



MINISTRY OF
HOME AFFAIRS
CAYMAN ISLANDS GOVERNMENT

Annual Report

2022



www.gov.ky/homeaffairs

The Ministry of Home Affairs exists to create safer, stronger, inclusive and more resilient communities in the Cayman Islands

10 BROAD OUTCOMES

The key actions that the PACT Government intends to implement:

- 01 Improve **education** to promote lifelong learning and greater economic mobility
- 02 Ensure an equitable, sustainable and successful **healthcare** system
- 03 Provide solutions to improve the **well-being** of our people so they can achieve their full potential
- 04 Strengthen good **governance** for more effective government
- 05 Support **climate change resilience** and **sustainable development**
- 06 Increase **social justice** in the workforce
- 07 Utilise **sports** to enhance the lives of our people
- 08 Build a modern **infrastructure** to ensure a successful future for our islands
- 09 Improve our **financial services** as an industry, product and economic driver for our islands
- 10 Improve our **tourism** industry, as a product and economic driver

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THE CAYMAN ISLANDS IS A LEADER IN
PUBLIC SAFETY AND IS ONE OF THE
CARIBBEAN'S SAFEST JURISDICTIONS

Hon. Sabrina Turner, MP

Minister of Health, Wellness and Home Affairs

THE MINISTER'S FOREWORD

In April 2021, the Cayman Islands Government established the Home Affairs portfolio as a stand-alone ministry, emphasising the importance of public safety, national security, and law enforcement in the Cayman Islands.

A year later I was appointed as the Minister for Health, Wellness and Home Affairs, reflecting the synergy and overlap between the two portfolios. Less than two years on, this prescient reform has continued to strengthen and safeguard our islands and enhance our prosperity across all sectors.

The world faces uncertain times. The effects of global events can be felt in our local communities, sometimes with very little warning. The Cayman Islands not only needs to be prepared for the unexpected but also be able to respond quickly to ensure community resiliency and public safety. As the results detailed here show, the Ministry of Home Affairs has provided the Cayman Islands with that capability time and time again.

As we continue to emerge and evolve from the impacts of the COVID-19 pandemic, Home Affairs remains at the forefront of our social and economic recovery. Focus and investment have been placed on fortifying the Ministry of Home Affairs with the resources to review the gaps systematically and comprehensively in strategy, policy and legislation, to address complex issues and ensure it can successfully support the broad remit of the six departments that fall under it.

Over the past year, Home Affairs' focus has included leading on reform in public safety by: building capability; maximising resources; driving strategic legal, policy and project initiatives, and enhancing staff wellness.

This has resulted in advancements in prison reform and offender management, supporting evidence-based offender rehabilitation and empowerment, improving mental health services in the criminal justice system, and advancing urban search and rescue capabilities and tools.

At the same time, the reform programme is also creating pathways for our youth into careers within uniformed services, supporting a governance framework for the Regiment, enhancing technology in public safety, and reviewing a myriad of policies and legislation across the departments to modernise and improve our existing legal framework.

I commend the Home Affairs Ministry on the snapshot of achievements included within this publication. I would like to extend my sincere gratitude to Acting Chief Officer Lewis for his support and to honour the men and women on our front lines, who selflessly risk their lives to keep our people and our country safe.

Caymanians can trust that the Ministry of Home Affairs will continue to safeguard the Cayman Islands, enhance resiliency and responsiveness, drive our economic growth and continue to improve social cohesion.

There have been many accomplishments and much groundwork covered during the period and this report reflects the continuous growth of a young ministry with a critically important remit.

The Cayman Islands is a leader in public safety and is one of the safest and most stable jurisdictions in the Caribbean.

We have a lot of progress still to achieve, but we will continue to chart a course to strengthen good governance and deliver essential services in pursuit of the PACT Government's strategic outcomes and our core principles: People Driven, Accountable, Competent and Transparent.

Hon. Sabrina Turner, MP

Minister of Health, Wellness and Home Affairs

ACTING CHIEF OFFICER'S FOREWORD

I am pleased to provide this foreword as the Ministry of Home Affairs looks to 2023 and beyond. It is my immense pleasure to be Acting Chief Officer across our departments and services, and to continue the stellar work started under the former Acting Chief Officer, Michael Ebanks.

Home Affairs' mandate is critical and its services are vital for a stable society and thriving economy. Having a stand-alone Ministry is essential for the development of the Cayman Islands as it allows for the necessary resources to provide sufficient strategic, policy and fiscal oversight for key public safety functions.

We have a renewed vision and strategy to support the goals of the PACT Government's Strategic Policy Statement, and to ensure they are geared to provide the resourcing, strategy, implementation and accountability required to equip the Ministry for success.

The collaborative approach taken by a growing Core Ministry Team and the department leaders has generated a strong foundation and fostered innovative solutions to enhance public safety in the Cayman Islands.

I am humbled by the dynamic and diverse team of passionate and dedicated individuals who make up our Home Affairs' leadership team. Caymanian leadership continues to be developed through secondments and appointments across Home Affairs to drive the critical services under our remit.

The value that these individuals bring is immeasurable in achieving the key goals of the Ministry. I am truly grateful to the Senior Leaders and staff across the departments for embodying the vision and mission of the Ministry of Home Affairs.

As we continue to support the Government's Broad Outcomes, ongoing investment is critical to ensure robust and advanced public safety capability, especially with an increasing population and expanding infrastructure. This allows the Ministry to continue our goals to safeguard and promote the well-being of staff, professionalise public safety services, enhance comprehensive strategic development and bolster operational services.



I am confident the Ministry is well positioned to continue delivering essential public safety services in the coming year.

On behalf of the senior leadership team in the Ministry of Home Affairs, I am pleased with all we have collectively achieved in 2022. I would like to offer my own personal thanks to Acting Deputy Chief Officer Lisa Malice for her support to the management teams across the Ministry and to all the Home Affairs family for their dedication and service in building a safer Cayman Islands.

I am confident the Ministry is well positioned to continue delivering essential public safety services with integrity, professionalism and dedication in the coming year.

Julian Lewis
Chief Officer (Acting)



The Ministry of Home Affairs is focused on strengthening Cayman's resilience through strategy, policy, and operations related to national security and public safety.

The Ministry is responsible for providing policy direction and monitoring the overall performance of its six departments:

- **Cayman Islands Fire Service**
- **HM's Cayman Islands Prison Service**
- **Department of Public Safety Communications**
- **Department of Community Rehabilitation**
- **Cayman Islands Regiment**
- **Cayman Islands Cadet Corps**

The intent of the Ministry of Home Affairs is to ensure the Cayman Islands remains a safe and secure place in which to live, visit and invest.

OUR PURPOSE

The enduring goal of the Ministry is to support the government of the day in building a safer Cayman Islands. The MHA does this by leading, stewarding, advising and delivering diverse activities related to security and public safety; working across the public service and extending our reach beyond Cayman's borders to leverage international partnerships.



Department of Public Safety Communications (DPSC)

To save lives, protect property and enhance public safety on a 24/7/365 basis by delivering a wide range of critical emergency communication, surveillance, and monitoring services.



Cayman Islands Fire Service (CIFS)

To provide a professional fire and rescue operational response, as well as fire and community safety related services. Delivered through our Domestic, Aerodrome and Specialised teams we will save lives, reduce injuries and protect property for residents, businesses and visitors across the Cayman Islands.



Her Majesty's Cayman Islands Prison Service (HMCIPS)

To deliver services which improves the life chances of people in our care, enabling them to both fulfil their potential and become active and responsible citizens.



Department of Community Rehabilitation (DCR)

To provide a range of services to adult offenders to influence positive behavioural change, promote victim interests and enhance public safety.



Cayman Islands Regiment (CIR)

To support and protect the people of the Cayman Islands through humanitarian efforts and support to essential public service.



Cayman Islands Cadet Corps (CICC)

To provide progressive cadet training of a challenging and exciting nature to foster confidence, self-reliance initiative, responsibility, loyalty, self-respect, alertness, physical and mental endurance and camaraderie.

The Ministry of Home Affairs' first duty is to keep the Cayman Islands safe and secure.

It consists of the Department of Public Safety Communication, Cayman Islands Fire Service, Department of Community Rehabilitation, Her Majesty's Cayman Islands Prison Service, Cayman Islands Regiment and the Cayman Islands Cadet Corps.

The Ministry is committed to partnering across its departments to create safer, stronger, inclusive and more resilient communities in the Cayman Islands.

The Ministry's focus and planning are guided by the overarching ten Broad Outcomes set out by the PACT Government: these outcomes steer policy and activity across all of the Government's ministries. Specific policy and activity for many of these outcomes are dependent on economic prosperity, national security, and social cohesion. These lie at the heart of the work of the Ministry of Home Affairs.

The Ministry of Home Affairs is focused on strengthening Cayman's resilience through strategy, operations, and policy related to national security and public safety. The Ministry is responsible for providing policy direction and monitoring the overall performance of its six departments

The intent of the Ministry of Home Affairs is to ensure the Cayman Islands remains a safe and secure place in which to live, visit and invest.

