



2022

ANNUAL REPORT



**Office of the
Director of Public
Prosecutions**

CAYMAN ISLANDS

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DIRECTOR'S OVERVIEW

The Office of the DPP has undergone significant change in the last twelve months.

First of all, I wish to thank Candia James-Malcolm, my deputy, for her careful stewardship of the Office before my appointment in March 2022.

Secondly, I can report that 2022 was another busy year for the Office. It received over 2200 requests for charging decisions to be made. 104 indictments were put before the Grand Court compared with 83 in 2021 while Crown Counsel prosecuted in the region of 1200 cases before the Summary Court and 948 cases before the Traffic Court.

Notable cases prosecuted successfully by the Office included one for Gross Negligence Manslaughter involving a collision between two boats: another for murder which saw a minimum term sentence of 33 years being imposed; firearm and robbery offences in which double figure sentences were imposed; together with convictions after the twelve week trial of two Defendants involved in the CONCACAF fraud.

Internally, the Office saw two Crown Counsel departing to pastures new while three Crown Counsel joined our ranks, one in Traffic and two in Crime. We have also recruited a full-time Paralegal Officer. The Senior Management Team is now well established. This assists me in the effective management of the Office.

In April, the Office reflected on its direction, its values and its approach. This culminated in the Office firmly establishing its Mission and Vision Statements in May. These statements will feature on our new Website which is due to launch in February 2023. Our Mission and Vision statements are founded upon strong Core Values and a realistic Strategic Approach.

At the heart of that Strategic Approach are two concepts namely:

'Our People' - supporting their success and their wellbeing through development of their knowledge, skills and commitment, so enabling them to thrive, and;

'Casework Excellence' - driving standards in the quality of casework through legal expertise across departmental agencies and international cooperation to keep the public safe.

This Strategy is designed to ensure Public Confidence in the way we deal with victims, witnesses and in upholding the rights of Defendants in a clear, fair and transparent way.

In addition, the Office now has its own Mentorship scheme and Well-Being programme.

Although an independent Office, it still invests seriously in Government strategy and its members should be proud of their recent Engagement Survey results. These results saw an overall 12% increase to the 'Engagement Index' applied by CIG. I am mindful of those areas which saw huge progress leaps but am also mindful of those areas which still require hard work and further development. This is an obvious 'work in progress'.

While I mention the members of the Office, I pay tribute to my dedicated team which comprises my four administrative support staff, my PA, Serious Crime Case Manager, Paralegal Officer, Witness Care Officer, Crown Counsel, Senior Crown Counsel, my two Assistant Directors and my Deputy Director, all of who play a crucial role in getting each case into court. The Office working as a team is so important to the overall vision of the Office.

I am immensely proud of those Crown Counsel and other members of staff, many of who will be closely involved with any given case, who often have to work way beyond their contractual hours in order to ensure that the prosecution of any case goes smoothly in court - especially so, where cases continue to increase in complexity.

Turning to our interaction with others in the Criminal Justice System, the Office has welcomed engagement with Chief Magistrate Foldats. Regular Court Users meetings now occur at which relevant stakeholders, including our Office, can provide feedback in order to further the smooth running of the Summary and Traffic Court processes.

Throughout 2022, Toyin Salako (Assistant Director) has been co-President of the ARIN-CARIB

(Asset Recovery Inter-Agency Network) together with Detective Chief Inspector Richard Barrow of RCIPS. In November, together with RCIPS, the Office hosted successfully the AGM at the Kimpton Seafire Resort at which fifty or so delegates attended. Items on the agenda included:

- International Cooperation and Asset Sharing Agreements
- Collaboration, Cross Border Cooperation and Civil Recovery
- Dangers of silo working in Crypto Asset investigations
- Financial Crime Trends, Capacity Building and Challenges – a Regional Perspective
- Best Practices on Crypto Asset Management
- Civil Recovery

The Office was delighted to be asked to hold the Presidency again in 2023 and is due to host the next AGM in July 2023.

Throughout the year, the Office has continued to assist the Honourable Attorney-General and CIG in responding to FATF compliance questions. This culminated in members of the Office attending the recent CFATF Plenary also in November. It will be a privilege and a pleasure for the Office to continue to support the Honourable Attorney-General during the course of his Presidency of the CFATF this coming year.

In addition, during 2022, the Office has assisted the Honourable Attorney-General with proposals relating to legislation involving, inter alia, the Anti-Corruption (Amendment) Act: the Proceeds of Crime (Amendment) Order which now treats certain Gambling offences as 'Lifestyle Offences' for confiscation proceedings and the Traffic (Amendment) Act which lowered the limits for drink driving cases. The Office has also made a number of recommendations in respect of amendments to the Proceeds of Crime Act which have included (1) the definition of instrumentalities in order to tighten up their effective seizure and confiscation and (2) the definition of section 144(5A) of the Act.

For 2023, the Office has a number of ongoing aspirations, projects and plans. When considering our overall vision for the future, the strategic approach of the Office involves putting our people

at the heart of what we do. This involves ensuring the right Office culture and ensuring the right work life balance for those who work tirelessly as they prepare and prosecute cases in court. This approach will continue, not just for 2023, but well beyond.

When considering casework excellence and professional standards, the strategic approach of the Office also involves driving professional standards upwards. This involves building upon all of the hard work implemented by the Senior Management Team last year with regard to regular Training and Development: regular Appraisals and regular Monitoring of the work of our Crown Counsel to ensure that cases are prosecuted to a high standard.

In particular, the Training and Development programme put in place by my deputy, Ms Candia James-Malcolm, is intended to provide all continuing professional development needs of new and established practitioners as they receive monthly training sessions and access to a state of the art online resource facility.

'Digital Capability' and 'Strong Relationships' are the other aspects of our strategic approach which have been devised this year and involve ongoing projects for 2023. This includes the provision of a new website and the Office going digital.

Since September, the Office has been designing and building its new website. Inter alia, this will provide much needed information to the public, especially to do with criminal procedure and victim and witness care: it will assist with transparency and will also provide necessary information for those making requests to the Office from overseas. The website should be up and running in February 2023.

With the assistance of the CIG Computer Services Department, the Office is going digital. This involves a number of key aspects.

- Firstly, the Office is expanding its digital Case Management System.
- Secondly, it involves all Crown Counsel leaving paper behind and presenting cases in court using laptops - this is as the court indicates its intention to enter the digital arena for case management purposes.

- Thirdly, the Office hopes for digital integration to some greater or lesser degree with, in particular, the Office communicating with the Court and RCIPS through Application Programming Interfaces. The Office will make any necessary arrangements to facilitate this process.
- Fourthly, it involves digital archiving of finished files with obvious cost and space savings.

With a careful eye to the future, the Office has successfully recruited three new Crown Counsel who are due to commence their employment with us over the coming weeks. One of these is Crown Counsel (Financial) who is to assist with the increase in overseas requests, fraud and financial crime offences, together with our FATF obligations.

The Office has ongoing recruitment exercises for:

- Senior Crown Counsel (International) - to lead in serious cases before the Grand Court and to assist with overseas requests, fraud and financial crime offences, together with our FATF obligations
- A second Witness Care Officer - in order for the Office to fulfil its obligations under our Witness Charter
- A Case Progression Officer - to ensure that communication between the Office and the Court and with other Court stakeholders is more efficient and effective.

I intend to continue the development of talent within the Office and, in accordance with CIG policy, we are specifically committed to the advancement of Caymanians within the Office. I am grateful for the assistance provided to the Deputy Governor and his Management Support team over the last year.

Further, the Office welcomes the recent Practice Direction which relates to Custody Time Limits (CTLs). Our updated internal Rostering process enables the Office to manage trials being accommodated within the recognised CTLs.

In accordance with our strategic approach, the Office looks forward to strengthening its relationships with our key criminal justice system partners over the coming year.

We are extremely grateful for the support provided by the Portfolio of the Civil Service and the Deputy Governor in bringing these endeavours to fruition over the course of the year.

Conclusion

The year 2022 was a busy year. As is plain from all of that which I have mentioned above, a lot was going on and a number of initiatives and projects were put in place. All members of the Office, whether administrative staff or Crown Counsel should be proud of all of their hard work, their willingness to work together as a team and their willingness to adopt the Office vision which has not only had the effect of nurturing and continuing to provide a trustworthy and effective Prosecution service but has also fostered better work culture and work life balance.

Simon Davis

Director

January 2023

INTRODUCTION

The position of Director of Public Prosecutions ("DPP") was created by section 57 of the Cayman Islands Constitution Order 2009.

