of a customer portal solution related to the Digital ID Project was completed. eGov also worked towards addressing relevant Audit recommendations. In September, the EGU soft launched My eGov, a new portal that offers personalised online services to Government's customers through one central point.

The EGU provided extensive support to the Ministry with presentations, public consultations and input on amendments to the two legislative Bills (Identification Register & Cayman Islands Identification Card). eGov has also worked to establish strategy and policy across Government for the development of new online systems and/or e-services, to ensure future interoperability.



CYDEC - Cayman Islands Digital Economy Conference June 2022



2022 HIGHLIGHTS - INNOVATION

FEBRUARY

The Ministry announced a partnership with Digicel Cayman, in which all Digicel customers are able to access the Needs Assessment Unit's (NAU) website, and to utilise the NAU's new online application process, at zero cost for the user.

JUNE

Darvy Whittaker was appointed as the Director Designate of the CSD after completion of an open recruitment process in compliance with the Public Service Management Act. Mr. Whittaker has served 31 years in the CSD, bringing a wealth of experience in the delivery of Information Technology Services. His previous posts within the Computer Services Department included as Acting Deputy Director for Service Delivery, Information Technology System Manager, Senior System Administrator, and Computer Technician.

The Cayman Islands Digital Economy Conference was held on June 21, 2022, and the Ministry of Investment, Innovation and Social Development (MIISD) was the title sponsor of the event.

Acting Minister Kathryn Ebanks-Wilks delivered opening remarks to conference participants. "Government's vision is for technology to be a driver for a better quality of life across all spectrums of society," she said. "The future of the Cayman Islands is one where citizens can see technology allow for efficient access to important public services. At present, a number of initiatives are under way to get us closer to that reality."

In her remarks, Ebanks-Wilks highlighted a transformational initiative that took place within the Ministry during 2021: a secure and comprehensive online interface for the Government's Needs Assessment Unit (NAU) developed jointly by the eGov department and Computer Services Department. This enables people to apply for Government's financial assistance by utilising any Internet-enabled device – including mobile phones – to complete and submit an application to the NAU. Previously, NAU applicants had no option but to visit the office and apply in person.

Director of eGovernment Ian Tibbetts presented "Imagine eCayman" in which he gave an update on the Cayman Islands Digital Identity Project. MIISD and eGov staff were able to engage in fruitful networking with digital industry leaders through the conference.

JULY-SEPTEMBER

The Ministry and eGovernment Unit conducted stakeholder consultations and focus groups to gather feedback on the Identification Register and Identification Card programme. These consultations provided invaluable input during the process of producing the two draft legislative Bills that were then approved by Cabinet in early November.

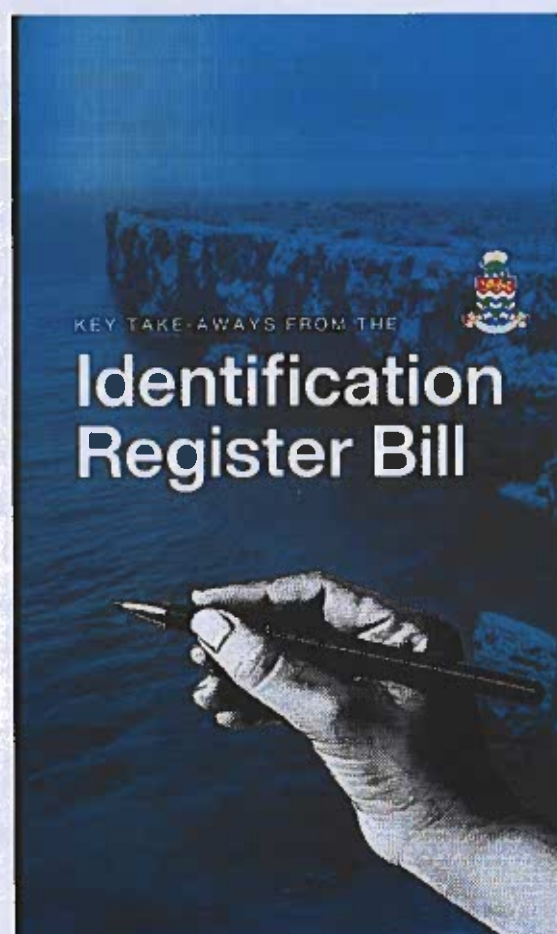


OCTOBER

The Ministry announced a partnership and collaboration with C&W Communications, entailing a change to the company's operations that will enable any Flow mobile user with an active SIM card to access the Needs Assessment Unit's website, and also to utilise its new online application process, at zero cost without paying for data transfer.

NOVEMBER

After the Cabinet approved the Identification Register Bill and Cayman Islands Identification Card Bill, the Ministry conducted roundtables for members of the news media to explain key highlights, featuring Ministry staff and Ian Tibbetts, director of the eGov Unit.



The Ministry launched a public consultation website - <https://imagine.egov.ky> - and conducted several media briefings. The Hon. Minister André Ebanks joined Ministry staff and eGov Director Ian Tibbetts to participate in over a dozen broadcast media opportunities to explain the draft legislation and engage with members of the public.

DECEMBER

In the second meeting of the 2022-23 session of Parliament, the Identification Register Bill 2022 and the Cayman Islands Identification Card Bill 2022 were both passed.



SOCIAL DEVELOPMENT

The Ministry's Social Development division strives to create meaningful and measurable actions towards achieving the Government's commitment to the following outcomes:

- Providing solutions to improve the well-being of our people so they can achieve their full potential
- Stronger communities and support for the most vulnerable
- Improving education to promote lifelong learning and greater economic mobility
- A more secure community
- Strengthening youth mental health support

The core Ministry team made progress on several legislative processes including the new Financial Assistance Act (2022), Older Persons Act (2017), Adoption of Children Act (2021 Revision) and the Children Act (2012 Revision). It worked throughout 2022 to acquire office space for the Needs Assessment Unit (NAU) in Cayman Brac and expand the NAU offices in George Town, Grand Cayman.

Financial Assistance Act 2022

Between January and October 2022 the Ministry worked to create draft legislation to replace the 1964 "Poor Persons (Relief) Act", which effectively remained unchanged for 58 years.

After extensive policy and consultative work, preceded by work in the Ministry of Community Affairs, the Financial Assistance Act, 2022 (the "Act") was passed by the Parliament in October 2022. The Act addresses numerous concerns brought to light in 2015 by the Office of the Auditor General.

Honourable Minister for Social Development,
André Ebanks MP

"The Financial Assistance Bill 2022 represents a significant accomplishment in advancing Government's social development agenda and priorities. It provides a 21st century legislation for eligible Caymanians who are in need of Government's financial assistance, while building in accountability and legal recourse."

To inform and prepare the legislation in collaboration with the Legislative Drafting Department during 2022, the Ministry's social development policy team:

- Reviewed current financial assistance legislation to identify strengths, opportunities, needs, gaps, barriers;
- Conducted local and global research to develop an initial set of recommendations;
- Identified and engaged key stakeholders as necessary to receive feedback on recommendations
- Drafted a Cabinet paper with revisions and review drafts, which was approved by Cabinet.

Stakeholder Engagement

In consultation on the draft legislation, the Ministry arranged and conducted focus groups with a total of 42 people in January, February and March 2022. It also conducted an online survey to acquire additional feedback and responses to the draft legislation. This was a significant and extensive consultation with a wide array of community partners, including health practitioners, other professionals, NGOs, philanthropic and civic organisations, as well as with landlords, and NAU clients.

This dialogue revealed the significant extent to which all of these individuals and entities play a crucial role in understanding and overcoming the barriers to advancing social development in our community. This collaborative model directly informed the Ministry's work with legal drafting to develop the proposed legislation.

Changes Made by the Act

When commenced, the Act will repeal the 1964 "Poor Persons Relief Act". It will also (among other things):

- Re-name the relevant Department – currently called the "Needs Assessment Unit" – to the "Department of Financial Assistance". The Act likewise defines the functions of the Department and its duties — which is a standard feature of legislation.
- Clearly outline and define, for the first time in legislation, who is eligible for Government's financial assistance, namely: Caymanians, spouses of a Caymanian or guardians of a Caymanian dependent, all of whom must be resident on island during the time of the application and at least eight of the twelve months preceding the application.
- Allow the introduction of conditions that can be attached to financial assistance, in particular for households with adult members who are able to work, so that they may be enabled to lead productive, stable lives.
- Create transparency and accountability for decisions, including dealing with grievances and a new appeals tribunal, as well as the protection of personal information.