RELEVANT LEGISLATION

Specific legislation guides the strategy and operation of the entities operating under the auspices of the Ministry of Home Affairs:

LEGISLATION & RELEVANT DEPARTMENT	LEGISLATION PURPOSE
ALTERNATIVE SENTENCING ACT (2008 REVISION) DCR DPSC HMCIPS	To provide a legislative framework for different forms of punishment that a court can impose on a defendant after conviction of an offence.
BAIL ACT (2008 REVISION) DCR DPSC HMCIPS	To provide a legislative framework for a decision as to whether a person who is accused of an offence or is otherwise required to appear before a court should be detained or released, with or without conditions.
CADET CORPS ACT (2008 REVISION) CICC	A legislative framework to ensure that the Cayman Islands Cadet Corps is a well-regulated and highly disciplined organisation for the development of youth in the Cayman Islands.
CONDITIONAL RELEASE ACT DCR DPSC HMCIPS	A legislative framework for the conditional release and post-release supervision of prisoners released on license from HM Prisons.
DATA PROTECTION ACT (2008 REVISION) ALL DEPARTMENTS	To provide for a legislative framework to ensure the fair and lawful use of personal data in both public and private sectors.
DEFENCE ACT (ACT 49 OF 2020) CIR	A legislative framework for the regulation and administration of the Cayman Islands Regiment.
FIRE BRIGADE ACT (2008 REVISION) CIFS	To provide for the establishment, maintenance, employment, coordination and standardisation of fire brigade services and connected purposes.
INFORMATION AND COMMUNICATIONS TECHNOLOGY ACT (2019 REVISION) ALL DEPARTMENTS	To provide for the regulation and licensing of all forms of telecommunications, broadcasting, including ship, aircraft, mobile and amateur radio.
NATIONAL CCTV CODE OF PRACTICE CIFS DCR DPSC HMCIPS	To provide a code of practice relating to the use of overt public surveillance Closed Circuit Television (CCTV) systems that are monitored by and directly linked to Cayman Islands Government entities.
PENAL CODE (2019 REVISION) DCR DPSC HMCIPS	Overarching legislative framework related to the committing of offenses and the punishments for offenses.
PRISONS ACT (2021 REVISION) HMCIPS	To provide the establishment, regulation and control of prisons for the custody of prisoners, and the general duties and obligations of officers.
PRISONS RULE (1991 REVISION) HMCIPS	To provide a legal framework for the rightful execution of custodial sentences and care of detainees.
PUBLIC MANAGEMENT AND FINANCE ACT (2020 REVISION) ALL DEPARTMENTS	To outline the powers and duties of the Minister of Finance, the ministries, portfolios and chief officers with respect to responsible financial management including budgeting, reporting and delivery of value for money in procurement that will ensure the appropriate use of public funds.
PUBLIC SERVICE MANAGEMENT ACT (2018 REVISION) ALL DEPARTMENTS	To provide the appointment, conditions of employment, constitution, powers, procedures and functions of the Public Services and to promote the basic values and principles governing the public administration.

DEPARTMENT PROFILE

MINISTRY OF HOME AFFAIRS CORE UNIT

The Core Ministry team is responsible for the strategic policy, human resource, and fiscal oversight of the Ministry of Home Affairs.



Julian Lewis
Chief Officer (Acting)



Home Affairs' mandate is critical, and its services are vital for a stable society and thriving economy.

KEY TO THE MINISTRY'S EFFECTIVENESS IS THE UNRELENTING FOCUS ON OUTCOMES

The Core Team supports six departments that provide for the public safety and national security of the Cayman Islands in order to accomplish the mission and vision of the Ministry: Partnering to create stronger, inclusive and more resilient communities in the Cayman Islands.

As we have evolved and strengthened, our aim has remained to continue to deliver on the key outcomes set out in 2021:

1

Outcome One: Strategise

To support the Minister in the development of strategies, objectives, and actions to fulfill the Government's broad outcomes and direction.

2

Outcome Two: Coordinate

To facilitate and coordinate efficient collaboration, strategic partnerships, and the effective sharing of resources that contribute to the development of solutions and improvement of mechanisms in progressing towards the identified objectives.

3

Outcome Three: Deliver

To provide support to the Minister in the delivery, implementation and evaluation of policy and legislative directives to enhance national security and public safety.



AS WE CONTINUE TO SUPPORT THE GOVERNMENT'S BROAD OUTCOMES, ONGOING INVESTMENT IS CRITICAL TO ENSURE ROBUST AND ADVANCED PUBLIC SAFETY CAPABILITY, ESPECIALLY WITH AN INCREASING POPULATION AND EXPANDING INFRASTRUCTURE.

Julian Lewis

Chief Officer (Acting)

ACHIEVEMENTS IN 2022 | MHA CORE

The Core Ministry's work has been guided by the overarching PACT strategic outcomes across Government and the Ministry's duty to keep the Cayman Islands safe and secure. The Core Team is constantly seeking to innovate and ensure each department is equipped, ready and able to respond effectively and to better serve the public.

LEGISLATION AND POLICY REVIEW

Facilitating the review and improvement of legislation and policy across the departments, the Core Team:

- Delivered 16 high-level briefings and presentations on matters of public safety and strategic policy review
- Led on and contributed to the review of seven crucial pieces of legislation
- Submitted 14 papers to Cabinet regarding policy, legislation, legal, assets and budgetary matters
- Supported the development of six Memoranda of Understanding (MOUs) and Service Level Agreements (SLAs) including strategic partnerships with HM Prison Service to strengthen health and rehabilitation services for offenders in prison

MINISTRY COLLABORATION

Collaborating across departments to tackle critical public safety issues, the Ministry worked on 16 major projects affecting public safety communications, prison reform, rehabilitation, mental health and other public safety and social issues.

- Improving reporting mechanisms that demonstrate compliance and progress in the rights of children under the United Nations Convention of the Rights of the Child
- Laying the groundwork for the Cayman Islands to potentially join the Council of Europe extension protocols involving the transfer of prisoners

- The Lanzarote Convention, aiming to protect children from sexual exploitation and abuse

The Ministry also played a key role in hosting the UK's Ministry of Justice Overseas Territories Team, leading multi-agency discussions and facilitating site visits. The Cayman Islands were commended for their advanced services amongst the OTs.

AWARDS AND RECOGNITION

The Ministry continuously strives to ensure its people are always supported and empowered, which includes the commitment to recognising and rewarding excellence in service delivery. In doing so, the following team members were awarded:

- Cayman Islands Government Employee of the Month, November 2022: Lisa Malice
- Chief Officer's Choice Award for 2022: Keehon Moore and Lisa Malice
- Team Player and Leadership Award for 2022: Frank Millwood and Kacey Mobley

TRAINING AND DEVELOPMENT

The Ministry is committed to investing in training and development, bolstering strengths found across the departments and addressing areas for growth. Training opportunities within the Core team included leadership, policy, project management, risk management.

OBJECTIVES FOR 2023 | MHA CORE

TRAINING AND DEVELOPMENT

Recruitment, training and wellbeing are key to the Ministry achieving successful outcomes. The Ministry is committed to the development, empowerment, and diversification of its workforce, including creating a framework for continued learning, training and development. Investment is planned to promote employee wellness and satisfaction, such as developing trauma-informed practices and demonstrating staff appreciation.

LEGISLATION AND POLICY DIRECTION

To support the Ministry's vision and mission in creating safer, stronger and more resilient communities, the Core Team is committed to the ongoing review and evaluation of existing legislation and policy gaps.

MULTI-AGENCY COLLABORATION

An important strategic aim of the Ministry is to champion public safety reform, underpinned by collaboration and strategic partnerships. The Ministry's entities must effectively and efficiently share resources, including funding, infrastructure, equipment, knowledge and information in order to achieve its overarching objectives.

A robust framework of cooperation and coordination for public safety partnerships and alignment is vital to success.



Recruitment, training and wellbeing are key to the Ministry of Home Affairs team achieving successful outcomes across all of its activities

MINISTRY OF HOME AFFAIRS | CORE MINISTRY

BUDGET PERFORMANCE

2022 BUDGET VS ACTUALS				(KYD)
MEASURES	ORIGINAL 2022 BUDGET	FINAL 2022 BUDGET	JAN-DEC 2022 ACTUALS	SAVINGS / (OVERAGE)
Personnel	1,945,796	1,252,296	1,291,827	653,969
Supplies & Consumables	272,000	272,000	117,394	154,606
Depreciation	26,600	26,600	7,429	19,171
Total Expenses	2,244,396	1,550,896	1,416,650	827,746

2022 KEY PERFORMANCE INDICATORS	
MEASURES	RESULTS
QUANTITY	
Strategy to support the Government's objectives for Home Affairs	1
Annual Report detailing delivery of strategy	1
Cabinet Papers and notes	10-15
Responses to Parliamentary Questions or Private Members Motions	4-6
Briefing Papers and speeches	8-10
Consultation/policy/research papers	2-4
QUALITY	
Documents produced for the Minister based on consultation where appropriate/required, the best available information/research and in accordance with applicable templates	90-100%
Amended and new legislation supported by comprehensive analysis of legislation in similar jurisdictions, research into best practices and industry standards and stakeholder consultation	90-100%
Consultation conducted in an open, broad and transparent manner, followed by published recommendations that include rationale and supporting information	90-100%
TIMELINESS	
All work completed in accordance with statutory timelines and/or international agreements and standards as required, and within timeframes and deadlines set by the Ministry	90-100%

DEPARTMENT PROFILE

DEPARTMENT OF PUBLIC SAFETY COMMUNICATIONS

The Cayman Islands Department of Public Safety Communications provides mission critical elements of government service and consists of three distinct functions: The Public Safety Communications Centre (PSCC), the Cayman Islands Electronic Monitoring Centre (EMC), and the National Public Safety Radio Communications.