The DPP is responsible for all criminal proceedings brought within the Cayman Islands and is the Government's principal legal adviser on criminal matters. The DPP is also the Central Authority under the Criminal Justice International Co-operation Act (2021 Revision). The DPP also exercises functions under the Justice Protection Act (2017 Revision).

During 2022, the DPP was assisted by a Deputy Director, two (2) Assistant Directors, two (2) Senior Crown Counsel and ten (10) Crown Counsel.

MISSION STATEMENT

"Our mission is to serve the people of the Cayman Islands by prosecuting cases independently and fairly, to protect the rights of individuals and to work within the Criminal Justice System to help to make our islands a safe and just society."

VISION STATEMENT

"Our vision is to be the reliable, trustworthy and transformative hub of the Criminal Justice System in the Cayman Islands, deploying our legal expertise and digital capability to make the public safer and to gain the confidence of our diverse communities."

As indicated in the Director's overview, the Office reflected on its direction, its values and its approach in early 2022. This culminated in the Office firmly establishing its Mission and Vision Statements. These are set out above.

In order to achieve our vision, the Office relies upon a number of core values which provide an internal compass of fundamental principles driving the direction of the Office. Our core values are simple and straightforward.

They are:

- To be trustworthy and to treat everyone with respect
- To be independent and fair
- To be honest and transparent in what we do
- To innovate professionally in order to achieve excellence

Further, the Office has adopted a realistic and effective strategy in order to achieve our vision. This is simple and robust. It relies upon four key elements.

- **Our People** - at the heart of our vision are 'Our People'. Supporting the success and wellbeing of our people enables them to thrive.
- **Digital Capability** - our investment in an effective digital capability will help us to adapt to a rapidly changing criminal landscape and to improve the way justice is done.
- **Strong Relationships** - the Office at the hub of cross departmental agencies and International Cooperation will drive change to the Criminal Justice System for the Cayman Islands.
- **Casework Excellence** - driving standards in the quality of casework through legal expertise across departmental agencies and International Cooperation will keep the public safer.

This strategy has been adopted in order to ensure public confidence in the way we deal with victims, witnesses and uphold the rights of defendants in a clear, fair and transparent way.

ROLE AND FUNCTION

ROLE

The role of the DPP, as outlined in section 57(2) of the Cayman Islands Constitution, is as follows:

- a) To institute and undertake criminal proceedings against any person by any Court in respect of any offence against any Law in force in the Cayman Islands;
- b) To take over and continue any criminal proceedings that have been instituted or undertaken by himself or herself or any other person or authority; and
- c) To discontinue at any stage before judgment is delivered any such criminal proceedings instituted or undertaken by himself or herself or any other person or authority.

The Office is responsible for the prosecution of offences in the Traffic Court, Summary Court, and Grand Court. It is also responsible for the prosecution of matters before the Court of Appeal and the Privy Council. Crown Counsel are responsible for ruling on all files submitted by the Royal Cayman Islands Police Service (RCIPS) pursuant to section 82 of the Police Act (2021 Revision) and to provide charging advice to other local law enforcement agencies. The decision to charge is made in accordance with the tests set out in the *UK Code for Crown Prosecutors*.

The Office also receives and processes requests from co-operating countries in respect of Mutual Legal Assistance, Extradition and Convention Matters. Under the Criminal Justice International Co-operation Act (2023 Revision), the DPP is the Central Authority in respect of such matters.

The Office is committed to delivering the Government's overarching aims for the criminal justice system—to reduce crime, to dispense justice fairly and efficiently and to promote confidence in the rule of law.

A number of Law Enforcement Agencies are responsible for conducting enquiries into alleged offences and deciding how to deploy their resources to do so. This includes taking decisions to launch investigations and to discontinue investigations.

The Office provides advice to those agencies with regard to reasonable lines of enquiry, evidential

considerations, investigative procedures, disclosure obligations, and investigative strategy. When requested to do so, the Office also advises agencies with regard to policies and procedures touching upon the investigation and prosecution of offences.

The Office does not have any oversight functions with regard to Law Enforcement Agencies nor does it direct investigations. Until such time as charges are brought, the role of the Office is advisory in nature.

FUNCTION

As indicated above, the RCIPS submits files for a decision to charge where a suspect has been bailed or detained in custody in accordance with section 82 of the Police Act (2021 Revision).

Files are also submitted from the following agencies for ruling on criminal charges:

- a) Customs and Border Control Agency;
- b) Anti-Corruption Commission;
- c) Department of Labour and Pensions;
- d) Department of Planning;
- e) Department of the Environment;
- f) Department of Commerce and Industry;
- g) Health Insurance Commission.
- h) The Ombudsman

Non-urgent files submitted to the Office for ruling are reviewed. The Office endeavours to rule upon those matters within fourteen (14) days. Some complex matters will require a longer period. Urgent rulings are dealt with immediately upon submission to the Office, primarily by Counsel who is not assigned to Court for that day.

At weekends, the Office provides legal services to the RCIPS with regard to urgent legal advice where suspects may be arrested over weekends and/or where summary court applications for extension of custody time is required for detained suspects.

The decision to charge is made in accordance with guidance provided in the tests set out in the

UK Code for Crown Prosecutors.

In applying the Full Code test, Crown Counsel considers the following:

Is there enough evidence against the defendant?

When deciding whether there is enough evidence to charge, Crown Counsel must consider whether the evidence can be used in court and is reliable and credible. Crown Counsel must be satisfied that there is enough evidence to provide a "realistic prospect of conviction" against each defendant.

Is it in the public interest for the DPP to bring the case to Court?

The DPP will consider whether it is in the public interest to prosecute any particular matter. Crown Counsel seek to balance the factors for and against prosecution carefully and fairly. Public interest factors which can affect the decision to prosecute usually depend on the seriousness of the offence or the circumstances of the suspect. Some factors may increase the public interest in bringing a prosecution while others may indicate that another course of action would meet the interests of justice.

In applying the public interest test, Crown Counsel consider a number of questions which can include the following:

- a) How serious is the offence committed?*
- b) What is the level of culpability of the suspect?*
- c) What are the circumstances of and the harm caused to the victim?*
- d) What was the suspect's age and maturity at the time of the offence?*
- e) What is the impact on the community?*
- f) Is prosecution a proportionate response?*
- g) Do sources of information require protecting?*

In urgent cases, where a suspect is in custody and presents a substantial bail risk, the Threshold Test may be applied in cases where the Full Code Test cannot be applied, but only where all of the following five (5) conditions are met:

- a) *First condition: there are reasonable grounds to suspect that the person to be charged has committed the offence;*
- b) *Second condition: further evidence can be obtained to provide a realistic prospect of conviction;*
- c) *Third condition: the seriousness or the circumstances of the case justifies the making of an immediate charging decision;*
- d) *Fourth condition: there are continuing substantial grounds to object to bail in accordance with the Bail Act and in all the circumstances of the case it is proper to do so;*
- e) *Fifth condition: it is in the public interest to charge the suspect.*

Decisions to bring a charge under the Threshold Test are kept under review by Crown Counsel and the relevant Law Enforcement Agency.

HUMAN RESOURCES

HUMAN RESOURCES

During the year, there were four (4) departures and six (6) appointments within the Office. These staff changes are as follows:

Departures:

1. Elisabeth Lees resigned from the post of Senior Crown Counsel (International Co-operation).
2. Kimberley Allen resigned from the post of Administrative Assistant/Personal Assistant to DPP/DDPP.
3. Ffion Tomos resigned from the position of Crown Counsel (Criminal).
4. Stacy-Ann Kelly resigned from the position of Crown Counsel (Criminal).

Appointments:

1. Simon Davis was appointed to the position of Director of Public Prosecutions.
2. Candy Bodden was appointed to the position of Personal Assistant to DPP/DDPP.
3. Orrett Brown was appointed as Crown Counsel (Criminal).
4. Hema Soondarsingh was appointed as Crown Counsel (Criminal).
5. Angelique McLaughlin was appointed to the position of Crown Counsel (Traffic Counsel).
6. Nicholas Greaves was appointed to the position of Paralegal.