The Act enables Cabinet to create accompanying regulations to govern the procedures of the Appeals Tribunal and to govern operational and practical matters such as:

The number of working days in which the Department will process complete applications;

- Exemptions for emergency circumstances;
- Consideration for transitional services (i.e. during the transitional period after employment has been obtained); and
- Specific provisions with respect to varying household sizes, as well as issues related to household composition (such as older persons living with their adult children; people with disabilities) to align with the Cayman Islands Older Persons Policy and Disability Policy.

The Ministry has since been working with the Needs Assessment Unit and other relevant Departments and stakeholders to operationalize the legislation which is intended to be commenced in 2023

NEEDS ASSESSMENT UNIT

The NAU continued the rollout of its online application system. During the course of the year, the form was used successfully over 360 times.

The NAU implemented a Continuation Certificate in June 2022 which allows previously assessed Older Persons and persons with permanent disabilities to extend their existing services, once household details remain unchanged.

NAU District Days: The NAU has established and continued to maintain a presence in each community district through the 'NAU Is In Our District' program. This allows ease of access to persons who need to connect with the NAU and to develop a better understanding of the needs within the districts. The department held 42 District Days during the 2022.



DEPARTMENT OF CHILDREN AND FAMILY SERVICES (DCFS)

DCFS provides social work services that safeguard children and youth, support families, empower communities and promote self-sufficiency of all clients. DCFS has a social work team dedicated to all aspects of adoption, foster care and after care, to support the safety, permanency and well-being of children.

DCFS also provides residential care services for older persons, and people with disabilities placed in care. For older persons and adults with disabilities, DCFS manages three homes, which had 46 to 56 residents during 2022. For children, it manages one home, which had four children during 2022.

In addition, DCFS fulfills a role of providing preventative measures and interventions, education, advocacy and community-based programmes.

Throughout the year, DCFS worked to enhance the wellbeing of older persons. It conducted over 350 home visits, 142 safeguarding investigations, and over 2,000 social work intervention services.

Legislation in the Cayman Islands (the Children Act, 2012 Revision) recognizes DCFS as the department having responsibility for the welfare of children. The Act also provides the legal basis for co-operation between government departments and others to help DCFS discharge its functions. Section 32 of the Children Act (2012 Revision) obliges all persons who are entrusted through their professions with any aspect of the education, care and welfare of children to report child safeguarding concerns– referred to as “mandatory reporting”. In 2022, there were 850 child safeguarding investigations conducted by DCFS.

This makes a positive difference to families through services ranging from early intervention and prevention to intensive casework. The Multi Agency Safeguarding Hub (MASH) promotes the safety and welfare of children by providing a coordinated, multi-agency response to referrals.

SUNRISE ADULT TRAINING CENTRE

The Sunrise Adult Training Centre (SATC) provides training, therapeutic, and recreational programmes for over 60 adults with disabilities, in order to promote the development of client functioning, independence, and community inclusion. SATC provides transportation to and from the Centre for clients enrolled in its programmes.

In April 2022, the Centre moved from its former premises at 181 Powery in West Bay to a central location in George Town.

The new facility designated office spaces for class prep and administration, along with specific classroom spaces and studios to meet the needs of the clients and fit for the services provided. This has led to higher levels of programme delivery to clients. Located in central George Town, the new premises affords Sunrise much greater exposure to the Cayman community. It also enables the Centre to offer its services to a number of people who previously have been unserved.

Sunrise has 32 clients participating in vocational training. During 2022, there were 23 new employment partnerships created: 14 clients obtained internships and 13 secured employment positions. Placements of clients included the Governor's residence, MIISD Cyber Security Department, Grand Cayman Marriott Resort and Cayman Distillery.



Honourable Minister for Social Development,
André Ebanks MP

"The interim premises for Sunrise Adult Training Centre are one step forward in Government's ambitious plan to reform and modernise social development in the Cayman Islands – and to leave no one behind."

PARTNERSHIPS

Sunrise has numerous community partners who are a vital part of the Centre's success, as they invest their resources in creating opportunities and experience for the clients. During 2022, Sunrise created 39 new community partnerships.

A key corporate partnership was established at the initiation of CWC/Flow. Sunrise leadership participated in a number of PR activities and recordings with FLOW, alongside Minister Ebanks, to promote this new partnership. At Christmas, FLOW donated ten laptops and ten new iPads to the Centre.

The new Sunrise location benefitted from significant donations from Dart, the Wellness Centre, Art Nest, F45 Training, the Mattress Experts, and Parliamentary Secretary Heather Bodden, MP.

With adequate space, and sponsorship of all the necessary equipment by Rotary Central Cayman Islands, Sunrise now has created the first sensory room for adults with disabilities in the Cayman Islands.

Caribbean Utilities Company (CUC) sponsored the fifth annual "West Bay Sunrise 5K" Walk/Run in May.

Sunrise is one of the beneficiaries of the "Community Connections" Partnership with National Gallery (as well as the two homes managed by Children and Youth Services (CAYS) Foundation – see page *), sponsored by Maples Group, which offers hands-on art lessons for those who do not have regular access to the Gallery.

Numerous entities sponsored outings for the clients and staff, and participated in the Centre's activities:

- Kensington Management Group Ltd. sponsored an outing for clients to paint pottery at 3 Girls and a Kiln and lunch with the beautiful view of the waterfront.
- CUC sponsored an outing to the Camana Bay Cinema
- Maples Group also sponsored an outing to the cinema to watch "Minions", followed by pizza
- Walkers Law Firm assisted in preparation for "Aladdin", with building/making props, organizing costumes, recording in the studio and during rehearsal.
- Walkers also sponsored an in-Centre BBQ lunch where clients went grocery shopping for all the necessary items and they assisted with prepping and grilling hotdogs and burgers for everyone.

The annual Sunrise musical, Aladdin, benefitted from an array of community partners: Cayman National Cultural Foundation, Centre Pointe Dance Studio, Dances of the World, Speech Studio, Walkers, Block.one, and Flow.

2022 HIGHLIGHTS - SOCIAL DEVELOPMENT

MARCH

The 21st of March was "Rock Your Socks" Day in Recognition of World Down Syndrome Day and was recognized by MIISD, Sunrise Adult Training Centre and several community partners.

DCFS and the Ministry celebrated and recognized the work of DCFS social workers during a successful Social Work Month. An awards event recognised social workers who exemplify professional commitment and dedication, as well as personal characteristics that underpin their success within DCFS, with its clients and the wider community.



Ms. Marilyn Innis received the Joyce Hylton Award for Social Worker of the Year. The late Ms. Joyce Hylton MBE, one of the Cayman Islands' National Heroes, was a committed reformer who advanced social welfare throughout her life. Given in her name, the award recognises a social worker who is a strong advocate for clients, displays a profound passion for young people and the elderly, and who is well respected by colleagues, agency partners and clients.

APRIL

Sunrise Adult Training Centre (SATC) moved into a new location, which was formally opened in April. The Hon. Minister for Social Development, André Ebanks, attended the launch event along with Parliamentary Secretary Heather Bodden, as well as Deputy Premier the Hon. Chris Saunders.



MAY

DCFS held its first Awards and Recognition event on May 12 (International Nurse's Day) to acknowledge the world class service being delivered by our Adult Special Needs Residential Care Staff. On May 27 this event was held in Cayman Brac.



MAY – Child Month

The theme for DCFS Child Month in May 2022 was “Building wellness with our children”. A full calendar of events throughout May, in all districts, focused on the building blocks of physical and mental health, creativity, lifelong learning, social and spiritual wellbeing for our children.

The Ministry and DCFS sponsored the “Circle of Love” Breakfast, held for the first time since 2019, at which Parliamentary Secretary Heather Bodden gave remarks. This was the first year the Department held a “Wellness Expo” as part of Child Month activities, in partnership with numerous government entities and community organisations. In Cayman Brac, DCFS held a very popular “Locked In” event, with participation by 33 young people who requested this activity again.