**Sean Vasquez**

DPSC, Head of Department



We aim to deliver the clear and seamless communications that are so critical to our emergency services.

**RELIABLE COMMUNICATIONS IS ESSENTIAL TO PUBLIC SAFETY**

The PSCC offers 24/7 emergency dispatch, handling 911 calls for RCIPS, EMS, and Fire Services, prioritising assistance, giving pre-arrival instructions, and ensuring first responder safety. PSCC is also the immediate Tsunami Warning Focal Point.

The EMC, co-located with PSCC, monitors offenders referred by authorities using ankle GPS bracelets and operates CCTV cameras under a Cabinet-approved Code of Practice, balancing crime deterrence with human rights.

The National Safety Radio System supports smooth RF communication, setting basic requirements, overseeing emergency towers, monitoring seismic sensors, and assisting NEOC. Users include RCIPS, Fire Service, Health Services, Prison, Customs, Environment, Hazard Management, Civil Aviation, Airports, Water Authority, Power & Light, Port, and Judicial Administration.

1**Outcome One: Public Safety**

This we achieve by efficiently and effectively receiving and dispatching emergency and non-emergency service requests on a 24/7/365 basis

2**Outcome Two: Communication**

Ensuring public safety communications technology and emergency channels are secure, effective, up-to-date, and able to support interoperability with other communications systems on an ongoing basis.

3**Outcome Three: Monitor**

Coordinate the monitoring of electronically-tagged offenders and other deployed technologies, including NCCTV, with the intent of collecting evidence, preventing crime and enhancing border control and public safety in the Cayman Islands.

ACHIEVEMENTS IN 2022 | DPSC

The DPSC serves as the vital link between the public and the public safety agencies of the Cayman Islands; the department is dedicated to providing uninterrupted multiple communication channels to civilians and government agencies, providing the utmost level of public safety.

The network is made up of advanced radio services, telephone systems, call logging, vehicle tracking and other critical tools. All systems, software and hardware must be maintained, updated and in optimal working condition around the clock.

INFRASTRUCTURE AND EQUIPMENT

The DPSC is dedicated to providing the utmost level of public safety to the residents of Cayman. This objective relies wholly on maintaining uninterrupted communication channels accessible to both civilians and government response teams at all times.

These communication networks consist of advanced radio services, telephone systems, call logging systems, radio and vehicle tracking systems, and other critical tools.

The DPSC holds the responsibility of ensuring that all systems, software, and hardware are kept up-to-date and in optimal working condition.

The new Northward Communication Tower was constructed in 2022, and is expected to be commissioned in 2024. The 300ft tower is mission critical to the National's Public Safety and Emergency Radio Network.

As one of the first countries in the region with a national alert system, the completion of the tower will significantly improve emergency communication services.

Cayman's National Closed Circuit Television (NCCTV) was expanded and upgraded in 2022, with new leading technology cameras installed across Grand Cayman's Eastern Districts and in Cayman Brac. The ongoing CCTV program is vital to reinforcing crime prevention and improving public safety.

INFRASTRUCTURE AND EQUIPMENT

The DPSC addressed a key 2022 priority by recruiting staff to fill critical roles in the department. The EMC gained three officers from the Travel Cayman team who have successfully trained as Electronic Monitoring Officers. This increase in staffing will improve the Department's ability to monitor offenders.

OBJECTIVES FOR 2023 | DPSC

INFRASTRUCTURE AND EQUIPMENT

A modernised Public Safety Communication Network remains the key priority for the department in 2023 with planned infrastructure improvements, including:

- New Northward Communication Tower commissioning and connection
- Old Northward Communication Tower decommissioning and disconnection
- Motorola Radio System Upgrade Program with encryption of critical radio services
- Upgrade and expansion of 911 call logger system
- Upgrade of Mitel telephone system
- Expansion of 'CompassCom' radio and vehicle tracking system
- Designate off-premise 911 back-up centre
- Upgrade and expansion of National CCTV Program
 - Upgrade of hardware and analytics on Genetec platform
 - Connectivity and power for Brac CCTV

RECRUITMENT

The DPSC intends to continue recruitment in 2023 to fill existing vacant roles:

- Telecommunicator Level I and II (5 vacant posts)
- Electronic Monitoring Officer (3 vacant posts)
- Electronic Monitoring Supervisor
- Financial Administrator (1 vacant post)



To operate successfully, the DPSC depends on continually updated systems, software, hardware and working practises.

Above all, we rely on world-class talent and skills to perform to our full potential.

BUDGET PERFORMANCE | DPSC

2022 BUDGET VS ACTUALS				(KYD)
MEASURES	ORIGINAL 2022 BUDGET	FINAL 2022 BUDGET	JAN-DEC 2022 ACTUALS	SAVINGS / (OVERAGE)
Personnel	2,286,488	2,286,488	2,139,717	146,771
Supplies & Consumables	2,739,526	2,739,526	1,993,693	745,833
Depreciation	722,532	722,532	1,568,111	(863,579)
Total Expenses	5,748,545	5,748,545	5,719,521	29,024

2022 KEY PERFORMANCE INDICATORS	
MEASURES	RESULTS
QUANTITY	
Hours that the PSCC operates per fiscal year (24/7/365 basis)	8,760
9-1-1 telephone calls answered on average per month	4,000-5,000
Dispatched Calls for Service processed on average per month	2,000-3,150
Hours that EMC maintains the capacity to tag, monitor, document and report violations of Electronic Monitoring Programme offenders and monitor and support the National CCTV project with backup provided by PSCC (24/7/365 basis)	8,760
QUALITY	
Quality Assurance case reviews completed on Calls for Service (both call-taking and dispatch functions)	250
Quality Assurance case reviews completed on EMC actions (offender violating processing)	150
Quality Assurance scores regarding Calls for Service case reviews:	
- Call-taking	91%
- Dispatching	96%
TIMELINESS	
9-1-1 calls answered within 10 seconds for calendar year (as recorded by PSCC Power911 Reports)	98%
Authorised requests from RCIPS for copies of archived CCTV video recordings are processed within five calendar days	98%

DEPARTMENT PROFILE

CAYMAN ISLANDS FIRE SERVICE

The Cayman Islands Fire Service (CIFS) provides 24-hour emergency Fire and Rescue domestic operational response, 365 days per year, across Grand Cayman, Cayman Brac and Little Cayman.



Dwight 'Randy' Rankin
Chief Fire Officer



Year-round, unceasing emergency coverage and all aviation appliances have been replaced across the Islands.

CONTINUAL VIGILANCE AND RESPONSE THROUGHOUT THE CAYMAN ISLANDS

IFS ensures public and firefighter safety in our occupied public commercial buildings as well as delivers fire and road safety activities and promotions.

The Fleet Maintenance Team maintains our front-line vehicles and equipment, and our small Training Team delivers recruit training and core fire and rescue skills growth for our front-line staff. Additionally, as part of their Community Literary Initiative, CIFS also delivers training to the public, such as Fire Extinguisher Basics and Fire Warden Training.

In addition to domestic operational response, as a requirement of Civil Aviation Authority (CAA) Airport Certification, and in partnership with the Cayman Islands Airports Authority (CIAA), the CIFS also provides Aviation Rescue and Fire Fighting Service to Owen Roberts International, Charles Kirkconnell and Edward Bodden Airfield.

1**Outcome One: Response**

Maintain capacity to respond to domestic, aerodrome fire and other emergencies (natural or man-made) and assist the Coast Guard with Inshore Search & Rescue in Grand Cayman

2**Outcome Two: Prevention**

Conduct inspections to ensure safe, efficient and effective compliance within Public Occupancies in order to adhere to strict fire safety regulations within the Fire Code

3**Outcome Three: Investigation**

Investigate cause and origin of all fires and provide Fire Safety education and training programmes to the public relative to all areas

ACHIEVEMENTS IN 2022 | CIFS

The Cayman Islands Fire Service has had a successful year of operations and training, with the appointment of a Caymanian CFO, the promotion of seven station managers and the passing out of 12 new recruits.

There has been year-round, unceasing emergency coverage and all aviation appliances have been replaced across the Islands.

The rollout of **staywise.ky** is underway (saving lives through education), and the service has closed out 23 audit findings.

The service also implemented a new Health and Fitness programme which aims to improve and maintain the wellbeing of all CIFS employees.

The year has not been without challenges, with the service working to overcome global supply chain issues and the increased cost of operations.

LEGISLATION AND DOCUMENTATION

The year 2022 has seen the adoption of new legislation in the form of the Fire Code, the National Fire Prevention (NFPA) and the Life Safety Code. The Fire Brigade Act is currently under revision. Additionally, the Fire Service has drafted and implemented several new policies for the new Safety Management System (SMS), Document Control and Document Registry and New Fitness Policy.