The complement of the Office as at December 2022 was as follows:

Legal Staff

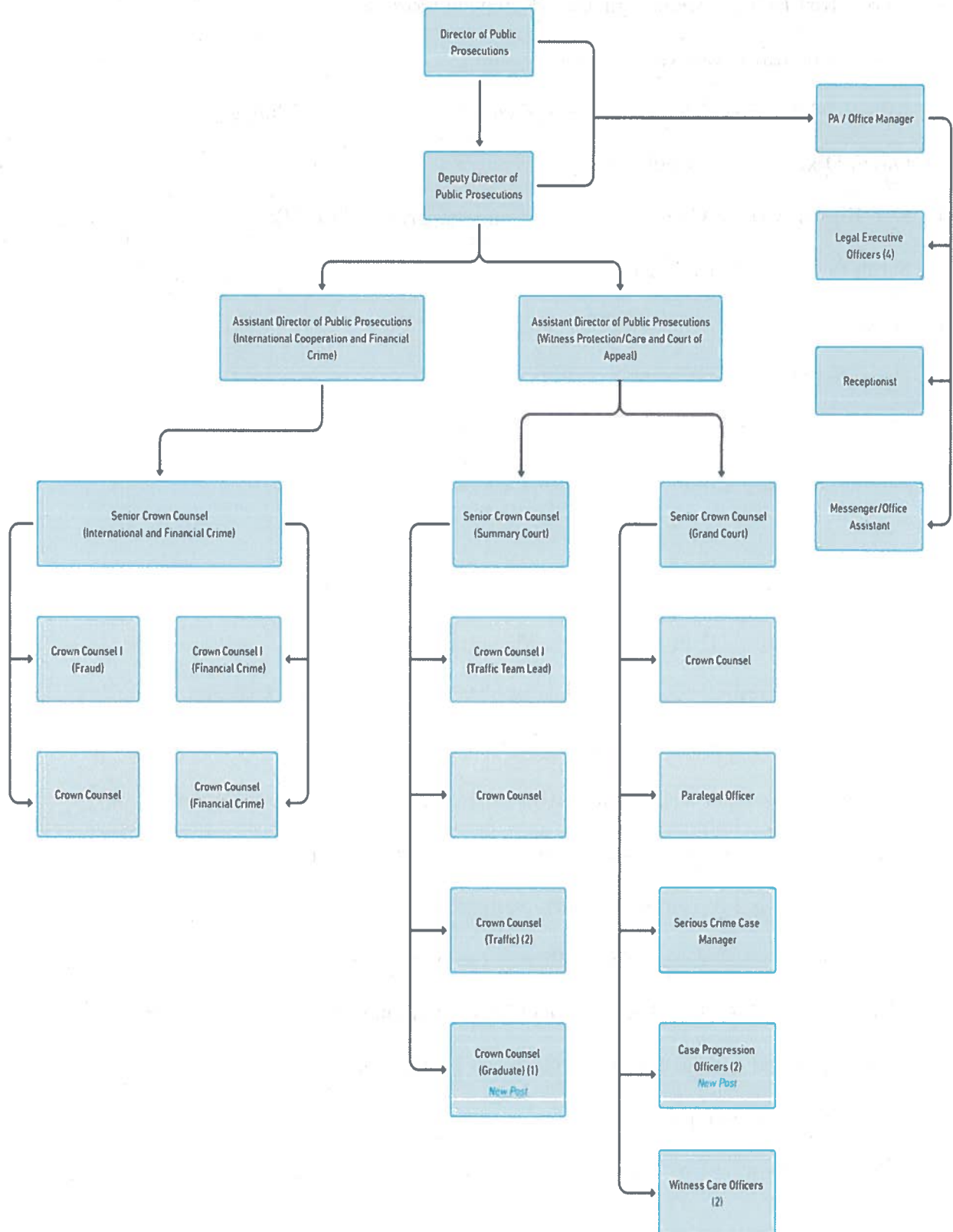
1. Simon Davis, Director of Public Prosecutions
2. Candia James-Malcolm, Deputy Director of Public Prosecutions;
3. Toyin Salako, Assistant Director of Public Prosecutions;
4. Scott Wainwright, Assistant Director of Public Prosecutions;
5. Nicole Petit, Senior Crown Counsel;
6. Greg Walcolm, Senior Crown Counsel;

7. Kenneth Ferguson, Acting Crown Counsel 1 (Traffic);
8. Garcia Kirt Kelly, Crown Counsel 1 (Financial Crime);
9. Kerri-Ann Gillies, Crown Counsel 1 (Fraud);
10. Alliyah McCarthy, Crown Counsel/Freedom of Information Manager;
11. Gavin Dixon, Crown Counsel;
12. Neil Kumar, Crown Counsel; (Acting Financial Crime Counsel);
13. Sarah Lewis, Crown Counsel;
14. Orrett Brown, Crown Counsel;
15. Hema Soondarsingh, Crown Counsel;
16. Tetrina Rivers, Traffic Crown Counsel;
17. Angelique McLoughlin, Traffic Crown Counsel.

Administrative Staff

1. Colleen Williams - Human Resource Manager (shared with the Portfolio of Legal Affairs);
2. Dennis Walkington - Serious Crime Case Manager/Disclosure Officer;
3. Joanna McNiven – Witness Care Officer
4. Victor Villarin - Librarian (shared with Portfolio of Legal Affairs and Judiciary);
5. Candy Bodden - Personal Assistant to DPP/DDPP;
6. Kim Chin – Legal Executive Officer – Summary Court;
7. Maureen Guy - Legal Executive Officer – Grand Court;
8. Marquita Douglas - Legal Executive Officer – Summary Court;
9. Aliyah Linwood - Legal Executive Officer – Traffic Court;
10. Nicholas Greaves - Paralegal;
11. Simeon (JJ) Stewartson - Office Assistant/Messenger (shared with the Portfolio of Legal Affairs).

OFFICE ORGANIZATIONAL CHART 2022



TRAINING & DEVELOPMENT/CONTINUING LEGAL EDUCATION

In 2022, the programme for training and development of counsel (and staff) was reviewed. It is now mandatory for all counsel to attend a training session each month subject to trial/court commitments. This is with a view to ensuring maintenance and growth of professional standards and to provide continuing professional development (CPD) to all counsel.

The programme includes general training as well as trial advocacy fundamentals for junior members of the team. The training programme has been developed with a view to being a 'one stop shop' for all counsel needs. This has coincided with the provision of a state of the art online resource facility which has been developed by Mr Villarin, Office librarian which enables all counsel to access online training tools.

In addition, all members of the Office have been mindful of the compulsory training in respect of Cyber Security and Anti-Bullying.

In 2022, the workshops focused on general training (in areas such as confiscation, extradition and disclosure (PII) applications) and trial advocacy fundamentals for junior members of the team.

Month	Topic	Speaker	Attendees
TRIAL ADVOCACY FUNDAMENTALS			
MAY 20 TH , 2022	Trial Preparation	CJM	Alliyah, Stacy-Ann, Gavin, Tetrina, Hema, Orrett
	Opening Address	TS	
	Pre-Trial Interviews	TS	
JUNE 17 TH , 2022	Examination in Chief and Cross-Examination (refreshing memory, previous inconsistent statements, hostile witnesses)	GW	Alliyah, Stacy-Ann, Tetrina, Gavin, Hema, Orrett
JULY 15 TH , 2022	Hearsay Applications under the Evidence Act	NK	Stacy-Ann, Gavin, Tetrina, Hema, Alliyah
AUGUST 19 TH , 2022	DNA Fingerprint Evidence Identification Evidence	NK	Tetrina, Angelique, Gavin, Orrett, Stacy-Ann, Hema

SEPTEMBER 16TH, 2022	Sentencing Submissions	SD	Angelique, Hema, Orrett, Gavin, Tetrina, Stacy- Ann, Alliyah
GENERAL TRAINING			
MAY 27TH, 2022	Confiscation	GKK & TS	Gavin, Tetrina, Alliyah, Kenneth, Neil, Stacy- Ann, Hema, Kerri-Ann, Orrett
JUNE 24TH, 2022	Extradition (Incoming Requests)	TS	Simon, Candia, Scott, Greg, Kenneth, Garcia, Kerri-Ann, Gavin, Tetrina, Alliyah, Neil, Stacy-Ann, Hema, Orrett
August 26th, 2022	Disclosure PII Applications	SD	Candia, Scott, Greg, Kenneth, Garcia, Kerri- Ann, Gavin, Tetrina, Alliyah, Neil, Stacy-Ann, Hema, Orrett
November 11th, 2022	Cybercrime	SD	Candia, Scott, Greg, Kenneth, Garcia, Kerri- Ann, Gavin, Tetrina, Alliyah, Neil, Stacy-Ann, Hema, Orrett

FREEDOM OF INFORMATION

Report of the Office of the Director of Public Prosecutions in relation to requests from the Information Commissioner's Office in accordance with section 40(3) of the Freedom of Information Act (2021 Revision) for the period of 1 Jan 2022 – 31 December 2022.