Department of
Children & Family Services
Cayman Islands Government

"Building wellness with
our children"

For the full calendar of events
during May 2022 visit
www.gov.ky/calendar



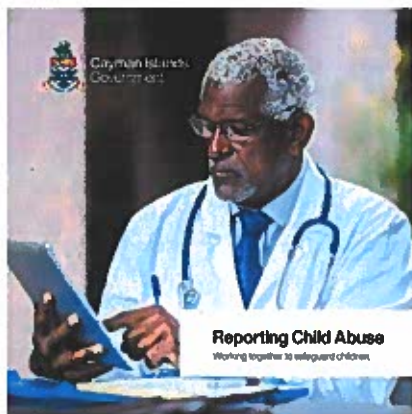
DCFS Phone numbers:
Grand Cayman 949 0290
Cayman Brac 948 2331

@dcfscayman



MAY-JUNE

The Ministry and the CIG Department of Communications collaborated in a public campaign on child safeguarding – to promote awareness, education and understanding of issues related to child safeguarding amongst the public and professionals. This well-received and engaging campaign over several weeks provided information about how to identify signs of child abuse or neglect and how to make a report for the well-being of the child.



JULY – Ministerial Visit to Cayman Brac

The Hon. André Ebanks, Minister for Investment, Innovation and Social Development, was accompanied by Parliamentary Secretary Heather Bodden and senior Ministry staff to visit Cayman Brac.

At the District Administration building, the group met with the Hon. Juliana O'Connor-Connolly, Minister for District Administration, District Commissioner Mark Tibbetts, and staff of the District Commission. The two Ministers and Commissioner led a discussion about ongoing and new policy issues relating to social development, with a particular focus on the needs of elderly and vulnerable people in Cayman Brac.

The group visited the staff at the existing shared office space for both DCFS and NAU, and conducted two separate site visits. The first was to a potential new location for the Needs Assessment Unit. The second site visit was facilitated by Minister O'Connor-Connolly and District Commission staff, who gave a tour to the Minister, Parliamentary Secretary and Ministry staff of a newly constructed, modern building which has been designed to accommodate community events in Cayman Brac, particularly for older persons and youth.

The group also visited the nursing staff and residents at Kirkconnell Care Centre. The Minister noted that in the Government's 2022-23 Annual Budget Statement, the nursing staff were converted from wage-based to salaried employees --- including many who have served for two or three decades in these positions.



JULY - Mentorship Programme

This professional mentorship programme for women who were unemployed and accessing financial assistance began in 2021 as a one year pilot programme.

It was a project of the Business & Professional Women's Club, funded by R3 Foundation. Numerous community organisations, including NAU and DCFS collaborated in a holistic approach to addressing an array of issues that impede employment and personal development.

Concluding in July 2022, the six women participants were celebrated at an event attended by the Hon. André Ebanks, Minister for Social Development, Acting Deputy Governor, Ms. Gloria McField-Nixon, and Ministry staff.



(Acting Deputy Governor) Chief Officer
of the Portfolio of the Civil Service,
Ms. Gloria McField Nixon:

"I wish to congratulate the ladies for successfully completing the programme and overcoming challenges that were both complex and interrelated. I also wish to commend the public and private sector partners who worked collaboratively rather than competitively to provide a solution. In so doing, their work provides a blueprint for how we may tackle other longstanding issues confronting these Islands. Kudos to the Ministry of Social Development and its partners for making this programme possible."

AUGUST

Cabinet approved publication of the draft Financial Assistance Bill, 2022, and the Ministry conducted a public consultation to receive public feedback on the Bill.

Upon Cabinet's approval, the Ministry facilitated roundtable discussions for members of the news media, at which they were introduced to the Bill with a presentation by Ministry staff.

OCTOBER - Financial Assistance Act 2022

The Financial Assistance Act 2022 was passed by Parliament at its first meeting of the 2022-23 session. When commenced, the Act will re-name the relevant Department – currently called the "Needs Assessment Unit" – to the "Department of Financial Assistance". The Bill likewise defines the functions of the Department and its duties — which is a standard feature of legislation. Among other features, the Act clearly outlines and defines, for the first time in legislation, who is eligible for Government's financial assistance, namely: Caymanians, spouses of a Caymanian or guardians of a Caymanian dependent, all of whom must be resident on island during the time of the application and at least eight of the twelve months preceding the application.



OCTOBER - Older Persons Month

The theme chosen for 2022 Older Persons Month was "Moving Towards Age Friendly Communities".

The theme reflects the strategic objectives of the Ministry of Investment, Innovation and Social Development, which has numerous initiatives underway to support a robust legal framework in support of older persons, and to advance strategic reforms. The 2022 Calendar of Events featured a variety of activities intended to foster public awareness and understanding of the issues that specifically affect older persons – in addition to educational activities such as smartphone training and computer literacy, and social functions, such as the Older Persons Gala.

In partnership with Health City Cayman Islands, DCFS also offered Caregiving Training workshops that were open to anyone who is a caregiver for an older person.

For Older Persons Month 2022, DCFS nominated and honored three ambassadors in the community: Marguerita Bodden, Renford Barnes, and Alice Jackson.



NOVEMBER – Sunrise Musical “Aladdin”

Clients and staff of Sunrise rehearsed for ten weeks, built props, and performed at the Harquail Theatre. His Excellency the Governor Martyn Roper made a guest appearance in the show as a “spooky voice”, recorded in late October during his official visit to the new Sunrise location at Eden House in George Town.

DECEMBER

The Needs Assessment Unit (NAU) provided an additional \$150 to all recipients of permanent financial assistance and their Seafarer's and Veterans Ex-Gratia Benefit as a one-time stipend during the holiday season. The Department of Children and Family Services (DCFS) partnered with community organizations to host or participate in Christmas events in all districts.



SOCIAL DEVELOPMENT - SUPPORT FOR NON-PROFIT ORGANISATIONS

The Ministry of Investment, Innovation and Social Development supports six non-profit organisations which fulfill specific mandates within the community, to serve older persons, persons with disabilities, children, and victims of domestic violence.

In line with Government's Strategic Policy Statement, support for these organisations advances the Government's commitment to achieving the following outcomes:

- Providing solutions to improve the well-being of our people so they can achieve their full potential
- Stronger communities and support for the most vulnerable
- Improving education to promote lifelong learning and greater economic mobility
- Food security
- A more secure community
- Strengthening youth mental health support

The Cayman Islands Crisis Centre (CICC) provides a 26-bed emergency shelter facility and 24-hour Crisis Line. This is a short-term emergency shelter which includes confidential case management, counselling and support services for women and their children who are victims of domestic violence and/or sexual violence.

Its Aftercare programme serves clients who previously accessed their safe shelter services, to enable them to start their lives again free from violence. In 2022, between 11 and 15 people benefitted monthly from the Centre's Aftercare services.

In addition, the CICC plays a crucial role in providing public education presentations to create wider awareness and visibility of domestic violence and child abuse to contribute towards a more secure community. Its Community Outreach Programme increases awareness and educates community professionals and the general public on issues surrounding domestic abuse, sexual assault, and child abuse prevention.

In 2022, the Centre facilitated 78 presentations about domestic violence and child abuse, and 80 presentations about the Centre's programmes, to schools, religious organisations, and work places. In addition, the Centre was featured in thirteen radio interviews.

Meals on Wheels helps to alleviate food insecurity among elderly and permanently disabled residents of Grand Cayman. It has over 100 monthly volunteers who deliver meals five days a week. In 2022, Meals on Wheels delivered more than 71,000 meals.

The interactions with Meals on Wheels volunteers also create a much needed point of contact and “check-in” for people who are shut in and isolated from the community. These volunteers also aid in making external referrals to other agencies and community organisations.

The National Children’s Voluntary Organization (NCVO) provides foster care when the Department of Children and Family Services determines that a child cannot be placed in a private home, and requires care and protection. The NCVO foster home served seven to nine children every month in 2022. Children are provided with clinical therapy, tutoring, extracurricular/ after school activities, and home visits (supervised or unsupervised when appropriate).

CAYS (Children and Youth Services) Foundation manages residential facilities for young people (ages 12 -18) who have been remanded for care and protection, or committed by the legal system for rehabilitation.

CAYS runs Frances Bodden Children’s Home (20 placements) and Bonaventure Boys Home (10 placements) and Phoenix House (acute placements). In 2022, it served between 18 and 31 young people per month.

The programmes for residents are run within a “trauma informed care” environment, which includes therapy, education (both academic and vocational), community partnerships, coordination with other agencies, and aftercare. These programmes are intended to foster integration with family, school and community, and prepare the young people for independent living.