There are several aviation policies undergoing review; Owen Roberts International Airport Task Resource Analysis (TRA) and the Change Management Policy are both currently under review for acceptance by the Civil Aviation Authority of the Cayman Islands (CAACI); the operational manuals for Charles Kirkconnell International Airport (CKIA) and Edward Bodden Airport (EBA), Airport Rescue and Fire Fighting Services (ARFFS) are being revised and updated.

TRAINING

It is a strategic priority of the Fire Service to ensure that those serving on our front lines and those supporting them are equipped with appropriate training and development for their roles.

During 2022, 17 separate training initiatives took place across the Cayman Islands Fire Service in a range of topics including apparatus operation, responder awareness, victim identification, border control and aviation firefighter training.

101 certifications were successfully awarded across the following courses:

- IE level 2 certificate
- Instructor level emergency response blue light course
- Fire service Hydraulics and Apparatus operations
- Level 3 JESIP Principles incident command system
- Silver Command NEOC
- First Responder Awareness Training
- Conflict Resolution
- In-house Pump Operator training
- HAS-UK, 3 Disaster Victim Identification
- Fentanyl W/DEA, RCIPS, CBC
- CBC/UK Border Control
- Supervisor Initial Training
- Supervisor Revalidation
- Aviation Firefighter Revalidation
- Aviation Firefighter Initial Course validated by an overseas visiting instructor
- Airport Senior Fire Officer course, Designate CFO UK secondment

OBJECTIVES FOR 2023 | CIFS

POLICY REVIEW AND DOCUMENTATION

Following the review and updating of several foundational policies and manuals this past year, the Fire Service will continue to review and improve processes in the coming year, including:

- A new Emergency Response Driving Policy is due to be drafted and implemented.
- Urban Search and Rescue (USAR) capabilities will be expanded including the review of Insure Search and Rescue Services Memorandum of Understanding and the commissioning and implementation of the USAR Framework and training will follow.
- The department training policy is also slated for review and revision this year. Following the closure of 23 audit findings in 2022, the department are committed to closing the remaining outstanding audit items this year.

EQUIPMENT AND INFRASTRUCTURE

Infrastructure improvements and equipment upgrades are slated to continue in the coming year:

- The Central Bay extension and storage facility project approved and started in 2022 will be completed this year.
- Supplementary funding will also be required for the replacement of aging ladder trucks, Tankers and the procurement of two dual purpose appliances for the Little Cayman Station.

TRAINING AND DEVELOPMENT

People are the most valuable resource in the Cayman Islands Fire Service; investment in training and development, succession planning, and recruitment is key. Accordingly, in 2023 the Fire Service will:

- Implement a structured training unit and programme, with the goal to recruit 15-20 trainee firefighters and fill all vacant posts.
- The service remains committed to maintaining around the clock emergency coverage and response to calls 365 days per year.

BUDGET PERFORMANCE | CIFS

2022 BUDGET VS ACTUALS				(KYD)
MEASURES	ORIGINAL 2022 BUDGET	FINAL 2022 BUDGET	JAN-DEC 2022 ACTUALS	SAVINGS / COVERAGE
Personnel	12,660,020	12,660,020	13,410,446	(750,426)
Supplies & Consumables	1,535,838	1,535,838	1,314,730	221,108
Depreciation	1,429,346	1,429,346	1,423,303	6,043
Total Expenses	15,625,204	15,625,204	16,148,479	(533,275)

2022 KEY PERFORMANCE INDICATORS	
MEASURES	RESULTS
QUANTITY	
Days per annum providing 24-hour response to the community	365
Premises inspected	1682
Development drawings inspected	319
Assessment reports prepared (building control, etc.)	506
Cause and origin investigations conducted	63
Fire assessment reports conducted	2592
Educational demonstrations	74
Workshops conducted	22
QUALITY	
Inspections carried out by qualified personnel	100%
Personnel are trained in accordance with required standards	95%
TIMELINESS	
Respond (exit the station) within 20 seconds on receipt of Call for Service	65%
Complete inspection within three days of notification	100%
Inspection Reports completed within three days of completion of inspection	100%
Investigation of fire conducted within 48 hours of event	100%

DEPARTMENT PROFILE

HER MAJESTY'S CAYMAN ISLANDS PRISON SERVICE

Her Majesty's Cayman Islands Prison Service's (HMCIPS) role is to commission, provide and regulate the delivery of offender management services and provide safe management of people in prisons by order of the courts.

**Daniel Greaves**

Acting Director, HMCIPS



The Prison Service works to protect the public, to reduce reoffending and support rehabilitation.

FOSTERING REHABILITATION AND REINTEGRATION IN THE CAYMAN ISLANDS PRISON SERVICE

The Prison Service works to protect the public, to reduce reoffending and support rehabilitation by helping offenders to reform their lives.

HMCIPS is responsible for the management of three facilities in the Cayman Islands: HMP Northward and the Enhanced Rehabilitation Unit (ERU), which both provide accommodation for males (adults and minors) and HMP Fairbanks, which is a facility specifically for women.

HMCIPS is responsible for the safety, rehabilitation, health and wellbeing of offenders through the provision of food, clothing, primary healthcare, mental health services and cultural and spiritual support.

HMCIPS also provides rehabilitation and reintegration programme services and assistance to help offenders transition safely and successfully into the community upon release.

1**Outcome One: Reduction**

Creation of long-term policy solutions to reduce the prison population across the Islands

2**Outcome Two: Safe Management**

Safe management of prisoners in the custody of the HMCIPS by order of the courts.

3**Outcome Three: Rehabilitation**

To provide rehabilitation and reintegration services and support for the safe and successful transition of prisoners into the community and reduce reoffending

ACHIEVEMENTS IN 2022 | HMCIPS

The dedication and outstanding commitment of HMCIPS staff often under highly stressful circumstances is to be commended and despite the challenges HMCIPS have achieved a great deal in 2022. The country's prison population is decreasing, numeracy and literacy within the offender population is increasing and significant progress has been made in delivering the HMCIPS' objectives.

INFRASTRUCTURE AND DEVELOPMENT

- The Prison Estate Development project planning that is underway and will continue in 2023 will address one of HMCIPS' biggest challenges around infrastructure and inadequate facilities that support care and rehabilitation.
- The Design Consultant for the New Prison Estate Development has been selected and approved by the Public Procurement Committee (PPC). Progress is ongoing with the next stage of acquiring a Cost Consultant.

RECRUITMENT AND TRAINING

- Having the right staff in the right places and supporting them to do their job effectively is crucial to HMCIPS' ability to deliver outcomes, protect the public and reduce reoffending.
- The department is very proud of its 186 strong staff; 90% of them interact daily with people in prison and the public and demonstrate immense commitment to support those in their care. HMCIPS delivered 1885 hours of training to 225 staff members.

MINISTRY COLLABORATION

- Communicating and collaborating effectively within HMCIPS and with their partners across the civil service is essential to improving the standard and coordination of services and sharing expertise so the Ministry can better address the complex needs of those in its care, prevent crime and reduce reoffending.
- HMCIPS is working with agency partners on long-term policy solutions to reduce the prison population; they are active participants on the Steering Group for a national policy for Safeguarding Adults at Risk and have developed an SLA structure with the Department of Community Rehabilitation.
- HMCIPS is a member of the Prison Health Network for Overseas Territories and on the working group for the creation of Mental Health Standards for Overseas Territories prisons, to better support both staff and prisoner wellbeing.



HCIPS Non-custodial

100% of all candidates from EB that have been considered by Conditional Release Board have been granted parole - testament to the rigorous risk assessment of the approval process



Compliance

100% compliance with sentences and orders which means that safety has continued to improve on most measures; there were zero prison escapes in 2022

ACHIEVEMENTS IN 2022 | HMCIPS

CUSTODIAL CARE & SERVICES

Education in prison brings fiscal, social and correctional benefits and is critical to the success of rehabilitation and reduced reoffending, providing knowledge and skills that can benefit the prisoner and the community into which they are released.

HMCIPS education programmes are critical to instilling skills, knowledge and self-esteem, in turn critical to successful reintegration into society.

As this report reflects strong achievements of the HMCIPS, the prison population with special education needs is rising and it has been challenging to attain educational resources to meet their needs.

- HMCIPS has witnessed increasing literacy and numeracy levels across the prison population and greater engagement in the education unit.

In 2022:

- 82 out of 109 enrolled students completed education programmes during the school year, noting 27 were released before completing their programmes.
- 25 students sat City & Guilds exams, resulting in 10 Distinctions, 6 Merits and 5 Passes
- 6 students passed CXC exams

NON-CUSTODIAL OPTIONS

- In 2022 HMCIPS increased the emphasis on enabling parole sooner, by moving offenders through accelerated rehabilitation.
- 57 home visits were completed enabling prisoners to spend time with their families at home and all candidates from ERU considered by the conditional release board were granted parole.

MENTAL HEALTH AND ADDICTION

Substance dependency and abuse is a core driver of offending; limited resources and expertise in this field limit HMCIPS' ability to offer specialist rehabilitation and purposeful engagement with high-risk prisoners.