FOI reference no.	Date of request	Date of response	Records Requested	Outcome
99270	6 October, 2022	31 October, 2022	Cayman Islands Government advertising spend broken down by media house and category (promotional vs job adverts) for the time period 1 st January, 2021 to 30 th September, 2022.	Data was provided in relation to the following media houses: ➤ Caribbean Jobs.com ➤ Compass Media Ltd. ➤ HB Editorial Services Ltd. ➤ Lexis Nexis ➤ The Law Society ➤ Warwick University Services Ltd.

INTERNATIONAL MATTERS & FINANCIAL CRIME

The Hon. Chief Justice is the Cayman Islands Central Authority under the Mutual Legal Assistance (United States of America) Act (2015 Revision) for all requests to and from the United States. The Office of the Director of Public Prosecutions provides administrative assistance to the Chief Justice with matters under this Act and maintains an international database of all international requests incoming and outgoing.

The Director of Public Prosecutions is the Central Authority under the Criminal Justice (International Cooperation) Act (2021) Revision.

During 2022, the Office received forty-four (44) incoming requests for international legal assistance, which were criminal in nature, from seventeen (17) countries. Of these, eighteen (18) related to money laundering offences.

Of the forty-four (44) requests which were received, three (3) were refused (due to lack of sufficient information), ten (10) substantive responses sent, five (5) were closed and twenty-six (26) remained active at the end of the year. Of the incoming requests which were received, five (5) related to economic sanctions.

There were forty-seven (47) outgoing requests for international legal assistance in relation to ongoing investigations which were sent to four (4) different jurisdictions.

The Cayman Islands received an extradition request from one (1) country. The suspect consented to his extradition and was removed from the jurisdiction in October 2022.

The Office continues to provide assistance to overseas jurisdictions in their efforts to thwart international crime, and our prosecutors are increasingly liaising directly with their counterparts from other jurisdictions.

To further enhance the effectiveness of the Office in relation to providing timely assistance to international counterparts, the Office and the Cayman Islands Bureau of Financial

Investigations [“CIBFI”] have developed a protocol. Under this protocol, assigned counsel will review a request as it is received and, under the cover of a Memorandum, advise CIBFI as to what specific assistance is required in order to execute the request. CIBFI are advised in the Memorandum to notify the Central Authority as to whether they wish to commence a domestic investigation. If a domestic investigation is to commence, counsel will notify the requesting state in writing of the attention to do so.

Financial Crime Matters

The Office is dedicated to playing its role in the global fight against Money Laundering, Terrorist Financing and Proliferation Financing and is committed to recovering the proceeds of criminal conduct.

In December 2021, the Caymans Islands was appointed as the President of the ARIN-CARIB. The ARIN-CARIB is a regional network geared towards providing formal and informal assistance to members in a bid to recover the proceeds of crime and take the profit out of crime.

STATISTICS

Rulings

In 2022, the Office received 2205 files for ruling. This number was less than for recent years.

The comparative analysis for the years 2020-2022 has been graphically depicted in Table 1 below.

TABLE 1

Number of Files Received for Ruling 2020	Number of Files Received for Ruling 2021	Number of Files Received for Ruling 2022
2872	2219	2205

Court of Appeal

In 2022, eighteen appeals were filed in the Court of Appeal, however, these appeals have not been heard in the year under review and will likely be heard in 2023.

In 2022, the Office was involved in approximately 11 appeals before the Court of Appeal. Nine (9) of those matters were either dismissed, withdrawn or abandoned. There were no matters in which an appeal against conviction was allowed. However, in two (2) matters where there was an appeal against sentence, the Court of Appeal reduced the sentence handed down by the Court of first instance.

Please see below Tables 1 to 3 depicting the overall statistics for the Court of Appeal for the years 2020 to 2022

TABLE 1 - COURT OF APPEAL 2022

Appeal	Outcome	Total
Conviction	Dismissed, Withdrawn or Abandoned	9
Conviction	Allowed	0
Sentence	Reduced	2
Sentence	Increased	0
		11

TABLE 2 - COURT OF APPEAL 2021

Appeal	Outcome	Total
Conviction	Dismissed, Withdrawn or Abandoned	22
Conviction	Allowed	0
Sentence	Reduced	1
		23

TABLE 2 - COURT OF APPEAL 2020

Appeal	Outcome	Total
Conviction	Dismissed, Withdrawn or Abandoned	19
Conviction	Allowed	4
Sentence	Reduced	3
		26

Grand Court

In 2021, the Office disposed of 57 Indictments. Fourteen (14) were by way of Guilty pleas, whilst twenty (20) were convictions after trial.

Table 1 and Table 2 below depict the statistics for 2022 and a comparison between 2015 and 2022 respectively.

Please also see below a comparative analysis of the following categories: total matters, total guilty pleas and total convictions after trial.

TABLE 1 - GRAND COURT 2022

Guilty Plea / Partial Guilty Plea	Conviction	Acquittal after trial	Acquittal after no evidence offered	Nolle Prosequi	Other (Adjourned sine die, special verdict)	TOTAL
14	20	21	0	2	0	57

TABLE 2 - YEAR TO YEAR COMPARISON

Year	Guilty Plea / Partial Guilty Plea	Conviction	Acquittal after trial	Acquittal after no evidence offered	Nolle Prosequi	Other (Accused deceased, unfit to plead or has absconded)	Total
2015	26	11	12	4	13	3	69
2016	49	13	16	4	4	2	88

2017	37	35	15	1	16	0	104
2018	52	15	15	4	4	0	90
2019	58	16	13	12	8	4	111
2020	31	18	10	8	1	0	68
2021	29	71	32	8	2	2	144
2022	14	20	21	00	2	00	57

Summary Court

In 2022, the Office disposed of 1188 Summary Charges. Two hundred and ninety (290) were by way of Guilty pleas, whilst five hundred and thirty-three (533) were convictions after trial.

Table 1 depicts the Summary Court statistics for 2022 setting out, inter alia, total matters, total guilty pleas and total convictions after trial.

TABLE 1 - SUMMARY COURT 2022

SUMMARY COURT 2021	
Guilty pleas	290
Case Dismissals	10
Case withdrawals	72
Cases left on file	32
Trial Verdict: Guilty	533
Acquittals	240

Adjourned sine die	11
Total	1188

WITNESS CARE AND PROTECTION

The Witness Care Unit became fully operational in January 2019 when a Witness Care Officer (WCO) was appointed. The WCO is responsible for the following -

- a. Providing support for vulnerable witnesses, including child witnesses, victims of sexual offences, and persons with disabilities;
- b. Co-ordinating referral to counselling services and support where necessary;
- c. Facilitating pre-trial interviews and court visits to familiarize them with the Court process;
- d. Providing escort to and from court during trials; and
- e. Keeping victims and witnesses informed and positively engaged in the trial process.

In 2022, the WCO interacted with a total of 63 witnesses for matters in the Grand Court. Tables 1-3 show a breakdown of witness interaction on a monthly basis for those Grand Court trials which were completed between 2020 and 2022.

TABLE 1 – WITNESS CARE 2022

2022	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Sum
No. of Grand Court trials with WC	1	1	1	2	1	1	2	1	4	3	6	0	23
No. of Witnesses interacted with for Grand Court trials	4	5	1	2	1	2	6	3	6	7	26	0	63

TABLE 2 – WITNESS CARE 2021

2021	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Sum
No. of Grand Court trials with WC	4	2	2	2	0	2	2	1	2	3	2	1	23
No. of Witnesses interacted with for Grand Court trials	16	5	6	8	0	9	5	4	6	16	4	2	81

TABLE 3 – WITNESS CARE 2020

2020	Jan	Feb	Mar	Apr	May	June	Jul	Aug	Sep	Oct	Nov	Dec	Sum
No. of Grand Court trials with WC	1	0	4	1	0	1	5	5	3	2	2	4	28
No. of Witnesses interacted with for Grand Court trials	12	0	5	1	0	2	15	16	12	6	6	18	93

LEGAL DEVELOPMENTS AND SNAPSHOT OF CASES

Legal Developments

In April 2022, Practice Direction 1 of 2022 came into force (PD). This related to Listing and Custody Time Limits in criminal cases (CTLs). The nub of the PD is that when a case is subject to a CTL, all efforts should be made at the first hearing to list the case within the CTL and the Judge or Magistrate should seek to ensure this. The emphasis of the PD is on justice within a 'reasonable time frame'. This is entirely consistent with Article 5 and Article 7(1) of the Constitution ("within a reasonable time" provisions) as well as Section 82 Police Act (2021) Revision ("as soon as is practicable").

In October 2022, Practice Direction 6 of 2022 came into force. This related to public access to the criminal courts. The nub of the PD is that public access in respect of criminal proceedings is an aspect of the open justice principle; however, it is subject to limitations as recognised in law. The courts have inherent jurisdiction to determine how the principle should be applied in particular cases.