Rehoboth Ministries serves underprivileged students within the community who have learning challenges. It runs an after school care programme on school days throughout the academic year, as well as full day care (camps) during school holidays.

The Pines Retirement Home provides clinical care and medical treatment by nursing staff and physicians, stimulating and social day programming. In 2022, this was provided to 15 to 18 elderly residents who are indigent and/or disabled. Also in 2022, the Pines provided accommodation for the care of 10 to 19 elderly patients with extended care requirements that would otherwise require hospitalisation.



GOVERNMENT OF THE CAYMAN ISLANDS

Ministry of Investment, Innovation and Social Development

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

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Ministry of Investment, Innovation and Social Development
Cayman Islands Government
Government Administration Building
Grand Cayman, Cayman Islands, BWI
TEL: 949-7900 FAX: 949-7544

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Ministry of Investment, Innovation and Social Development in accordance with the provisions of the *Public Management and Finance Act (2020 Revision)*.

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the *Public Management and Finance Act (2020 Revision)*.

As Chief Officer I am 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 the Act, and properly record the financial transactions of the Ministry of Investment, Innovation and Social Development.

As Chief Officer and Chief Financial Officer we are responsible for the preparation of the Ministry of Investment, Innovation and Social Development financial statements, representation and judgements made in these statements.

The financial statements fairly present the financial position, financial performance and cash flows of the Ministry of Investment, Innovation and Social Development for the financial year ended 31 December 2022.

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

- (a) Completely and reliably reflect the financial transactions of the Ministry of Investment, Innovation and Social Development for year ended 31 December 2022;
- (b) fairly reflect the financial position as at 31 December 2022 and performance for the year ended 31 December 2022;
- (c) Comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board under the responsibility of the International Federation of Accountants. These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants and its International Public Sector Accounting Standards Board using the accrual basis of accounting. Where additional guidance is required, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board are used.

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 on Auditing.

Tamara Ebanks
Acting Chief Officer

April 30, 2023

Vinton Chinsee
Chief Financial Officer

April 30, 2023

AUDITOR GENERAL'S REPORT

To the Members of Parliament and the Chief Officer of the Ministry of Investment, Innovation and Social Development

Opinion

I have audited the financial statements of the Ministry of Investment, Innovation and Social Development (the "Ministry"), which comprise the statement of financial position as at 31 December 2022 and the statement of financial performance, statement of changes in net worth and cash flow statement for the year ended 31 December 2022, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 9 to 29.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Ministry as at 31 December 2022 and its financial performance and its cash flows for the year ended 31 December 2022 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.

Emphasis of Matter

As outlined in note 1b of the financial statements, the Cabinet of Ministers authorised the reallocation of \$345,000 of the Ministry's 2022 appropriations to the Ministry of Financial Services & Commerce (MFSC) under section 11(5) of the Public Management and Finance Act (2020 Revision) ("PMFA"). The Cabinet of Ministers also authorised a transfer of \$100,000 in the Ministry's 2022 appropriations for equity injections to MFSC under the same section of the PMFA. A supplementary Appropriation Bill for the reallocations was not introduced in Parliament by 31 March 2023 as required by section 11(6) of the PMFA.

My opinion is not qualified in respect of this matter.

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 and fair presentation 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.

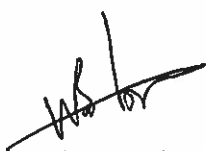
Auditor's Responsibilities for the Audit of the Financial Statements

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 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.



Winston Sobers, FCCA, CFE
Acting Auditor General

30 April 2023
Cayman Islands

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
STATEMENT OF FINANCIAL POSITION AS AT 31 December 2022
Expressed in Cayman Islands Dollars

Actual 2021			Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		Note	\$'000	\$'000	\$'000	\$'000
Current Assets						
3,960	Cash and cash equivalents	2	2,216	8,076	8,076	5,860
7,538	Trade receivables	3	12,574	13	13	(12,561)
1,112	Other receivables	3	1,722	75	75	(1,647)
194	Inventories	4	179	-	-	(179)
1,614	Prepayments	5	1,087	81	81	(1,006)
14,418	Total Current Assets		17,778	8,245	8,245	(9,533)
Non-Current Assets						
-	Other receivables		36	-	-	(36)
1,436	Intangible assets	7	2,980	2,499	2,399	(481)
8,681	Property, plant and equipment	6	7,269	6,461	6,461	(808)
10,117	Total Non-Current Assets		10,285	8,960	8,860	(1,325)
24,535	Total Assets		28,063	17,205	17,105	(10,858)
Current Liabilities						
3,039	Trade payables	8	79	369	369	290
94	Other payables and accruals	8	1,327	341	341	(986)
227	Unearned revenue	10	182	134	134	(48)
275	Employee entitlements	9	426	74	74	(352)
2,407	Surplus payable	27	6,542	2,507	2,507	(4,035)
6,042	Total Current Liabilities		8,556	3,425	3,425	(5,131)
6,042	Total Liabilities		8,556	3,425	3,425	(5,131)
18,493	Net Assets		19,507	13,780	13,680	(5,727)
NET WORTH						
18,493	Contributed capital		19,507	13,780	13,680	(5,727)
18,493	Total Net Worth		19,507	13,780	13,680	(5,727)

The Notes to the Financial Statements on pages 9 to 29 form part of these financial statements.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 December 2022
Expressed in Cayman Islands Dollars

Actual 2021			Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		Note	\$'000	\$'000	\$'000	\$'000
Revenue						
17,362	Sale of goods and services	11	39,990	43,164	42,819	3,174
8	Donations	11	160	30	30	(130)
11	Other revenue		45	-	-	(45)
17,381	Total Revenue		40,195	43,194	42,849	2,999
Expenses						
11,775	Personnel costs	12	25,439	29,264	29,020	3,825
4,170	Supplies and consumables	13	8,920	11,683	11,587	2,763
714	Depreciation	6	961	1,396	1,396	435
182	Amortisation of Intangible Assets	7	572	535	530	(37)
40	Revaluation legal liability provisions	15	(40)	-	-	40
(7)	Other Gains	16	4	-	-	(4)
243	Losses from derecognition of assets	16	182	-	-	(182)
17,117	Total Expenses		36,038	42,878	42,533	6,840
264	Surplus for the period		4,157	316	316	(3,841)

The Notes to the Financial Statements on pages 9 to 29 form part of these financial statements.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
STATEMENT OF CHANGES IN NET WORTH FOR THE YEAR ENDED 31 December 2022
Expressed in Cayman Islands Dollars

	Contributed Capital	Accumulated Surplus/ (deficits)	Total Net worth	Original Budget	Variance (Orig vs Actual)
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 31 December 2020 brought forward	-	-	-	579	579
Changes in net worth for 2021					-
Gain/(loss) on property revaluation	-	-	-	-	-
Ministry Reorganisation	13,947	-	13,947	-	(13,947)
Equity Investment from Cabinet	4,546	-	4,546	7,762	3,216
Surplus payable to Cabinet (restated)	-	(264)	(264)	149	413
Net revenue / expenses recognised directly in net worth	18,493	(264)	18,229	8,490	(10,318)
Surplus/(deficit) for the period 2021	-	264	264	(149)	(413)
Total recognised revenues and expenses for the period	18,493	-	18,493	8,341	(10,731)
Balance at 31 December 2021 carried forward	18,493	-	18,493	8,341	(10,152)
Balance at 31 December 2021 brought forward	18,493	-	18,493	8,341	(10,152)
Prior Year Adjustments					
Accounting Errors	-	(25)	(25)	-	-
Balance 31 December 2021	18,493	(25)	18,468	8,341	(10,152)
Changes in net worth for 2021					
Ministry Reorganisation	(12)	-	(12)	-	12
Equity Investment from Cabinet	1,026	-	1,026	5,439	4,413
Surplus payable to Cabinet	-	(4,132)	(4,132)	(316)	3,816
Net revenue / expenses recognised directly in net worth	1,014	(4,132)	(3,118)	5,123	8,241
Surplus/(deficit) for the period 2022	-	4,157	4,157	316	(3,841)
Total recognised revenues and expenses for the period	1,014	25	1,039	5,439	4,400
Balance at 31 December 2022 carried forward	19,507	-	19,507	13,780	(5,752)