Without greater focus of resource and effort on the wellbeing and mental health challenges of the most vulnerable prisoners, it is impossible to successfully address the risk of violence or self-harm incidents within HMCIPS.

A high percentage of prisoners have mental health and/or substance abuse disorders. The mental health needs of the most vulnerable prisoners are complex and increase the risk of violence and incidents of self-harm within the Prison Service.

There has been an 8.1% increase in inter-personal violence within the Prison Service in 2022, with much of this attributed to the easing of COVID-19 restrictions in the prison.

- This year HMCIPS has successfully delivered the following to at-risk offenders:
 - Drawing and talking therapy
 - Cognitive Self-Change and the Sex Offender treatment programme. (SOTP)
 - Offending Behaviour programme (Steps 2 Success)
 - Session Rating Scale and Outcome Rating Scale to evaluate 1:1 sessions

OBJECTIVES FOR 2023 | HMCIPS

INFRASTRUCTURE

- In addition to the continuing participation in the New Prison Estate Development Project, 2023 will see the completed construction of HMCIPS tactical training facility enabling specialist forms of training such as 'Working at Heights' and 'Method of Entry'.

TRAINING AND DEVELOPMENT

The investment in people is critical to the success of the services HMCIPS offers.

- In 2023 the department will continue efforts to attract and retain talent and focus on the career development of the highest potential staff and the development of skills and attributes required for leadership roles.

REHABILITATION

- Substance dependency and abuse is a core driver of offending; HMCIPS plan to offer an increase in access to substance abuse programs and the doubling of the drug and alcohol treatment units.
- HMCIPS want to enable earlier parole for offenders, by placing a greater emphasis on rehabilitation services.



Regular visits to HMP Northward by the Minister and the MHA staff contribute to continual oversight of the facility, its inmates and staff.

BUDGET PERFORMANCE | HMCIPS

2022 BUDGET VS ACTUALS				(KYD)
MEASURES	ORIGINAL 2022 BUDGET	FINAL 2022 BUDGET	JAN-DEC 2022 ACTUALS	SAVINGS / (OVERAGE)
Personnel	14,456,568	14,963,585	15,138,530	(681,962)
Supplies & Consumables	3,900,337	5,210,596	5,422,704	(1,522,367)
Depreciation	1,295,350	1,295,350	1,780,287	(484,937)
Total Expenses	19,652,255	21,469,531	22,341,521	(2,689,266)

2022 KEY PERFORMANCE INDICATORS	
MEASURES	RESULTS
QUANTITY	
Prisoners held in custody - per day	205
Drug tests carried out per month	34
Room and area searches conducted per month	73
Prisoners attending National Induction Programme (NIP) per month	22
Prisoners' disciplinary breaches - per month	33
Escapes from custody	0
QUALITY	
All drug tests conform to appropriate Prison Service Instructions (PSI) and chain of custody requirements	100%
Bars, locks, vents, windows, doors and fabric of wall checked at least once per day	100%
Searches are conducted in compliance with the appropriate PSI	100%
Complaints responded to within policy timetables	95%
TIMELINESS	
Secure custodial services provided 24 hours per day	100%
Drugs tests and search targets per month achieved by the 25th day to allow for performance reporting	95%
Complaints and adjudications completed within PSI prescribed timescales	95%
Prisoner attend NIP within one week of admission	95%

DEPARTMENT PROFILE

DEPARTMENT OF COMMUNITY REHABILITATION

The DCR provides community-based supervision and rehabilitative services to adult offenders, primarily upon the instruction of the Courts and Conditional Release Board, to reduce re-offending, promote victim interests and contribute to public safety.



Melissa Rivas
Acting Director, DCR



Rehabilitation for offenders is supported through several measures designed to break the cycle of reoffending.

Rehabilitation for offenders is supported through several measures designed to break the cycle of reoffending, motivate change, and develop general and practical skills that help offenders reduce risk of reoffending.

The DCR conducts regular assessments and recommendations to assist the Courts and Conditional Release Board with the disposal of cases; it manages the supervision of offenders in the community and delivers intervention services that support reduce the risk of reoffending; it leads the delivery of individual and group rehabilitation sessions; it provides review, input and implementation of policies and laws related to probation and parole services and works closely with other Government agencies to enhance public safety through effective offender management.

1

Outcome One: Rehabilitation

To assist offenders to function in the community without involving themselves in further criminal activities by providing psycho-educational and other rehabilitative interventions.

2

Outcome Two: Compliance

To assist clients to comply with the conditions of their orders through professional supervision or monitoring by Probation Officers and/or Community Service Officers.

3

Outcome Three: Advocacy

To provide advocacy and support to victims of crime to promote victim interests and strengthen victim protection measures.

4

Outcome Four: Reintegration

To provide rehabilitative services to adult offenders in the care and custody of HMCIPS to enable reintegration in the community by reducing their risk of reoffending.

ACHIEVEMENTS IN 2022 | DCR

The Department of Community Rehabilitation worked strategically with other agencies to identify and address systemic gaps in order to enhance public safety.

There has been an increase in high-risk case referrals and a growing number in the mental health offender population, requiring intensive supervision and offender management strategies. These two offender populations require significant time and resource as their basic needs must be met before Probation Officers can deliver interventions and effectively reduce the risk of reoffending.

Delays within the court system, have impeded timely access to information for court reports, and the absence of an overarching national offender management framework poses challenges for determining the success of rehabilitative services for offenders.

- The strategic work undertaken by the department to address the systemic gaps for services where the social, health and criminal justice systems overlap is essential but require significant time and resource.
- Despite the day-to-day operational challenges over the last year, the Department has made ground-breaking strides with cross agency collaboration and the implementation of a case management platform and initiated the development of an Offender Management Framework and supporting legislation.

RECRUITMENT AND EDUCATION

- The DCR's senior management team continues to grow, with the recent promotion of two staff from within the organisation. Additional management roles for Quality Assurance and Human Resources Manager were approved and those senior posts were filled in 2022. Recruitment will continue in 2023. The Human Resources Manager role is essential to support staff who are consistently exposed to primary and secondary trauma in the work environment.

MINISTRY COLLABORATION

- The DCR have partnered across ministries and agencies on community wide initiatives, ensuring a unified approach to addressing critical gaps in the social, health and criminal justice systems.
- Partnerships include public safety initiatives with the Prison Service, the Department of Public Safety Communications, and the Cayman Islands Fire Service, allowing them to share resource and jointly roll out education and technology initiatives. One such initiative in 2022 was the rollout of StayWise, a youth program to promote safety thinking and early intervention.
- DCR has also received support via GPS tracking radio for Officers in the field from the Department of Safety Communications. Cross agency partnerships include the Child Safeguarding Subcommittee, the Safeguarding Vulnerable Adults Steering Committee, and the Alliance to End Domestic Violence.

ACHIEVEMENTS IN 2022 | DCR

MULTI-AGENCY COLLABORATION

- The strengthening of partnerships between the DCR and other agencies has resulted in an exponential increase in the number of victim service cases for the Department.
- The DCR has successfully advocated for agencies to consider the impact of decisions relating to offenders on the direct and indirect victims of their crimes and as a country we are actively considering the voice of victims, but this shift in thinking has increased the Department's workload.
- In 2022, DCR and HMCIPS began the ground work on rehabilitation reform efforts, including the review and strengthening of joint delivery of services in an effort to reduce recidivism.

TECHNOLOGY

- LSCMI online "GEARS" was launched. This online format supports the department in being able to access and complete risk assessments. This technology is critical for developing risk management case plans, supporting rehabilitation, reducing cases of reoffending, and ultimately providing greater public safety.
- Work continues to develop the platform to incorporate ChAngeS strategies, integrating best standards and evidence-based practices into all work initiated with offenders. This will allow for more detailed case planning and will provide partner agencies and clients with a clear and cohesive approach to interventions and risk management.

HIGH-RISK POPULATIONS

- Throughout 2022 there was a significant increase in the number of high risk cases being supervised by the department as well as a growing number in our mental health offender population.
- These two offender populations require extensive efforts in order to encourage and effect positive attitudinal and behavioural changes so as to contribute positively to reducing crime, promoting victim protection, and creating safer communities.
- Further, the strategic work undertaken by the department to address systemic gaps for services particularly when the social health, and criminal justice systems overlap, has been essentially for these two offender populations.

OBJECTIVES FOR 2023 | DCR

LEGISLATION

- Work will continue towards establishing an Offender Management Framework. This will include the review of the Alternative Sentencing Law and the drafting of the Victim's Rights Bill, working alongside the Core Ministry Team, embedding victim advocacy in a national framework.
- The Department will also contribute towards the drafting of a Safeguarding Vulnerable Adults legislation, spearheaded by the Ministry of Investment, Innovation and Social Development.

TRAINING AND DEVELOPMENT

- Staff attraction and retention are critical to the success of the DCR. The Department's leadership must fill vacation positions and enhance the mental health services offered to reduce burnout and ensure the staff can deliver services effectively. The HRM post in collaboration with the entire Senior Management Team is critical in achieving stability and equilibrium in the workforce.