In December 2022, the Criminal Justice (Offenders Assisting Investigations and Prosecutions) Act was gazetted. This Act codifies those scenarios involving immunity from prosecution and reduced sentences in certain circumstances. At the same time, the Contempt of Court Act codified certain contempt of court offences.

Sentencing Guidelines for Public Order Offences were published in October 2022.

Snapshot of Cases

Throughout the year the Office was involved in a number of matters at the appellate level which included:

AM v R – the appellant appealed conviction and sentence in respect of defilement and indecent assault of children under the age of 12 years. The appeal against conviction sought to attack the

trial judge's summing up. This appeal was dismissed in short order. The appeal against sentence was met with similar response. However, given the fact that the children could not have consented, it was plain that the offences could have been charged as rape and that, accordingly, thought should be applied as to the appropriate balance in the sentencing guidelines between sentences for defilement and rape offences.

PARCHMAN and KELLY v R – the appellants sought leave to appeal their sentence of 7½ years imprisonment which had been imposed for an offence of manslaughter. The Court took into consideration the fact that there were no sentencing guidelines for manslaughter. However, after review of all available case law and the sentencing guidelines which apply to England and Wales, the court refused leave to appeal.

WAYNE MYLES v R – the appellant sought leave to appeal against conviction and sentence in respect of a number of drug offences. A number of issues were ventilated including interpretation of section 29 Court of Appeal Act (2011 Revision), namely whether an appeal may be brought on a ground which involves a point (question) of law 'alone': section 7(7) of the Bill of Rights, namely that every person who has been convicted by a Court of a criminal offence shall have the right to appeal to a superior Court subject to the proviso that another statute may make reasonable provision as to the grounds upon which an appeal against conviction may be brought; the factual basis upon which the appellant was convicted; that the original proceedings amounted to an abuse of process and the length of the appellant's sentence of imprisonment. All applications were refused.

CLOSING REMARKS

The year 2022 saw significant changes to the Office. The introduction of Mission and Vision Statements early in the year set the tone for the direction in which the Office was to travel and to continue for 2022 and beyond.

Putting our people at the heart of what we do was the obvious way to start that renewed journey with digital capability, strong relationships and casework excellence all part of the overall strategic approach.

Well-being, team building, rational recruitment exercises and the implementation of a mentorship programme have propped up the strategy in respect of 'Our People'. The provision of laptops to all counsel, developing a strategy for the Office to go digital, defining an archiving and retention policy which provides for digital data, adapting to a rapidly changing criminal landscape and making the Office more visible through the provision of a new website enhance our 'Digital Capability'. Regular interaction with other stakeholders in the Criminal Justice System, such as at court user meetings and engaging in timely cooperation on the international stage promote 'Strong Relationships'. Success measures implemented through dip samples of written work, monitoring court advocacy and regular training drive 'Casework Excellence'.

There are very good reasons for this strategic approach to be taken. The main responsibility of the Office is to prosecute criminal cases within the Cayman Islands. However, it also provides advice to Government on criminal matters and is the Central Authority pursuant to the Criminal Justice (International Cooperation) Act (2021 Revision). The Office also provides assistance to the CIG in respect of its FATF obligations.

These responsibilities are substantial and require the Office not only to be a reliable, trustworthy and transformative hub of the Criminal Justice System in the Cayman Islands, deploying our legal expertise and digital capability to make the public safer and to gain the confidence of our diverse communities, but also to be able to perform at a world class level on the international stage.

FINANCIAL STATEMENTS

Financial statements for 2022 are attached as Appendix 1.



GOVERNMENT OF THE CAYMAN ISLANDS

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS

FINANCIAL STATEMENTS 31 DECEMBER 2022

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**OFFICE OF
THE DIRECTOR OF
PUBLIC PROSECUTIONS**
CAYMAN ISLANDS

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Grand Cayman KY1-1106
Cayman Islands

Phone: (345) 949-7712 | Fax: (345) 949-7183

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared 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 Director of Public Prosecutions 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 Act, and properly record the financial transactions of the Office of the Director of Public Prosecutions.

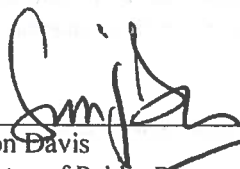
As Director of Public Prosecutions and Chief Financial Officer we are responsible for the preparation of the Office of the Director of Public Prosecutions financial statements, representation and judgments made in these financial statements.

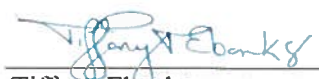
The financial statements fairly present the financial position, financial performance and cash flows of the Office of the Director of Public Prosecutions for the year ended 31 December 2022.

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

- (a) completely and reliably reflect the financial transactions of Office of the Director of Public Prosecutions for the year ended 31 December 2022;
- (b) fairly reflect the financial position as at 31 December 2022 and financial performance for the year ended 31 December 2022; and
- (c) comply with International Public Sector Accounting Standards as set out by the International Public Sector Accounting Standards Board under the responsibility of the International Federation of Accountants.

The Office of the Auditor General conducts an independent audit and expresses an opinion on the accompanying financial statement which is carried out by its agent. The Office of the Auditor General and its agent has been provided access to all the information necessary to conduct an audit in accordance with International Standards on Auditing.


Simon Davis
Director of Public Prosecutions


Tiffany Ebanks
Chief Financial Officer

Date: 30 April 2023

Date: 30 April 2023

AUDITOR GENERAL'S REPORT

To the Director of Public Prosecutions and the Members of Parliament

Opinion

I have audited the financial statements of the Office of the Director of Public Prosecutions ("DPP"), which comprise the statement of financial position as at 31 December 2022 and the statement of financial performance, statement of changes in net assets/equity and statement of cash flows for the year ended 31 December 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information as set out on pages 10 to 26

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Office of the Director of Public Prosecutions 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 Office of the Director of Public Prosecutions 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. In rendering my audit opinion on the financial statements of the DPP, I have relied on the work carried out on my behalf by a public accounting firm that performed its work in accordance with International Standards on Auditing.

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

Management is responsible for the preparation 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 DPP'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 DPP or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

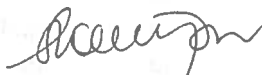
My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that 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.

AUDITOR GENERAL'S REPORT (continued)

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 DPP'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 DPP'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 DPP to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Sue Winspear
Auditor General

30 April 2023
Cayman Islands

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022
(Expressed in Cayman Islands Dollars)

Prior Year Actual CI\$000		Notes	Current Year Actual CI\$000	Approved Budget CI\$000	Variance (Budget vs Actual) CI\$000
Current Assets					
897	Cash and cash equivalents	3,18	879	140	(739)
402	Receivables from exchange transactions	4,18,19	663	444	(219)
3	Other receivables	4	2	-	(2)
16	Prepayments		14	15	1
1,318	Total Current Assets		1,558	599	(959)
Non-Current Assets					
181	Property and equipment	5,18	171	145	(26)
-	Intangible assets	6,18	5	10	5
181	Total Non-Current Assets		176	155	(21)
1,499	Total Assets		1,734	754	(980)
Current Liabilities					
91	Trade Payables	7,18	35	30	(5)
177	Accruals and other liabilities	7,18,19	330	70	(260)
88	Employee entitlements	8,18	193	130	(63)
692	Surplus payable	9,18	692	-	(692)
1,048	Total Current Liabilities		1,250	230	(1,020)
1,048	Total Liabilities		1,250	230	(1,020)
451	Net Assets		484	524	40
Equity					
451	Contributed capital	18	484	524	40
451	Total equity		484	524	40

The accounting policies and notes on pages 10-26 form part of these financial statements.

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2022
(Expressed in Cayman Islands Dollars)

Prior Year Actual CI\$000		Notes	Current Year Actual CI\$000	Approved Budget CI\$000	Variance (Budget vs Actual) CI\$000
	Revenue				
4,412	Sales of goods & services	11,18,19	4,523	5,336	813
4,412	Total Revenue		4,523	5,336	813
	Expenses				
2,792	Personnel costs	12,18	3,181	3,901	720
632	Supplies and consumables	13,18	634	643	9
245	Leases	14,17,18	262	271	9
42	Depreciation	5,16,18	49	71	22
473	Litigation costs and professional fees	15,18	392	450	58
2	Loss on foreign exchange		5	-	(5)
4,186	Total Expenses		4,523	5,336	813
226	Surplus for the year		-	-	-

The accounting policies and notes on pages 10-26 form part of these financial statements.