The Notes to the Financial Statements on pages 9 to 29 form part of these financial statements.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 December 2022
Expressed in Cayman Islands Dollars

Actual 2021	Description		Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		Note	\$'000	\$'000	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES						
<i>Receipts</i>						
9,901	Outputs to Cabinet		34,746	42,898	42,898	8,152
97	Outputs to other government agencies		183	208	208	25
(11)	Sale of goods and services - third party		(83)	-	-	83
8	Donations / Grants		160	-	-	(160)
11	Other receipts		9	57	57	48
<i>Payments</i>						
(11,740)	Personnel costs		(25,116)	(29,263)	(29,264)	(4,147)
(1,290)	Supplies and consumables		(8,428)	(11,683)	(11,683)	(3,255)
(432)	Other payments		476	-	-	(476)
(3,456)	Net cash flows from operating activities	18	1,947	2,217	2,216	270
CASH FLOWS FROM INVESTING ACTIVITIES						
(911)	Purchase of property, plant and equipment		(3,702)	(5,430)	(5,430)	(1,728)
	- Proceeds from sale of property, plant and equipment		11	-	-	(11)
(911)	Net cash flows from investing activities		(3,691)	(5,430)	(5,430)	(1,739)
CASH FLOWS FROM FINANCING ACTIVITIES						
3,863	Equity Investment from Org 40		-	5,438	5,438	5,438
4,464	Ministry Reorganisation		-	-	-	-
8,327	Net cash flows from financing activities		-	5,438	5,438	5,438
3,960	Net increase/(decrease) in cash and equivalent		(1,744)	2,225	2,225	3,969
	- Cash and cash equivalents at beginning of period		3,960	5,851	5,851	1,891
3,960	Cash and cash equivalents at end of period		2,216	8,076	8,076	5,860

The Notes to the Financial Statements on pages 9 to 29 form part of these financial statements.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022
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The Ministry of Investment, Innovation and Social Development (MIISD or the Ministry) is a Government owned entity as defined by section 2 of the *Public Management Finance Act (2020 Revision)* and it is domiciled in the Cayman Islands. The Ministry commenced operations on July 1, 2021, through a combination of Social, Innovation and Investment subject matter from other Ministries including the Ministry of Community Affairs, the Ministry of International Trade, Investment, Aviation and Maritime Affairs, and the Ministry of Commerce and Infrastructure. Its principal activities and operations include all activities carried out in terms of outputs purchased by the Minister as defined in the Annual Plan and Estimates for the Government of the Cayman Islands for the financial period ended 31 December 2022. MIISD is responsible for supporting investments, driving innovation and managing the social programmes of the Cayman Islands Government.

MIISD purpose is to:

- Enhance the reputation of the Cayman Islands;
- Advance the economic and political interests of the government, the people and the business community, and;
- To make Cayman's economy easier to do business with, including acting as a single doorway for potential foreign direct investment.
- Drive innovation in the Cayman Islands

The departments, offices and statutory authorities that fall under MIISD as at 31 December 2022 are:

- Cayman Islands Business Development Center
- Invest Cayman
- the Children and Youth Service Foundation
- The Computer Services Department
- The Egovernment Department
- The Cyber Security Department
- The Department of Children and Family Services
- The Needs Assessment Unit
- The Sunrise Adult Training Center

The Cayman Islands Intellectual Property Office was transferred to the Ministry of Financial Services and Commerce as at July 1, 2022.

Note 1: Significant Accounting Policies

These financial statements have been prepared in accordance with International Public Sector Accounting Standards ("IPSAS") issued by the International Federation of Accountants and its International Public Sector Accounting Standards Board using the accrual basis of accounting.

New and revised accounting standards issued that are not yet effective for the financial year beginning 1 January 2021 and not early adopted.

Certain new accounting standards have been published that are not mandatory for the 31 December 2022 reporting period and have not been early adopted by the Ministry. The Ministry's assessment of the impact of these new standards is 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*. It is anticipated that IPSAS 41 will not have a significant impact on the Ministry's financial statements. This will be assessed more fully in the next financial year.

IPSAS 42, Social Benefits was issued in January 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 recognized and how they are measured. It is anticipated that IPSAS 42 will not have an impact on the Ministry's financial statements, but this will be assessed more fully in the next financial year.

IPSAS 43, Leases was issued in January 2022 and shall be applied for financial statements covering periods beginning on or after 1 January 2025. IPSAS 43 introduces a right-of-use model that replaces the risks and rewards incidental to ownership model in IPSAS 13, *Leases*. It is anticipated that IPSAS 43 will have a material impact on the Ministry's financial statements, but this will be assessed more fully closer to the effective date of adoption.

IPSAS 44, Non-current Assets Held for Sale and Discontinued Operations was issued in May 2022 and shall be applied for financial statements covering periods beginning on or after 1 January 2025. IPSAS 44 provides guidance on how to account for non-current assets when they are made available for sale on commercial terms; no such guidance existed prior to IPSAS 44. It is anticipated that IPSAS 44 will not have a significant impact on the Ministry's financial statements, but this will be assessed more fully closer to the effective date of adoption.\

These financial statements have been prepared on a going concern basis and the accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of preparation

The financial statements are presented in Cayman Islands dollars and are prepared on the accrual basis of accounting, unless otherwise stated. The measurement base applied to these financial statements is the historical cost basis except for land and buildings which are measured on the revaluation basis. Unless otherwise stated, all numbers in these financial statements have been rounded to the nearest thousand.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022
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Note 1: Significant Accounting Policies (continued)

Comparative information

The financial statements includes comparative information for all statements presented. 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 year unless it is impracticable to do so. The fiscal period of 2021 was a six month period, therefore, the prior year amounts are not entirely comparable.

(b) Budget amounts

The original budget amounts for the period ended 31 December 2022 reflect those approved in budgets presented in the budget statement for the financial years ended 31 December 2022 and 31 December 2021, which was approved by the Parliament and adjusted for the amounts transferred to the Ministry of Financial Services and Commerce in respect of CIPO. Any changes to the original budget are reflected in the final budget. Significant variances between actual and budgeted figures are explained in the notes to the financial statements. As required by the PMFA, budgets are presented on the same basis as the annual financial statements. The presentation of the current year financial statements includes a comparison of actual amounts with amounts in the original and final budget.

Cabinet Funding – Sale of Outputs to Cabinet:

Ministry and Appropriation	Transferred from Ministry of Investment, Innovation and Social Development \$'000	Transferred to Ministry of Financial Services and Commerce \$'000
Transfers		
Investment, Innovation and Social Development		
ITI 1 - International Engagement and Representation of The Cayman Islands	(345)	345
Total	(345)	345
 Capital Funding - Equity injection		
Ministry of Financial Services EI		100
EI 78 Investment, Innovation and Social Development	(100)	
Total	(100)	100

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

Note 1: Significant Accounting Policies (continued)

Final Budget

The final budget includes the transfer of appropriations totalling \$345K from ITI 1 and a reduction in EI 78 of \$100K approved by Cabinet under section 11(5) of the PMFA. An appropriation bill for the reallocation was not introduced in Parliament by March 31, 2023 as required by section 11(6) of the PMFA.

Cabinet Funding - Sales of Outputs to Cabinet

Appropriation Name	Original Budget	Supplimentary Appropriation	Final Budget
ITI 1 - International Engagement and Rep. of C.I.	7,004	(345)	6,659
ITI 2 - Social Development and Support - Children and Family	19,222		19,222
ITI 3 - Digital services and strategy	16,671		16,671
EI 78 Investment, Innovation and Social Development	5,438	(100)	5,338
Total	48,335	(445)	47,890

(c) Judgments and estimates

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the reporting period that they are made and in any future periods that are affected by those revisions. There have been no changes in accounting estimates as defined by IPSAS 3.

(d) 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. Revenue is recognised at fair value of services provided.

(e) Expenses

Expenses are recognised in the accounting period in which they are incurred. Non-coercive Interagency costs are not recognised in the expenses of the accounts.

Note 1: Significant Accounting Policies (continued)

(f) Operating leases

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

(g) Cash and cash equivalents

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

(h) Prepayments

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

(i) Property, plant and equipment

Property, plant and equipment, is stated at historical cost less accumulated depreciation except for land and buildings. Where an asset is acquired for nil or nominal consideration, the asset is recognized initially at fair value, where fair value can be reliably determined, and as revenue in the statement of financial performance in the year in which the asset is acquired.