MULTI AGENCY COLLABORATION

- The Department is seeking to implement a service level agreement with the Prison Service, to guide their joint services, cementing the partnership between front line staff across each agency and consolidating efforts in offender management.
- The Department will also strive to continue to strengthen partnerships and collaborate with other agencies to offer cohesive support and rehabilitation to reduce the risk of reoffending and promote public safety and victim interests.



The Department of Community Rehabilitation is a team of Change Agents.

Our aim is to influence positive behavioural changes while reducing offending behaviours, promoting victim interest, and enhancing public safety in the Cayman Islands.

BUDGET PERFORMANCE | DCR

2022 BUDGET VS ACTUALS				(KYD)
MEASURES	ORIGINAL 2022 BUDGET	FINAL 2022 BUDGET	JAN-DEC 2022 ACTUALS	SAVINGS / (OVERAGE)
Personnel	4,039,804	3,339,804	3,251,633	788,171
Supplies & Consumables	666,871	666,871	513,596	153,275
Depreciation	34,266	34,266	229,796	(195,530)
Total Expenses	4,740,941	4,040,941	3,995,025	745,916

2022 KEY PERFORMANCE INDICATORS	
MEASURES	RESULTS
QUANTITY	
Persons on bail supervision/monitoring	2,350
Reports submitted to the Courts	1,500
Risk assessments completed for the Courts	382
Court duty services offered	665
Orders supervised	5,500
QUALITY	
Reports are to be prepared in the established format as required by the Court	95-100%
Court orders are supervised in accordance with Risk-Need-Responsivity principle and based on specific conditions of the order	95-100%
Supervision is based on the principles of the Changes model	95-100%
TIMELINESS	
Supervision in the community is ongoing for the duration of the period specified by a Court Order, Conditional Release License or other condition established by the Courts	100%
Reports submitted in accordance with timeframe set by the Court and as agreed with CRB and RCIPS	100%

DEPARTMENT PROFILE

CAYMAN ISLANDS REGIMENT

The CIR is committed to building a robust pool of trained, competent and equipped personnel who are able to provide disaster relief and security services as required. It does so through the provision of internal and external training in basic military skills, leadership and specialist areas. It also maintains a fleet of vehicles and operational equipment able to support all public service agencies during natural disasters or any significant emergency.



Lieutenant Colonel Simon Watson
Commanding Officer



CIR provides disaster relief and security within the Cayman Islands and the wider Caribbean.

THE CIR IS GOVERNED BY THE CAYMAN ISLANDS DEFENCE ACT AND GOVERNOR'S ORDERS

The Regiment reports directly to His Excellency the Governor and is administered under the auspices of the Ministry of Home Affairs.

Currently the CIR is establishing the organisation in terms of provision of personnel, equipment and vehicles, whilst also providing disaster relief services as required.

1

Outcome One: Development

To recruit, train and develop reservist soldiers and officers within the Cayman Islands to fulfil the role of the Cayman Islands Regiment

2

Outcome Two: Capability

To provide essential, specialist and leadership training to all Regiment personnel with the goal of reaching full operating capacity

3

Outcome Three: Fitness

To maintain high levels of physical fitness, including physical training, endurance training, sport and annual mandatory fitness tests

4

Outcome Four: Equipment

To maintain and service supplies, equipment and vehicles used to support the CIR in its duties

5

Outcome Five: Mobility

To maintain and service a fleet of vehicles used to support the CIR in its duties

ACHIEVEMENTS IN 2022 | CIR

It has been an eventful year for the Regiment, from preparedness training and exercises and providing disaster relief response during hurricane season, to supporting the work of community groups and NGOs; the CIR is proud to be able to continue to play a key role in supporting the emergency services and deliver additional resilience to the Cayman Islands.

The CIR has focused on the need to recruit and train talented Caymanians and invest in equipment that will provide the greatest benefit to the people of the Cayman Islands, especially when faced by the challenges of natural disasters and other emergencies.

It looks forward to improving its capacity to provide support and assistance as it continues to recruit quality people, provide quality training, quality leadership and develop quality partnerships with key stakeholders.

OPERATIONS

- The CIR were fully deployed ahead of the arrival of Hurricane Ian and worked with the NEOC, Hazard Management and emergency services to provide a disaster-relief response during and after the storm.
- The CIR delivered command and control infrastructure and security support to the Cayman Islands Air Show and supported Customs and Border Control during the ongoing Migrant Emergency with escorting migrants from the Sister Islands to Grand Cayman.
- The CIR supported the Emergency Medical Services and the Airports Authority during Mass Casualty Exercises, as well as working with various agencies to deliver community projects in several districts.
- In addition, this year saw the arrival of three new operational vehicles to assist in emergency deployments, and more disaster relief equipment to support local operations.

RECRUITMENT AND TRAINING

- CIR has welcomed 30 new personnel to the Regimental family this year; men and women from across the Cayman Islands who want to serve their community and keep the Cayman Islands safe. These new personnel help increase the CIR's response capability both in Grand Cayman and the Sister Islands.
- The CIR has recruited and trained Cohort Three with the addition of 30 reservists including five in Cayman Brac and trained its first internal Drill and Physical Training instructors, supporting self sufficiency within the Regiment.
- The CIR has also supported the development of 18 personnel into full time roles in other uniform services.

OBJECTIVES FOR 2023 | CIR

RECRUITMENT & TRAINING

- In 2023 the CIR plan to prioritise training and recruitment needs, including managing the staff turnover of key roles (RSM and CO) in terms of the resulting knowledge loss.
- The CIR will focus efforts on consolidating military skills, developing specialist abilities and integrating training with other government agencies to ensure unified support when required.
- The CIR will also deliver security training to support HMCIPS and CBC and will deliver further specialist training, with a view to attracting new recruits and retaining talent.

LEGISLATION

- Legislation priorities include the amendment of traffic regulations to allow CIR vehicles to be fitted with blue lights and sirens and included as emergency vehicles.

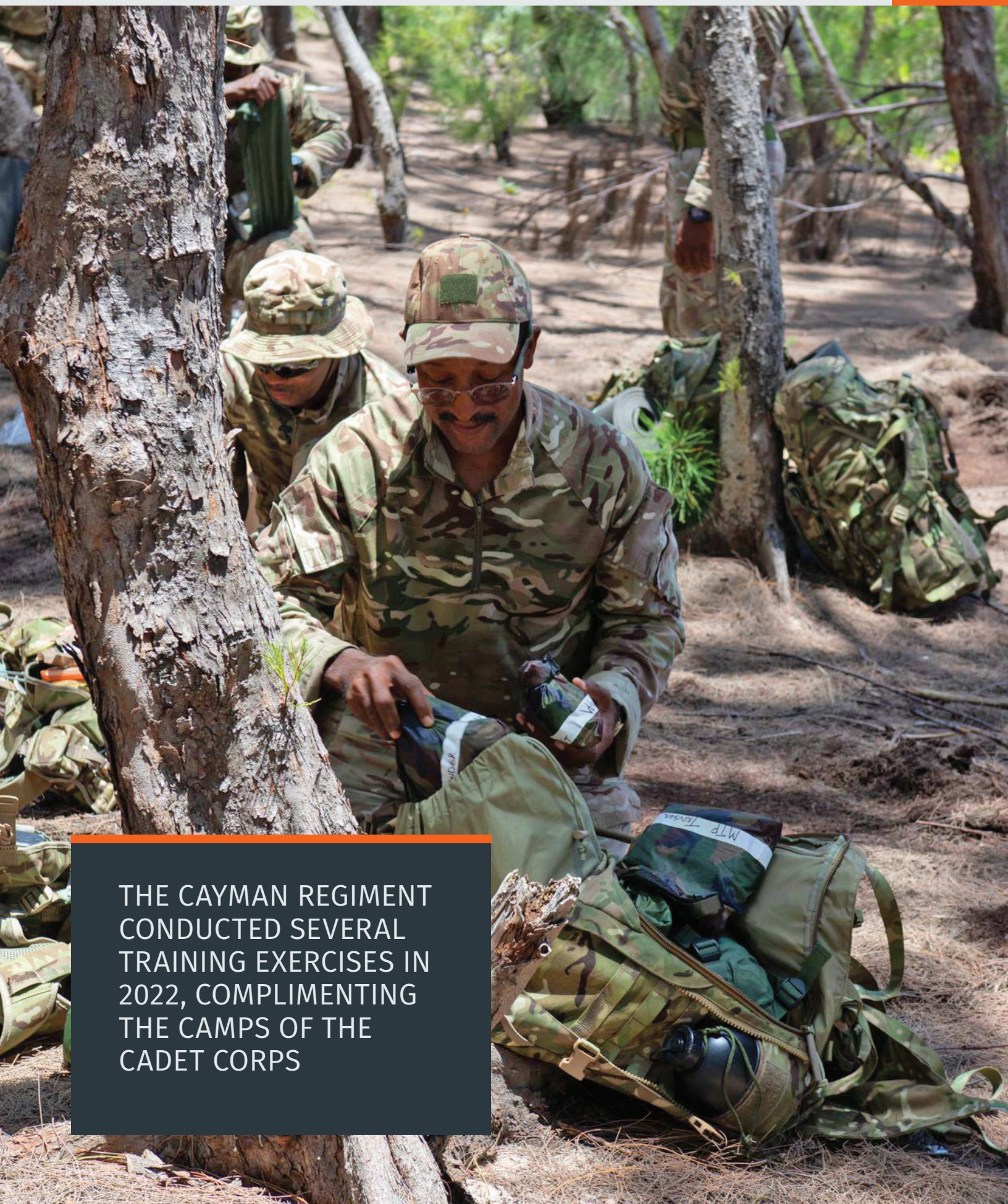


A high priority is placed on practical training in the field for Regiment personnel