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022
(Expressed in Cayman Islands Dollars)

	Contributed Capital	Accumulated Surplus	Total Net Assets/Equity	Approved Budget	Variance (Budget vs. Actual)
	CI\$000	CI\$000	CI\$000	CI\$000	CI\$000
Balance as at 1 January 2021	411	-	411	473	62
Equity investment from Cabinet	40	-	40	10	(30)
Surplus for the year	-	226	226	-	(226)
Surplus repayable for the year	-	(226)	(226)	-	226
Balance at 31 December 2021	451	-	451	483	32
Balance as at 1 January 2022	451	-	451	*465	14
Equity investment from Cabinet	33	-	33	59	26
Balance at 31 December 2022	484	-	484	524	40

*There is a difference in the budget roll forward, as the 2022 budget document was updated to be more in line with actuals.

The accounting policies and notes on pages 10-26 form part of these financial statements.

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022
(Expressed in Cayman Islands Dollars)

Prior Year Actual CI \$'000		Note	Current Year Actual CI \$'000	Approved Budget CI \$'000	Variance (Budget vs. Actual) CI \$'000
	Cash flows managed on behalf of Cabinet				
	Operating Activities:				
	Cash received				
4,398	Sale of goods and services to Cabinet		4,263	5,257	994
<u>4,398</u>	Total cash received		<u>4,263</u>	<u>5,257</u>	<u>994</u>
	Cash used				
(2,857)	Personnel costs		(3,076)	(3,900)	(824)
(1,212)	Supplies and consumables		(1,194)	(1,364)	(170)
<u>329</u>	Net cash flows from (used by) operating activities	16	<u>(7)</u>	<u>(7)</u>	<u>-</u>
	Investing activities:				
	Cash used				
(74)	Purchase of property and equipment	5	(44)	(74)	(30)
<u>(74)</u>	Net cash flow (used by) investing activities		<u>(44)</u>	<u>(74)</u>	<u>(30)</u>
	Financing activities:				
	Cash received				
40	Equity injections from Cabinet		33	59	26
<u>40</u>	Net cash flows from financing activities		<u>33</u>	<u>59</u>	<u>26</u>
295	Net (decrease)/increase in cash and cash equivalents held		(18)	(22)	(4)
602	Cash and cash equivalents at beginning of year		897	162	(735)
<u>897</u>	Cash and cash equivalents at the end of the year		<u>879</u>	<u>140</u>	<u>(739)</u>

The accounting policies and notes on pages 10-26 form part of these financial statements.

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. Description and principal activities

The Office of the Director of Public Prosecutions ("DPP") is a Government-owned entity as defined by section 2 of the *Public Management and Finance Act (2020 Revision)* and is domiciled in the Cayman Islands.

The Cayman Islands Constitution Order 2009 (s.57) for the first time created the independent Office of the Director of Public Prosecutions. The primary responsibilities of the Office include instituting and undertaking proceedings against any person before any court in respect of offences against any Act in force in the Cayman Islands, acting as the Central Authority for requests for mutual legal assistance under the Criminal Justice (International Cooperation) Act, administering the Justice Protection Programme under the Justice Protection Act, conducting proceedings for recovery of property obtained through unlawful conduct under the Proceeds of Crime Act, and assisting law enforcement agencies in applications for orders at the investigation stage. The Office also provides legal advice to all law enforcement agencies as to the conduct of investigations and development of investigative policies.

The appointment of the Director of Public Prosecution took effect on May 1, 2011. This appointment formally brought into force the constitutional role of the Director of Public Prosecution. As a result, the Office of the Director of Public Prosecution is in its own right a civil service entity recognized under both the *Public Management and Finance Act (2020 Revision)* and the *Public Service Management Act (2018 Revision)*.

The principal address of the DPP is located on the second floor, Bermuda House, Dr. Roy's Drive, George Town, Grand Cayman. As of 31 December 2022, the DPP had 28 employees (2021: 27).

2. Significant accounting policies

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

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 DPP. The DPP's assessment of the impact of these new standards are set out below.

IPSAS 41, Financial Instruments was issued in August 2018 and shall be applied for financial statements covering periods beginning on or after 1 January 2023. IPSAS 41 establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement. It is anticipated that IPSAS 41 will not have a significant impact on the DPP's financial statements. This will be assessed in the next financial year.

IPSAS 42, Social Benefits was issued in December 2018 and shall be applied for financial statements covering periods beginning on or after 1 January 2023. IPSAS 42 defines social benefits and determines when expenses and liabilities for social benefits are recognized and how they are measured. It is anticipated that IPSAS 42 will not have an impact on the DPP's financial statements. This will be assessed 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 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The impact on the Entity's financial statements will be assessed in the next financial year.

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Significant accounting policies (Continued)

The accounting policies set out below have been applied consistently to all periods presented in these financial statements. There have been no significant changes to the accounting policies during the year ended 31 December 2022.

(a) Basis of Preparation

These financial statements have been prepared on a going concern basis. The financial statements are presented in Cayman Islands dollars and the measurement base applied to these financial statements is the historical cost basis.

(b) Reporting period

The current reporting period is for the year ended 31 December 2022.

(c) Budget amounts

The 2022 budget amounts were prepared using the accrual basis of accounting and the accounting policies have been consistently applied with the actual financial statement presentation. The 2022 budget was presented in the 2022-2023 Budget Statement of the Government of the Cayman Islands and approved by the Parliament on 8 December 2021.

Section 9(5) of the Public Management and Finance Act (2020 Revision) states "except to the extent otherwise provided by the Act, an appropriation lapses at the end of the budget period to which the appropriation is granted relates." The budget period is defined as a period of appropriation covering two financial years. The 2022-2023 Budget Statement covers the two financial years commencing 1 January 2022 to 31 December 2023. The 2022-2023 appropriations lapses at the end of the budget period ending 31 December 2023.

(d) Judgments and estimates

The preparation of financial statements in accordance with IPSAS 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. The account balances that require judgement are receivables from exchange transactions, property and equipment and accruals and other liabilities. Actual results may differ from these estimates.

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

(e) Revenue

Revenue is recognized in the accounting period in which it is earned. Revenue received but not yet earned at the end of the reporting period is deferred as a liability until it is earned.

The DPP derives its revenue through the provision of services to Cabinet and to other agencies in the Government of the Cayman Islands. Revenue is recognized at fair value of services provided.

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Significant accounting policies (continued)

(f) Expenses

Expenses are recognized when incurred on the accrual basis of accounting. In addition, an expense is recognized for the consumption of the estimated fair value of contributed goods and services received, when an estimate can realistically be made.

(g) Operating leases

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

(h) 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 at the date of acquisition.

(i) Prepayments

The portion of goods and services paid in advance of receiving such goods and services has been recognized as a prepayment.

(j) Property and equipment

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

Depreciation on property and equipment is expensed on a straight-line basis over the estimated useful life at rates stipulated below to allocate the cost or valuation of an item of property and equipment; less any estimated residual value. 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>
• Furniture & Fittings	10 years
• Computer Hardware	3 – 4 years
• Leasehold improvements	Over the term of the lease
• Office equipment	4 – 6 years
• Other Assets	5 – 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at period end. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amounts. The recoverable amount is the higher of the asset's fair value less costs to sell and its value for use in service.

Disposals

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

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Significant accounting policies (continued)

(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 period end are reported as current liabilities at the amount expected to be paid.

Pension contributions for employees of the DPP are paid to the Public Service Pension Fund (the "Fund") and administered by the Public Service Pensions Board (the "Board"). Contributions of 12% on basic salary, employer 6% and employee 6% are made to the fund by the DPP. Contributions of 12% on acting and duty allowances, employer 6% and employee 6% are made to the Fund by DPP.

(l) Financial instruments

The DPP is party to financial instruments as part of its normal operations. These financial instruments include cash and cash equivalents, receivables from exchange transactions, other receivables, trade payables, accruals and other liabilities, employee entitlements and surplus payable, all of which are recognized in the statement of financial position.

Classification

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

A financial liability is any liability that is a contractual obligation to deliver cash or another financial instrument or to exchange financial instruments with another enterprise under conditions that are potentially unfavorable. Financial liabilities comprise of trade payables, accruals and other liabilities, employee entitlements and surplus payable.

Recognition

The DPP recognizes 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 recognized in the statement of financial performance.

Measurement

Financial instruments are measured initially at cost which is the fair value of the consideration given or received. Subsequent to initial recognition all financial assets are measured at amortized 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 amortized cost, being the amount at which the liability was initially recognized less any payment plus any accrued interest of the difference between that initial amount and the maturity amount.

De-recognition

A financial asset is derecognized when the DPP realizes the rights to the benefits specified in the contract or loses control over any right that comprise that asset. A financial liability is derecognized when it is extinguished, that is when the obligation is discharged, cancelled, or has expired.