Depreciation

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

<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 estimated useful life of the improvement, whichever is shorter.
• 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

Disposals

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

Note 1: Significant Accounting Policies (continued)

Assets under construction

Assets under construction or development are carried at cost, less any recognised impairment loss. Such assets are classified to the appropriate categories of property, plant and equipment or intangible assets when completed and ready for intended use. Depreciation of these assets (on the same basis as the asset category) commences when the assets are ready for their intended use.

(j) Intangible assets

Acquired computer software licenses lasting over a year are capitalized on the basis of the costs incurred to acquire and bring to use the specific software.

The carrying value of an intangible asset with a finite life is amortized on a straight line basis over its useful life. Amortization begins when the asset is available for use and ceases at the date that the asset is derecognized. Amortization charge for each period is recognized in the statement of financial performance.

(k) 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 contribution to defined contribution retirement plans are recognised in the Statement of Financial Performance as they are earned by employees. Obligations for defined benefit retirement plans are reported in the Consolidated Financial Statements for the Entire Public Sector of the Cayman Islands Government.

(l) 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 an expense 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 trade and other receivables.

Note 1: Significant Accounting Policies (continued)

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 liabilities comprise of trade and other payables, accrued expenses and employee entitlements.

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 statements of financial performance.

Measurement

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

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

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 expires.

(m) Provisions, 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 or cannot be reliably measured. Contingent assets are disclosed if it is probable that the benefits will be realised. Provisions are recognised when it becomes probable that an outflow of cash or other economic resources will be required to settle a liability of uncertain timing and amount. If an outflow is not probable, the item is treated as a contingent liability.

(n) Foreign currency

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

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

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

Note 1: Significant Accounting Policies (continued)

(o) 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 accommodations in the central government building, computer repairs and software maintenance by the Computer Services Department, maintenance and project management by the Public Works Department and vehicle maintenance from the Department of Vehicles, Equipment and Supplies, exemption of duties and charges from Customs and human resource management from the Portfolio of the Civil Service. 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 readily 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 of fixed assets, such service in kind is recognised in the cost of the asset.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

Note 2: Cash and cash equivalents

Cash and cash equivalents include cash on hand and bank accounts in the name Ministry of Investment, Innovation and Social Development that are maintained at Royal Bank of Canada in the Cayman Islands. The Ministry's unrestricted cash balances as at 31 December 2022 is presented below. No restricted cash balances were held by the Ministry as at 31 December 2022.

Actual 2021	Description	Foreign Currency December 31, 2022 \$'000	Exchange Rate	Actual 2022 \$'000	Original Budget 2022 \$'000	Final Budget 2022 \$'000	Budget Variance \$'000
	3 Cash in transit (IRIS Remittance Account)	-	1	-	-	-	-
756	CI\$ Operational Current Account held at Royal Bank of Canada	1,851	1	1,851	9,086	9,086	7,235
3,107	US\$ Operational Current Account held at Royal Bank of Canada	158	1	158	-	-	(158)
94	Payroll Current Account held at Royal Bank of Canada	207	1	207	(1,111)	(1,111)	(1,318)
	- Bank Accounts held at other financial institutions	-	1.1803	-	100	100	100
3,960	Total			2,216	8,075	8,075	5,859

Note 3: Trade receivables and other receivables

At year end all overdue receivables have been assessed. A provision has been provided for all long outstanding debts in accordance with the Ministry's policy for all debtors greater than 60 days.

Actual 2021 \$'000	Description	Actual 2022 \$'000	Original Budget 2022 \$'000	Final Budget 2022 \$'000	Budget Variance \$'000
176	Sale of goods and services	216	-	-	(216)
7,362	Outputs to Cabinet	12,425	13	13	(12,412)
	- Less: provision for doubtful debts	(67)	-	-	67
7,538	Total trade receivables	12,574	13	13	(12,561)

Actual 2021 \$'000	Other Receivables	Actual 2022 \$'000	Original Budget 2022 \$'000	Final Budget 2022 \$'000	Budget Variance \$'000
1,112	Other	1,722	75	75	(1,647)
1,112	Total other receivables	1,722	75	75	(1,647)

The Other receivables in 2022 relates to amounts owing to the Ministry from Cabinet for Equity Injections. Subsequent to the year end a total of \$638k has been received.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

Note 4: Inventory

Inventory held primarily consists of card readers for use by the National ID programme.

Actual 2021	Description	Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		\$'000	\$'000	\$'000	\$'000
194	Inventory held for use in the provision of goods and services	-	179	-	(179)
194	TOTAL INVENTORIES	179	-	-	(179)

Note 5: Prepayments

Prepayments primarily relates to software maintenance and licences prepaid and amortised over the period of its respective contractual agreement.

Actual 2021	Description	Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		\$'000	\$'000	\$'000	\$'000
1,614	Accrued Prepayments	1,087	81	81	(1,006)
1,614	Total Prepayments	1,087	81	81	(1,006)

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

Note 6: Property, plant and equipment

COST or OPENING VALUATION	Land	Plant & Equipment	Buildings & Leasehold	Furniture & Office Equipment	Computers Hardware	Motor Vehicles	Assets under construction/development	Total	Original Budget	Final Budget	Budget Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2021	-	-	-	-	-	-	-	-	476	476	476
Ministry Reorganisation	2,235	112	5,576	150	5,250	724	716	14,763	-	-	(14,763)
Additions	-	-	-	6	49	-	919	974	-	-	(974)
Disposals	-	-	(2)	-	(1)	-	(243)	(246)	-	-	246
Transfers	-	-	-	-	(1)	-	-	(1)	11,563	11,563	11,564
Balance as at 31 December 2021	2,235	112	5,574	156	5,297	724	1,392	15,490	12,039	12,039	(3,451)
Balance as at 1 July 2022	2,235	112	5,574	156	5,297	724	1,392	15,490	12,039	12,039	(3,451)
Additions	-	-	58	-	593	121	(1,038)	(266)	2,958	2,958	3,224
Disposals	-	-	(530)	-	(645)	(59)	-	(1,234)	-	-	1,234
Transfers	-	-	-	-	(11)	-	-	(11)	-	-	11
Balance as at 31 December 2022	2,235	112	5,102	156	5,234	786	354	13,979	14,997	14,997	1,018

ACCUMULATED DEPRECIATION	Land	Plant & Equipment	Buildings & Leasehold	Furniture & Office Equipment	Computers Hardware	Motor Vehicles	Assets under construction/development	Total	Original Budget	Final Budget	Budget Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2021	-	-	-	-	-	-	-	-	126	126	126
Ministry Reorganisation	-	48	1,111	68	4,375	494	-	6,096	5,834	5,834	(262)
Depreciation Expense 2021	-	5	194	11	463	41	-	714	1,203	1,203	489
Eliminate on Disposal or Derecognition 2021	-	-	-	-	(1)	-	-	(1)	-	-	1
Balance as at 31 December 2021	-	53	1,305	79	4,837	535	-	6,809	7,163	7,163	354
Balance as at 1 January 2022	-	53	1,305	79	4,837	535	-	6,809	7,163	7,163	354
Disposals	-	-	(351)	-	(642)	(59)	-	(1,052)	-	-	1,052
Transfers	-	-	-	-	(9)	-	-	(9)	(21)	(21)	(12)
Depreciation Expense 2022	-	11	388	18	480	65	-	962	1,396	1,396	434
Balance as at 31 December 2022	-	64	1,342	97	4,666	541	-	6,710	8,538	8,538	1,828
Net Book value 31 December 2021	2,235	59	4,269	77	460	189	1,392	8,681	4,876	4,876	(3,805)
Net Book value 31 December 2022	2,235	48	3,760	59	568	245	354	7,269	6,459	6,459	(810)

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

Note 7: Intangible Assets

COST or OPENING VALUATION	Computer Software	Assets under construction/development	Total	Original Budget	Current vs Original
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2021	-	-	-	-	-
Additions	1,018	-	1,018	-	(1,018)
Disposals/Transfers	-	-	-	5,356	5,356
Revaluation	5,358	-	5,358	-	(5,358)
Balance as at 31 December 2021	6,376	-	6,376	5,356	(1,020)
Balance as at 1 July 2022	6,376	-	6,376	5,356	(1,020)
Additions	584	1,548	2,132	2,480	348
Disposals/Transfers	(333)	-	(333)	-	333
Balance as at 31 December 2022	6,627	1,548	8,175	7,836	(339)