BUDGET PERFORMANCE | CIR

2022 BUDGET VS ACTUALS				(KYD)
MEASURES	ORIGINAL 2022 BUDGET	FINAL 2022 BUDGET	JAN-DEC 2022 ACTUALS	SAVINGS / (OVERAGE)
Personnel	1,003,088	1,042,056	1,012,322	(9,234)
Supplies & Consumables	361,564	561,564	449,647	(81,083)
Depreciation	135,348	135,348	145,083	(9,735)
Total Expenses	1,500,000	1,738,968	1,607,052	(107,052)

2022 KEY PERFORMANCE INDICATORS	
MEASURES	RESULTS
QUANTITY	
Training sessions	25
Camps operated locally	1
Readiness exercises conducted locally	2
Parades attended	4
Community projects facilitated	6
QUALITY	
All instructors are competent in subject matter areas and deliver training in accordance with the relevant doctrine and in compliance with regional and international standards	80%
Annual training tests held in a range of core subjects	80%
Target for annual fitness and endurance tests	50%
Persons participating in parades are experienced in drill and words of command on parade	100%
TIMELINESS	
Training sessions happen on a regular monthly basis	70%
Regiment able to deploy a squadron-sized compliment of approximately 50 persons within 24 hours	100%
Regiment able to deploy a squadron-sized compliment of approximately 50 persons for overseas deployment within 24 hours	50%
Annual camp of between 7 and 14 days to be held	100%



THE CAYMAN REGIMENT
CONDUCTED SEVERAL
TRAINING EXERCISES IN
2022, COMPLIMENTING
THE CAMPS OF THE
CADET CORPS

DEPARTMENT PROFILE

CAYMAN ISLANDS CADET CORPS

The Cayman Islands Cadet Corps (CICC) is a national voluntary youth organisation. The nature and scope of the CICC is to develop confident, well-rounded, law-abiding citizens who demonstrate high levels of respect for authority and the wider community.



Lt. Colonel Errol Brathwaite
Commanding Officer, CICC



The Cadet Corps programme seeks to instil self-esteem, self-discipline and teamwork.

DEVELOPING TOMORROW'S LEADERS

CICC offers a diverse programme with a range of activities geared towards developing youth leadership, providing positive role models and promoting self-discipline. This is achieved by instilling in them values such as empathy, citizenship, time management, and conflict resolution.

OUR OVER-ARCHING MISSION

Our mission is to provide progressive cadet training of a challenging and exciting nature to foster confidence, self-reliance, responsibility, reliability, self-respect, alertness, physical and mental endurance and camaraderie.

1

Outcome One: Capability

Through progressive cadet training, develop mental and physical endurance, loyalty and initiative

2

Outcome Two: Leadership

To develop personal powers of practical leadership and to inspire teamwork

3

Outcome Three: Achievement

Instil military discipline and skills to better enable cadets to achieve their goals

4

Outcome Four: Values

To encourage cadets to develop positive spiritual and moral values

5

Outcome Five: Career Opportunity

To foster confidence so cadets can chart their path towards a successful future, having the uniformed service as a viable option for employment

ACHIEVEMENTS IN 2022 | CICC

Celebrating its 20th anniversary, the CICC continued its regular training with all detachments in January and continued uninterrupted throughout the year into December. During this time, Cadets, Volunteers and Staff demonstrated high levels of interest and excitement in a rejuvenated programme of activities. This was realised across routine training modules as well as participation in a number of community service projects.

TRAINING AND RECRUITMENT

- The full-time employee count increased from five to six during 2022 and Lieutenant Colonel Errol Braithwaite was approved to the appointment of Commandant and a new CICC Committee was appointed by the Cabinet at the start of the year.

Currently 43 volunteers assist the CICC and in September, CICC held a recruitment drive for cadets and adults.

- National and international training events were held throughout the year, including the twentieth anniversary camp which included cadets from Barbados, Jamaica and the Turks and Caicos Islands. A camp for non-commissioned officers and multiple teambuilding events also took place this year.
- Lieutenant Craig Palmer and Lieutenant Anneka Whyte attended phase 1 and 2 of the Junior Leadership Programme facilitated by RCIPS and Lieutenant Colonel Errol Braithwaite attended the Caribbean Commandants' Conference in Guyana. Staff also attended training in Mental First Aid, FOI and Jade.

MULTIAGENCY PARTNERSHIPS

- CICC maintained close partnerships throughout the year with several entities including the uniformed services to support the development of its cadets.
- CICC continued its work to finalise several MOU which will provide graduating cadets with career options within the uniformed services.

It is expected that the first two MOU will be signed in 2023.

DOCUMENTATION AND LEGISLATION

- CICC completed the 2022 Emergency Plan, completed a review of the CICC Act (2021 revision) and began a review of draft Regulations for the Corps.

OBJECTIVES FOR 2023 | CICC

The CICC continues to set strategic objectives to guide the year's work and in 2023 CICC will focus on developing enthusiasm, honesty and professionalism, amplifying efforts to engage and mentor more secondary school-aged children and inspire them to achieve success.

CAPITAL PROJECTS

- Capital projects will include the purchase of two buses, to replace an existing bus and accommodate the recent growth of CICC, ensuring cadets can get to and from training and other community activities.

TRAINING AND RECRUITMENT

The CICC have a small, but efficient staff. There is a heavy reliance on adult volunteers to perform various duties across the various detachments based on Grand Cayman and Cayman Brac. There is a dearth of qualified personnel available to deliver some of the training evolutions necessary to complete the Army Proficiency Certificate syllabus.

- Efforts in 2023 will focus on recruiting more volunteers. CICC plans to standardise and diversify cadet training to make it more appealing and relevant and provide flexible, more specialised training for its leadership.
- Following the recently revised promotion policy, succession planning efforts will focus on guiding officers to pursue promotion. Local, regional and international training attachments across the year will build skills and ultimately greater capacity in the Cadet Corps and other uniformed services.
- CICC's Cadet and Volunteer membership continues to grow; this success means they have outgrown civic centres for regular training and camps, and they are often competing for space with schools and other organisations. This issue could be resolved with a dedicated training facility and grounds.

COMMUNICATIONS

- CICC plan to solidify the brand and image. Work in this area will include revising the vision and mission, developing a health and wellness policy, creating a CICC regimental march and developing citizenry training.
- CICC will also focus on amplifying communications including website updates, re-establishing the CICC newsletter, soliciting sponsors for special projects, and the creation of a fundraising and events sub-committee.

COMMUNITY

- CICC will continue to support multiple community service projects throughout the year. They will also encourage the development of support groups to reinforce their social stability goals, including the re-establishment of their parent support classes, and the past Cadet Group.

LEGISLATION

- The CICC will continue its review of the Cadet Corps Act (2021 Revision) and update draft Regulations. Once completed, it will facilitate final Cabinet approval of the Regulations.

BUDGET PERFORMANCE | CICC

2022 BUDGET VS ACTUALS				(KYD)
MEASURES	ORIGINAL 2022 BUDGET	FINAL 2022 BUDGET	JAN-DEC 2022 ACTUALS	SAVINGS / (OVERAGE)
Personnel	596,021	555,195	391,140	204,872
Supplies & Consumables	194,132	194,132	188,560	5,572
Depreciation	39,003	39,003	39,264	(261)
Total Expenses	829,147	788,330	618,964	210,183

2022 KEY PERFORMANCE INDICATORS	
MEASURES	RESULTS
QUANTITY	
Training sessions	25
Camps operated locally	1
Readiness exercises conducted locally	2
Parades attended	4
Community projects facilitated	6
QUALITY	
All instructors are competent in subject matter areas and deliver training in accordance with the relevant doctrine and in compliance with regional and international standards	80%
Annual training tests held in a range of core subjects	80%
Target for annual fitness and endurance tests	50%
Persons participating in parades are experienced in drill and words of command on parade	100%
TIMELINESS	
Training sessions happen on a regular monthly basis	70%
Regiment able to deploy a squadron-sized compliment of approximately 50 persons within 24 hours	100%
Regiment able to deploy a squadron-sized compliment of approximately 50 persons for overseas deployment within 24 hours	50%
Annual camp of between 7 and 14 days to be held	100%



IN 2022 THE CAYMAN ISLANDS
CADET CORPS CELEBRATED
ITS 20TH ANNIVERSARY WHILE
ALSO PARTICIPATING IN THE
NATIONAL HEROES DAY PARADE

CONCLUSION

Throughout 2021–22, the Ministry of Home Affairs remained committed to contributing to the prosperity of the Cayman Islands, reinforcing resilience and security and supporting unity within the community.