(m) Provisions and contingencies

Provisions are recognised when an obligation (legal or constructive) is incurred as a result of a past event and where it is probable that an outflow of assets embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Significant accounting policies (continued)

(m) Provisions and contingencies (continued)

Contingent liabilities are not recognised but are disclosed in the financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised but are disclosed in the financial statements when an inflow of economic benefits is probable.

(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 recognized in the statement of financial performance.

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

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

(o) Revenue from non-exchange transactions

The DPP receives various services from other Government entities for which payment is made by the Government. These services include but are not limited to computer repairs and software maintenance by the Computer Services Department and human resources management by the Portfolio of the Civil Service. Refer to note 9 for further disclosures on non-exchange transactions.

(p) Impairment

An asset is impaired when its carrying amount exceeds its recoverable amount. If there is any indication of impairment present, the entity is required to make a formal estimate of the recoverable amount.

3. Cash and cash equivalents

As at 31 December 2022 the DPP held no restricted cash balances (31 December 2021: \$0). No interest was earned during the period on the amounts held in these bank accounts (31 December 2021: \$0).

Prior Year Actual	Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
891	Operational Current Account - KYD	875	140	(735)
6	Payroll Current Account - KYD	4	-	(4)
897	Cash and cash equivalents	879	140	(739)

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Receivables from exchange transactions and other receivables

At year end all overdue receivables have been assessed and appropriate provisions made.

Prior Year Actual	Receivables from exchange transactions	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
362	Sale of outputs to Cabinet	630	444	(186)
40	Outputs to other government agencies	33	-	(33)
-	Less: Provision for doubtful debts	-	-	-
402	Net receivables from exchange transactions	663	444	(219)

As of 31 December 2022, other receivables composed of:

Prior Year Actual	Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
3	Other	2	-	(2)
-	Less: provision for doubtful debts	-	-	-
3	Net other receivables	2	-	(2)

As at 31 December 2022, the ageing analysis of receivables from exchange transactions and other receivables are as follows:

Prior Year Actual		Receivables from Exchange Transactions	Other receivables	Impairment	Net Receivables
CI\$'000		CI\$'000	CI\$'000	CI\$'000	CI\$'000
373	Current	663	-	-	663
-	Past due 1-30 days	-	-	-	-
31	Past due 31-60 days	-	-	-	-
1	Past due 61 and above	-	2	-	2
405		663	2	-	665

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Property and equipment

Cost of Property and Equipment

	Furniture and Fittings CI\$000	Computer Hardware CI\$000	Office Equipment CI\$000	Other Assets CI\$000	Total Property and Equipment CI\$000
Balance as at 1 January 2021	27	18	59	378	482
Additions	18	3	-	53	74
Disposals	-	-	(9)	(6)	(15)
Balance as at 31 December 2021	45	21	50	425	541

	Furniture and Fittings CI\$000	Computer Hardware CI\$000	Office Equipment CI\$000	Other Assets CI\$000	Total Property and Equipment CI\$000
Balance as at 1 January 2022	45	21	50	425	541
Additions	-	-	-	39	39
Disposals	-	-	-	(15)	(15)
Balance as at 31 December 2022	45	21	50	449	565

Accumulated Depreciation and Impairment
Losses

	Furniture and Fittings CI\$000	Computer Hardware CI\$000	Office Equipment CI\$000	Other Assets CI\$000	Total Property and Equipment CI\$000
Balance as at 1 January 2021	18	13	39	263	333
Depreciation expense	3	2	6	31	42
Eliminate on disposal	-	-	(9)	(6)	(15)
Balance as at 31 December 2021	21	15	36	288	360

	Furniture and Fittings CI\$000	Computer Hardware CI\$000	Office Equipment CI\$000	Other Assets CI\$000	Total Property and Equipment CI\$000
Balance as at 1 January 2022	21	15	36	288	360
Depreciation expense	3	2	6	38	49
Eliminate on disposal	-	-	-	(15)	(15)
Balance as at 31 December 2022	24	17	42	311	394

Net Book value 31 December 2021	24	6	14	137	181
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Net Book value 31 December 2022	21	4	8	138	171
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OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Property and equipment (continued)

As of 31 December 2022, other assets are composed of:

Prior Year Actual	Description	2022 Cost	2022 Accumulated Depreciation	2022 Net book Value
CI\$000		CI\$000	CI\$000	CI\$000
121	Library books	284	179	105
8	Leasehold improvements	116	113	3
8	Other	49	19	30
137	Total other assets	449	311	138

6. Intangible Asset

Cost of Intangible Assets

	Computer Software CI\$000	Work in Progress CI\$000	Total Intangible Assets CI\$000
Balance as at 31 December 2021	-	-	-
Addition	-	5	5
Balance as at 31 December 2022	-	5	5

	Computer Software CI\$000	Work in Progress CI\$000	Total Intangible Assets CI\$000
Accumulated Amortization			
Balance as at 31 December 2021	-	-	-
Amortization Expense	-	-	-
Balance as at 31 December 2022	-	-	-
Net Book value 31 December 2021	-	-	-
Net Book value 31 December 2022	-	5	5

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Trade payables, accruals and other liabilities

Prior Year Actual	Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
91	Trade payables	35	30	(5)
86	Accrued expenses	254	70	(184)
90	Creditors other Government Agencies	75	-	(75)
1	Other	1	-	(1)
268	Total trade payables, accruals and other Liabilities	365	100	(265)

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

8. Employee entitlements

Prior Year Actual	Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
	<i>Employee entitlements are represented by:</i>			
88	Annual leave	192	130	(62)
-	Salaries and wages	1	-	(1)
88	Total employee entitlements	193	130	(63)

The leave entitlements are calculated based on current salary paid to those employees who are eligible for this benefit.

9. Surplus payable

Under the *Public Management & Finance Act (2020 Revision)* section 39 (3) (f), the DPP may “retain such part of its net operating surplus as is determined by the Minister of Finance”. The DPP has recorded surplus payable to the Government of the Cayman Islands in the amount of \$692 thousand for the year ended 31 December 2022, (2021: \$692 thousand). Surplus repaid during the year ended 31 December 2022, was nil (2021: \$0 thousand). The Minister of Finance has not confirmed the Entity can retain the surplus and thus the Entity will make payment in 2023.

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Revenue from non-exchange transactions

During the year ended 31 December 2022 DPP received various services from other Government entities for which payment is made by the Government. These services include but are not limited to computer repairs and software maintenance by the Computer Services Department and human resources management by the Portfolio of the Civil Service. The DPP has designated these non-exchange transactions as services in-kind as defined under IPSAS 23 - Revenue from Non-Exchange Transactions. When fair values of such services can be reliably estimated then the non-exchange transaction is recorded as an expense and an equal amount is recorded in other income as a service in-kind. Where services in-kind offered are directly related to construction or acquisition of a property and equipment, such service in-kind is recognized in the cost of property and equipment.

11. Sales of goods & services

Prior Year Actual	Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
4,395	Outputs to Cabinet	4,521	5,336	815
17	Other	2	-	(2)
4,412	Total Sale of Goods & Services	4,523	5,336	813

12. Personnel costs

Prior Year Actual	Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
2,344	Salaries, wages and allowances	2,484	3,181	697
374	Health care	440	524	84
126	Pension	135	170	35
(65)	Leave	104	10	(94)
13	Other personnel related costs	18	16	(2)
2,792	Total personnel costs	3,181	3,901	720

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Supplies and consumables

Prior Year Actual	Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
56	Supplies and materials	45	54	9
105	Purchase of services	144	113	(31)
48	Utilities	63	60	(3)
5	Travel and subsistence	11	20	9
8	Recruitment and training	1	20	19
382	Witness expense	279	353	74
5	Interdepartmental expenses	7	7	-
23	Other	84	16	(68)
632	Total Supplies & Consumables	634	643	9

14. Leases

Prior Year Actual	Type of Lease	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
245	Lease and rent of property and sites	262	271	9
245	Total Lease	262	271	9

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Litigation costs and Professional Fees

Prior Year Actual	Description	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
473	Litigation costs and professional fees	392	450	58
473	Total Litigation costs and Professional Fees	392	450	58

16. Reconciliation of net cash flows from operating activities to surplus

Prior Year Actual	Reconciliation of Surplus to Net Operating Cash	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI \$'000		CI \$'000	CI \$'000	CI \$'000
226	Surplus from ordinary activities	-	-	-
	Non-cash movements:			
42	Depreciation	49	71	22
	Changes in current assets and liabilities:			
(18)	(Increase) in receivables from exchange transactions	(261)	(78)	183
4	Decrease in other receivables	1	-	(1)
16	Decrease in prepayments	2	-	(2)
91	Increase/(Decrease) in trade payables	(56)	-	56
33	Increase in accruals and other liabilities	153	-	(153)
(65)	(Decrease)/increase in employee entitlements	105	-	(105)
329	Net cash flows from (used by) operating activities	(7)	(7)	-

17. Commitments

Prior Year Actual	Type of Operating commitments	One year or less	One to five Years	Total
CI\$000		CI\$000	CI\$000	CI\$000
111	Non-cancellable office space lease	254	-	254
111	Total Operating Commitments	254	-	254

The DPP has a short-term operating lease for the premises it occupies in George Town. The lease expires on 31 December 2023. The amounts disclosed above as future commitments are based on the current rental rates.