ACCUMULATED AMORTISATION	Computer Software	Assets under construction/development	Total	Original Budget	Current vs Original
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 January 2021	-	-	-	-	-
Ministry Reorganisation 2021	4,758	-	4,758	4,372	(386)
Depreciation Expense 2021	182	-	182	431	249
Balance as at 31 December 2021	4,940	-	4,940	4,803	(137)
Balance as at 1 January 2022	4,940	-	4,940	4,803	(137)
Ministry Reorganisation adj.	16	-	16	-	(16)
Amortisation Expense 2022	572	-	572	535	(37)
Disposals / Transfers	(333)	-	(333)	-	333
Balance as at 31 December 2022	5,195	-	5,195	5,338	143
Net Book value 31 December 2021	1,436	-	1,436	553	(883)
Net Book value 31 December 2022	1,432	1,548	2,980	2,498	(482)

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

Note 8: Trade payables, other payables and accruals

Actual 2021	Description	Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		\$'000	\$'000	\$'000	\$'000
3,039	Creditors	74	369	369	295
	- Creditors other government agencies	5	-	-	(5)
3,039	Total Trade Payables	79	369	369	290

Other Payables and Accruals

Actual 2021	Description	Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		\$'000	\$'000	\$'000	\$'000
14	Payroll Deductions	176	-	-	(176)
36	Accrued Expenses	1,082	326	326	(756)
44	Accrued Expenses Ministries/Portfolios	44	-	-	(44)
	- Accrued Expenses other government agencies	2	-	-	(2)
	- Inter-entity due to	23	-	-	(23)
	- Other payables	-	15	15	15
94	Total Other Payables and accruals	1,327	341	341	(986)

Note 9: Employee entitlements

Actual 2021	Description	Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		\$'000	\$'000	\$'000	\$'000
<i>Current employee entitlements are represented by:</i>					
240	Annual Leave	394	57	57	(337)
35	Accrued salaries	32	17	17	(15)
275	Total current portion	426	74	74	(352)

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

Note 10: Unearned Revenues

Actual 2021	Description		Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		Note	\$'000	\$'000	\$'000	\$'000
<i>Current Portion</i>						
227	Other unearned revenue		182	134	134	(48)
227	Total current portion		182	134	134	(48)

While under the Ministry of Education, Sunrise Adult Training Center received \$1.35M USD from DART in lieu of land for a new Sunrise Center in 2019. Cabinet mandated that this amount be set aside as required under the agreement for the building of a new Sunrise Adult Training Center. The unearned revenues relating to the Sunrise Adult Training Center does not include this amount as the funds remain with the Ministry of Finance.

Note 11: Sale of Goods and Services

Outputs to Cabinet comprise of services delivered to and services performed on behalf of the Cayman Islands Government.

Actual 2021	Revenue type		Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		Note	\$'000	\$'000	\$'000	\$'000
17,263	Outputs to Cabinet		39,809	42,899	42,554	3,090
99	Outputs to other government agencies		181	208	208	27
-	General sales		-	57	57	57
17,362	Total sales of goods and services		39,990	43,164	42,819	3,174

Actual 2021	Source		Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		Note	\$'000	\$'000	\$'000	\$'000
8	Donations		160	30	30	(130)
8	Total Donations		160	30	30	(130)

Donations include gifts and contributions from various private individuals and organisations. These donations primarily support the Department of Children and Family Services, The Sunrise Adult Training Center and the Needs assessment Unit.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

Note 12: Personnel costs

Actual 2021	Description		Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		Note	\$'000	\$'000	\$'000	\$'000
9,195	Salaries, wages and allowances		19,394	22,201	22,005	2,807
2,154	Health care		4,831	5,694	5,663	863
484	Pension		1,029	1,240	1,229	211
(106)	Leave		152	9	9	(143)
48	Other personnel related costs		33	120	114	87
11,775	Total Personnel Costs		25,439	29,264	29,020	3,825

Note 13: Supplies and consumables

Actual 2021	Description		Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		Note	\$'000	\$'000	\$'000	\$'000
300	Supplies and Materials		772	1,033	1,028	261
2,749	Purchase of services		5,585	7,295	7,254	1,710
364	Lease of Property and Equipment		1,090	1,478	1,478	388
267	Utilities		595	548	543	(47)
-	- General Insurance		-	100	100	100
82	Interdepartmental expenses		87	82	82	(5)
44	Travel and Subsistence		45	341	315	296
188	Recruitment and Training		292	620	601	328
4	Provision for Doubtful Debts		67	-	-	(67)
3	Programme Services		12	-	-	(12)
169	Other		375	186	186	(189)
4,170	Total Supplies & consumables		8,920	11,683	11,587	2,763

Note 14: Finance costs (Bank overdraft)

During the year the Ministry had no finance cost on the overdraft balance charged to the accounts.

Note 15: Litigation costs

Litigation costs represents anticipated provisions for current ongoing matters being handled by the Solicitor General on the Ministry's behalf.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

Note 16: Gain and Losses

Actual 2021	Description		Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000		Note	\$'000	\$'000	\$'000	\$'000
	243 Loss on Derecognition of Assets		182	-	-	(182)
	(7) Net loss on foreign exchange Transactions		4	-	-	(4)
236	Total gain/ (losses)		186	-	-	(186)

Loss on derecognition of assets in the prior year is as a result of the derecognition of the original plans prepared for a new Sunrise Adult Training Center. The plans as exists was deemed to have no future economic value as they are inconsistent with the new needs and direction of the Ministry. For the current year, this relates to network infrastructure decommissioned to the Brit Cay Building in 2022.

Note 17: Revenue from non-exchange transactions

During the period ended 31 December 2022, the Ministry received services in-kind. The fair value of these services cannot be determined and therefore no other income has been recognized in these financial statements.

Note 18: Reconciliation of net cash flows from operating activities to surplus

Actual 2021	Description		Actual 2022	Original Budget 2022	Final Budget 2022	Budget Variance
\$'000			\$'000	\$'000	\$'000	\$'000
	264 Surplus/(deficit) from ordinary activities		4,157	316	316	(3,841)
	Non-cash movements					
	714 Depreciation expense		961	1,931	1,931	970
	182 Amortisation of Intangible Assets		572	-	-	(572)
	243 Gain/Loss on Derecognition of Asset/Liab		182	-	-	(182)
	- Provision for Doubtful Debt		67	-	-	(67)
	(7) Exchange (Gain)/Loss		4	-	-	(4)
	Changes in current assets and liabilities:					
	(7,373) (Increase)/decrease in trade receivables		(5,146)	-	-	5,146
	(419) (Increase)/decrease in other current assets		334	-	-	(334)
	2,880 Increase/(decrease) in trade payables		493	(30)	(30)	(523)
	20 Increase/(decrease) in provisions relating to employee costs		323	-	-	(323)
	40 Increase/(decrease) in provisions for legal & other liabilities		-	-	-	-
(3,456)	Net cash flows from operating activities		1,947	2,217	2,217	270

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

NOTE 19: Commitments

Actual 2021 \$'000	Type	One year or less \$'000	Two to five Years \$'000	Over five Years \$'000	Total \$'000
Operating Commitments					
1,929	Non-cancellable accommodation leases	1,261	2,377	3,953	7,591
1,929	Total Operating Commitments	1,261	2,377	3,953	7,591
1,929	Total Commitments	1,261	2,377	3,953	7,591

NOTE 20: 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 and its key management personnel transact with other government entities on a regular basis. These transactions were provided free of cost during the financial period ended 31 December 2022 and were consistent with normal operating relationships between entities and were undertaken on terms and conditions that are normal for such transactions.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Ministry.

Actual 2021 \$'000	Number of persons	Description	Actual 2022 \$'000	Original Budget 2022 \$'000	Budget Variance \$'000	Number of persons
881	12	Salaries & other short-term employee benefits	1,911	-	(1,911)	16
881		Total	1,911	-	(1,911)	

There were no loans granted to key management personnel and or their close relatives.

NOTE 21: Events occurring after reporting date

There are no subsequent events that occurred after the reporting date that require disclosure.

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

NOTE 22: Segment Reporting

The Ministry's segment report is prepared on the basis of three distinctive segments. The Investment Segment is focused on attracting external investments to the Cayman Islands. The Innovation Segment is the technology arm of the government and includes those departments supporting the technologies for the other departments including cyber security, government online strategies and technical support for the government. The Social Development segment supports and protects the most vulnerable in society.

Investment \$'000	Innovation \$'000	Social Development \$'000	Actual 2021 \$'000	Statement of Financial Position	Note	Investment \$'000	Innovation \$'000	Social Development \$'000	Actual 2022 \$'000
Current Assets									
3,960	-	-	3,960	Cash and cash equivalents	2	2,216	-	-	2,216
3,045	1,871	2,622	7,538	Trade receivables	3	2,179	6,330	4,065	12,574
689	2	421	1,112	Other receivables	3	1,708	7	7	1,722
-	165	29	194	Inventories	4	20	14	145	179
23	1,591	-	1,614	Prepayments	5	22	1,032	33	1,087
7,717	3,629	3,072	14,418	Total Current Assets		6,145	7,383	4,250	17,778
Non-Current Assets									
-	-	-	-	Other receivables		15	-	21	36
-	1,436	-	1,436	Intangible Assets	7	-	2,980	-	2,980
164	2,673	5,844	8,681	Property, plant and equipment	6	97	1,545	5,627	7,269
164	4,109	5,844	10,117	Total Non-Current Assets		112	4,525	5,648	10,285
7,881	7,738	8,916	24,535	Total Assets		6,257	11,908	9,898	28,063
Current Liabilities									
45	2,966	28	3,039	Trade payables	8	17	13	49	79
613	(710)	191	94	Other payables and accruals	8	593	485	249	1,327
-	-	227	227	Unearned revenue	10	-	-	182	182
114	(34)	195	275	Employee entitlements	9	65	143	218	426
2,407	-	-	2,407	Surplus Payable	27	6,542	-	-	6,542
3,179	2,222	641	6,042	Total Current Liabilities		7,217	641	698	8,556
3,179	2,222	641	6,042	Total Liabilities		7,217	641	698	8,556
4,702	5,516	8,275	18,493	Net Assets		(960)	11,267	9,200	19,507
NET WORTH									
4,702	5,516	8,275	18,493	Contributed capital		(960)	11,267	9,200	19,507
4,702	5,516	8,275	18,493	Total Net Worth		(960)	11,267	9,200	19,507

MINISTRY OF INVESTMENT, INNOVATION AND SOCIAL DEVELOPMENT
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 December 2022

NOTE 22: Segment Reporting (continued)

Investment \$'000	Innovation \$'000	Social Development \$'000	2021 Actual \$'000	Statement of Financial Performance	Note	Investment \$'000	Innovation \$'000	Social Development \$'000	2022 Actual \$'000
Revenue									
2,278	7,157	7,927	17,362	Sale of goods and services	11	6,660	16,446	16,884	39,990
-	-	8	8	Donations		-	-	160	160
-	5	6	11	Other revenue		-	27	18	45
2,278	7,162	7,941	17,381	Total Revenue		6,660	16,473	17,062	40,195
Expenses									
1,873	3,255	6,647	11,775	Personnel costs	12	3,612	7,138	14,689	25,439
922	2,189	1,059	4,170	Supplies and consumables	13	1,422	4,919	2,579	8,920
34	459	221	714	Depreciation	6	67	446	448	961
-	182	-	182	Amortisation of Intangible Assets	7	-	572	-	572
-	-	40	40	Revaluation legal liability provisions	15	-	-	(40)	(40)
(7)	-	-	(7)	Other (Gains)/Losses	16	4	-	-	4
-	-	243	243	Losses from derecognition of assets	16	3	179	-	182
2,822	6,085	8,210	17,117	Total Expenses		5,108	13,254	17,676	36,038
(544)	1,077	(269)	264	Surplus for the period		1,552	3,219	(614)	4,157

NOTE 23: Transfers to Other Ministries

The Cabinet made a decision to transfer the Cayman Islands Intellectual property Office to the Ministry of Financial Services and Commerce via a section 11(5) supplementary appropriation under the PMFA. This took effect on July 1, 2022.

NOTE 24: 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.

Currency and interest rate risk

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

NOTE 24: Financial instrument risks (continued)

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's financial liabilities (creditors and payables) will be settled in less than six months from the date of these financial statements after being transferred to the Ministry of Investment, Innovation and Social Development.

Note 25: Financial instruments – fair values

As at 31 December 2022, the carrying values of cash and cash equivalents, accounts receivable, accounts payable and employee entitlements approximate their fair values due to their relative short-term maturities.

NOTE 26: Explanation of variances to budget

The Prior period of 2021 represents only the first six months of the newly formulated Ministry. Given this, comparatives between the current and prior period offer limited insight when compared to a full year operation. Most explanation of variances will focus on the actual for 2022 compared to the budget for 2022.

Statement of financial position

The cash and cash equivalents are \$5.8m below budget primarily because amount outstanding for Cabinet billing of approximately \$12.5m and other receivables of \$1.8m. Other receivables is \$1.7m above budget due to amount outstanding from Cabinet for equity injections. Prepayments are \$1m above budget due to the various software and other licenses in use by the Computer Services Department.

Intangibles are in excess of budget by \$0.5m. The Government signed an Oracle User Licence Agreement which will yield benefits and savings over the next five years for the government. This opportunity of the User Licence agreement will yield significant savings in the foreseeable future. Property plant and equipment is in excess of budget by \$0.8m. Most of this overage was attributable to leasehold upgrades to the NAU leasehold as well as technological upgrades in the Innovation Division.

Other payables and accruals is \$1.0m over the budget due to credit arrangements and timing of amounts owing by the technology division. Unearned revenues comprises of unspent donations to the Sunrise Adult Training Center and the Department of Children and Family Services. The amount represents unspent donations received by the Departments. Employee Entitlements consists of untaken leave and other liabilities to staff. The actual for December 2022 is \$0.4m above budgeted. Surplus payable is in excess by \$4.0m due to a delay in paying over the surplus prior to 2022 to Cabinet. Trade payables are \$290k in excess of the original budget. This is primarily a timing difference as those payments were made after the fiscal year end.

Statement of financial performance

Revenues

The Ministry primarily earns revenues to cover expenses by Cabinet appropriations. The total revenues was \$3.2m below budget due to shortfall in outputs in the Social Division.

Expenses

Personnel costs were in aggregate \$3.8m below budget for the 2022 fiscal year. This is primarily as a result of a number of vacancies across the Ministry. Supplies and Consumables was below actual by \$2.8m as a result of underspending as projects slipped in the technology division and the investment portfolio including the Ministry office initiatives accounted the bulk of this. Depreciation was below budget due to slippages in the spend on Property, plant and equipment. Of the anticipated spend of approximately \$5m only \$1m was realised.

The loss from derecognition of assets of \$182k is as a result of the disposal of network infrastructure to the Britcay building which are no longer being used by the Government.

NOTE 27: Surplus repayment

Pursuant to Section 39 (3) (f) of the *Public Management and Finance Act (2020 Revision)* any net surplus is transferred to surplus repayable. The Ministry therefore recorded \$4.2m for 2022 as a surplus payable to Cabinet in the 2022 fiscal period.

NOTE 28: Capital Commitments

During the year the Ministry entered into two significant contractual agreements in relation to software development and tools. The total of these two contracts amounted to \$2.6Mil. Included in WIP is an amount of \$462K of the total amount that has been incurred to date.

NOTE 29: Budget Period

The government operates a budget period of appropriation covering two financial years. Under section 9(5) of the *Public Management Finance Act (2020 Revision)*, an appropriation lapses at the end of the period, meaning the end of the two-year budget cycle.

Accordingly, under section 9(5) of the said Act, funds can be brought forward from the second year of the budget period to supplement the first year in that same budget period. The funds so transferred are added to the original budget of the first year to form the revised budget of that year. As a consequence, the budget allocation of the second year will be reduced by the amounts brought forward to the first budget period.

Conversely unused budget at the end of the first year can be carried forward to the second year, where required, to execute agreed outputs for the Cabinet. Such amounts are added to the budget of the second year to form the revised budget for that year.

The current budget period covers 2022 and 2023.

At the end of 2022, \$6.84m of unused budget was carried forward to supplement the 2023 original operating budget and \$4.4m of unused capital budget was carried forward to supplement the 2023 equity injection budget for capital projects.