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

18. Explanation of major variances against budget

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

Statement of financial position

Cash and cash equivalents

The Cash and cash equivalents are \$739 thousand higher than budget as a result of accumulated surplus of \$692 thousand from prior years not paid back as at 31 December 2022.

Receivables from exchange transactions

The receivables are higher than the budgeted amount by \$219 thousand due to the output and equity injection funding due from Cabinet not yet received for the month of December 2022.

Property and Equipment

The property and equipment was \$26 thousand higher than budget which is mainly due to an increase in purchases of Library books which was not anticipated during the budget preparation.

Intangible assets

Intangible assets was \$5 thousand lower than budget due to website costs being lower than anticipated.

Trade Payables

The trade payables are \$5 thousand higher than budget which is primarily due to invoices not being settled by the end of the year.

Accruals and other Liabilities

The accruals and other liabilities are higher than budget by \$260 thousand mainly due to invoices for legal fees of \$100 thousand, conference costs of \$32 thousand, and costs awarded of \$59 thousand not received in a timely manner to facilitate payment prior to 31 December 2022.

Employee entitlement

The employee entitlements were higher than budget by \$63 thousand due to staff not utilizing their full annual leave entitlement. This was partly due to the demand on services and resource constraints.

Surplus Payable

Surplus payable is higher than budget by \$692 thousand as no surplus was repaid in 2022; subsequently, \$226 thousand has been repaid in February 2023. A surplus is not anticipated and therefore not included in the budget. The surplus is due to the entity having a reduction in operation cost but still billing Cabinet and recognizing the total amount appropriated for the years 2020 and 2021.

Contributed Capital

The contributed capital is lower than budget by \$40 thousand as the purchase of a vehicle did not materialize in 2022. Management held off on the purchase while reassessing the needs of the Entity.

Statement of financial performance

Sales of goods and services

Office of the Director of Public Prosecutions is fully funded by Cabinet. In 2022 Cabinet revenue was billed in line with actual expenses, in place of billing the total approved budget. Actual expenses were lower than budget for reasons set out below, and thus sales of goods and services was lower than budget by \$813 thousand.

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

18. Explanation of major variances against budget (continued)

Personnel costs

Actual personnel costs are lower than budget by \$720 thousand as a result of vacancies and the timing in which posts were filled. Some of these costs include the Director, Senior Crown Counsel and Crown Counsel.

Supplies and consumables

The total supplies and consumables are \$9 thousand lower than budget. The decreases are primarily due to \$74 thousand in witness expenses which is a variable expense, and recruitment and training of \$19 thousand, offset by Court awarded costs of \$60 thousand and purchase of services for special conferences of \$31 thousand.

Leases

The leases were lower than budget by \$9 thousand due to the renewed lease cost being less than budget.

Litigation and Professional Fees

The litigation and professional costs vary from year to year depending on the variable nature of matters arising. As a result, this expense was \$58 thousand lower than budget.

Depreciation

Depreciation is lower than budget by \$22 thousand as capital purchases in 2022 were lower than anticipated.

Statement of changes in net assets/equity

Equity Investment

During a two-year budget period unused funds can be transferred between the two financial years. See below the equity investment movement for the budget period 2022 to 2023 in which unused equity investment funds are transferred from 2022 to cover asset purchases in 2023.

Equity Investment	CI\$000
2022 Approved Budget	74
2022 Equity Investment Used	(33)
Budget remaining as at 31 December 2022	41
 2022 Unused Equity Investment carried forward	 41
2023 Approved Budget	75
Total Equity Investment available for use in 2023	116

OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

19. Related party and key management personnel disclosures

Related party disclosure

The DPP is a wholly-owned entity of the Government of the Cayman Islands from which it derives a major source of its revenue. The DPP transact with other Government entities on a regular basis. These transactions were provided in-kind during the financial year 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. These transactions are as follows:

Prior Year Actual	Statement of financial position	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$000		CI\$000	CI\$000	CI\$000
402	Receivables from exchange transactions	663	444	(219)
90	Accruals and other liabilities	75	-	(75)
692	Surplus payable	692	-	(692)

Prior Year Actual	Statement of financial performance	Current Year Actual	Approved Budget	Variance (Budget vs. Actual)
CI\$000		CI\$000	CI\$000	CI\$000
4,395	Sale of goods and services	4,521	5,336	815

Key management personnel

Key management personnel, defined as the Director of Public Prosecutions, Deputy Director of Public Prosecutions and members of senior management are considered to be related parties.

Compensation to key management personnel

For the year ended 31 December 2022 there are four full-time equivalent, and one part-time (2021: four full-time equivalent, and one part-time) personnel considered at the senior management level.

Total remuneration includes: regular salary, pension contribution, health insurance contribution and allowances. Total remuneration paid to key management personnel were as follows:

Prior Year (Gross)	Description	Current Year (Gross)	Approved Budget	Variance (Budget vs Actual)
CI\$'000		CI\$'000	CI\$'000	CI\$'000
412	Salaries & other short-term employee benefits	661	458	(203)
412	Total Remuneration	661	458	203

Compensation to key management personnel is higher than budget by \$203 thousand mainly due to the 2022 budget being prepared on the basis of two full-time and one part-time personnel at the senior management level. During the latter half of 2021, Management assessed the need to increase the senior management team from two to four. The current year amount is therefore higher than prior year as 2022 reflects 12 months of remuneration for the two additional key management personnel while 2021 was prorated.

There were no loans made to key management personnel or their close family members for the year ended 31 December 2022 (31 December 2021: \$0).

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

20. Financial instrument risks

The DPP is exposed to a variety of financial risks including credit risk, liquidity risk and exchange rate risk. The DPP's risk management policies are designed to identify and manage these risks, to set appropriate risk limits and controls, and to monitor the risks and adhere to limits by means of up to date and reliable information systems. These risks are managed within the parameters established by the Financial Regulations (2021 Revision).

Credit risks

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the DPP. Financial assets which potentially expose the DPP to credit risk comprise cash and cash equivalents, receivables from exchange transactions, and other receivables.

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

The DPP is also exposed to a significant concentration of credit risk in relation to its receivables from exchange transactions, of which a significant portion is due from other Government entities. No credit limits have been established. As at 31 December 2022 (31 December 2021: \$0), no provision for doubtful debts has been made on these receivables as none of these accounts are impaired and management considers these debts to be recoverable in full.

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

Liquidity risk

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

The ability of the DPP to meet its debts and obligations is dependent upon its ability to collect the debts outstanding to the DPP on a timely basis. In the event of being unable to collect its outstanding debts, it is expected that the Government would temporarily fund any shortfalls the DPP would have in its cash flows. As at 31 December 2022 and 31 December 2021, all of the financial liabilities were due within three months of the period end dates.

Exchange rate risk

The entity does not have significant exposure to currency exchange rate risk as the Cayman Islands dollar is pegged to the United States Dollar.

21. Contingent liability

During the normal course of business, DPP is involved in litigation matters where the duration of some proceedings can span throughout multiple financial years. Therefore, order costs would be contingent on the outcome of the proceedings and the costs awarded by the Courts.

During the 2022 financial year a Judicial Review proceeding was brought against the DPP. The claim was intimated in May 2022 and was commenced in February 2023. The proceedings are presently 'sub judice' in that the Grand Court is seized of proceedings which are yet to be determined. The outcome of civil litigation can never be guaranteed. However, the Attorney General's Chambers has advised possible costs in the region of \$50,000. Accordingly, a contingency sum of \$50,000 has been identified to assist with meeting costs of litigation should the need arise.

**OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

22. Subsequent events

A partial repayment of the surplus payable to the Government in the amount of \$226 thousand was paid in February 2023.

In preparing these financial statements management has evaluated and disclosed all material subsequent events up to 30 April 2023, which is the date that the financial statements were available to be issued.