There have been many accomplishments and much groundwork covered during the period and this report reflects the continuous growth of a young ministry with a critically important remit.

Hon. Sabrina Turner, MP
Minister of Home Affairs

SUPPORTING RECOVERY AND GROWTH

The Ministry operated effectively in 2021–2022 within a complex landscape to ensure the ongoing safety and security of residents of the Cayman Islands.

We confronted and successfully overcame a variety of challenges to the critical services we deliver, supporting Government programmes that focus on ongoing growth and security.

COVID-19 continued to impact the work that we do and how we do it; the Pandemic's continued toll on our workforce being one of the most significant challenges to operations this year, most significantly across the Prison Service, the Department of Community Rehabilitation and the Cadet Corps.

We are a young Ministry and in 2022 we have continued to learn to better prepared, be more resilient and ever adaptable to ensure even the greatest threats and challenges do not weaken our performance.

STANDING TOGETHER

The Cayman Islands' economic prosperity and security continue to be underpinned by enhanced social cohesion, including through the promotion of Caymanian values, such as good stewardship and community. These are embedded within our work as a shared link between our agencies and our wider communities.

These principles were promoted through community engagement, from our proud participation in National Parades and Holiday events to our continued investment in the recognition and celebration of our staff, including the ongoing development of a framework for continued learning, training and development. Collectively these efforts aim to uphold social cohesion in the Cayman Islands.

CONCLUSION

The Ministry demonstrated agility, resilience and flexibility when contending with natural disasters, for example, the implementation of rapid response strategies in relation to Hurricane Ian in September 2022.



Outreach initiatives, including the upgrading and maintenance of multiple communications channels through the DPSC and cross agency collaboration across policy, legislation and case management, sought to establish meaningful lines of communication. This provides the community with accurate information on Government programs and services, while offering avenues for community sentiment to be relayed to relevant programme areas across Government.

A COLLABORATIVE, MULTI-AGENCY APPROACH

Throughout 2021–22, the various Ministry departments worked in close partnership to provide an uplift of resilience, preparedness and response capabilities in relation to emergency response activity.

The Ministry provided effective coordination support in order to ensure the continuation of public safety services. The Ministry also continued to review and advise on policy to improve legislation our areas of responsibility. In 2022, the Ministry also continued to respond effectively and decisively to crisis situations.

The Ministry demonstrated agility, resilience and flexibility when contending with natural disasters, for example, the implementation of rapid response strategies in relation to Hurricane Ian in September 2022.

A seamless relief response was coordinated across the Cayman Islands Regiment, the Cayman Islands Cadet Corp, the Cayman Islands Fire Service who worked in partnership with the emergency services and NEOC to deliver additional relief and resilience.

The coordinated efforts of our emergency services in partnership with community and government agencies, led to rapid responses, which prioritised the lives and interests of our residents.

The development of a multi-agency approach in the areas of policy, analysis and regulation has better enabled the Ministry to lead activities related to the protection of Cayman's critical infrastructure.

These include, for example, the development of an Offender Management Framework, which includes the review of the Alternative Sentencing Law and the drafting of the Victim's Rights Bill, and is the vital work of both the Department of Community Rehabilitation, the Core MHA team and the Cayman Islands Prison Service.

Furthermore, an SLA between the Prison Service and the Department of Community Rehabilitation will cement the partnership between front line staff and consolidate efforts in offender management.

Cohesion across our units will allow us to support rehabilitation and reduce the risk of reoffending more effectively.

CONCLUSION

A HIGH LEVEL OF ATTAINMENT

Departments across the Ministry have taken a unified approach to address systems gaps in the social, health and criminal justice system and consolidated their efforts and resources in many cases to maintain operations and continue to deliver results.

Strong synergies exist between the operations and mandate of HMCIPS and DCR, between CICC and CIR and between CIFS and CIR.

Significant advances have been made in case management technology used by HMCIPS and DCR which should positively impact reoffending.

Capital projects are being progressed, including the replacement of aviation appliances, the expansion of Central Bay and storage facility for CIFS, as well the New Prison Estate Development Project.

Recruitment and training has taken place across all departments, and will continue to be a priority in the 2023. There have been promotions in several departments including within the fire service, and new roles created to stabilise and support existing operations across departments, including vital roles in DCR to support front line staff in high pressure environments.

Policy and legislative reviews are ongoing across the Ministry. Our teams are working hard to carefully consider policy changes that support the PACT Government's outcomes and create safer, stronger and more resilient communities in the Cayman Islands.



OUR PEOPLE

During 2022, the Ministry and our staff faced many challenges, compounded by increases in the pace of our work and the demand on our services.

Nevertheless, through extensive collaboration, determination and hard work, our people have demonstrated their extraordinary resilience and adaptability to deliver on our organisational priorities.

As attested throughout this report, our people, as our most important asset, were able to produce strong outcomes for the Caymanian people amongst an ever-evolving operating environment.

The Ministry continued supporting its staff through cross agency collaboration, training initiatives and policy reform, demonstrating the Ministry's commitment and efforts to uplift our priority areas and pursuit of the PACT core principles (People Driven, Accountable, Competent and Transparent).

Our ongoing efforts must continue to support staff attraction, retention, resilience and wellbeing.

LOOKING AHEAD

The Ministry will continue to face an increasingly complex and evolving operation environment. Accordingly, we must continue to ensure we are equipped and capable of delivering on our existing functions and meeting emerging priorities in the future - this we will do by expanding our resources to meet increased demands.



On behalf of the Ministry of Home Affairs, I am very proud of all we have achieved and confident that the Ministry is well positioned to continue delivery of essential, reliable and resilient services while focusing on our people and our duty to keep the Cayman Islands safe and secure.

Hon. Sabrina Turner, MP
Minister of Home Affairs

LOOKING AHEAD TO NEW OPPORTUNITIES, GOALS AND CHALLENGES

We will remain focused on our operational delivery of services in line with the expectations of Government, industry partners and the community. We will continue to explore and leverage our innovative, adaptable and scalable capabilities, while further deepening opportunities for collaboration and integration across the Portfolio.

We will continue to implement shared and common services across the Ministry. Leveraging the Ministry's role as a key central policy and coordination agency, we will see to realise further efficiencies and opportunities to amalgamate core services in line with the goals of the wider PACT Government.

The Ministry will also seek to strengthen its strategic partnerships with key Ministries, regional and international agencies and private sector. These collaborative partnerships remain critical to the success of our work and ensure the MHA is able to support the community as future challenges arise.

As this report affirms, investment in training, development and recruitment are universal needs across the departments. Further investment in capital projects is needed; from vital lifesaving equipment such as ladders and tankers for CIFS operations to buses and a training facility for CICC.

Expansion of the rehabilitation services offered by HMCIPS and DCR will reduce reoffending and investment in technology will allow for cohesive multi-agency case management to support rehabilitation and increase public safety.

Additional resources will allow the time and space for thorough policy review and legislative reform, critical to the safeguarding and social cohesion of our country.

With investment comes the requirement to be as efficient and effective as we can be, with the Ministry meeting 2022 targets. We will continually review our financial position.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Ministry of Home Affairs (the “Ministry”) 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 Acting 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 Act, and properly record the financial transactions of the ministry.

As Acting Chief Officer and Chief Financial Officer we are responsible for the preparation of the ministry’s financial statements, representation and judgments made in these statements.

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

- (a) Completely and reliably reflect the financial transactions of the ministry for the 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. Where guidance is not available, the financial statements comply with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board.

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



Julian Lewis
Acting Chief Officer
Date: April 30, 2023



Carrol A. Cooper
Chief Financial Officer
Date: April 30, 2023

AUDITOR GENERAL'S REPORT



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To the Members of Parliament and the Chief Officer of the Ministry of Home Affairs

Opinion

I have audited the financial statements of the Ministry of Home Affairs (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 assets 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 37.

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 23 of the financial statements, the Cabinet of Ministers authorized several supplementary appropriations for the Ministry under section 11(5) of the Public Management and Finance Act (PMFA) in 2022. The net impact of these was an increase of \$621,930 in the Ministry's budget. The Cabinet also approved an additional equity injection of \$490,000 for the Ministry under the same section of the PMFA. A supplementary appropriations bill for the funding was not introduced in Parliament by 31 March 2023 as required by section 11(6) of the PMFA.

My opinion is not qualified with respect to 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 GENERAL'S REPORT continued

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.



Angela Cullen, CPFA
Acting Auditor General

30 April 2023
Cayman Islands

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

Actual 2021 Restated (\$'000))		Note	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
	AS AT 31 DECEMBER 2022					
	Current Assets					
3,432	Cash and cash equivalents	3	3,758	3,559	3,559	(199)
4,677	Trade receivables	4	7,520	4,640	4,640	(2,880)
2,327	Other receivables	4	1,698	-	-	(1,698)
83	Inventories	5	73	-	-	(73)
37	Prepayments	5b	121	-	-	(121)
10,556	Total Current Assets		13,170	8,199	8,199	(4,971)
	Non-Current Assets					
11	Intangible Assets	7	7	20	20	13
42,804	Property, plant and equipment	6	39,844	37,505	38,215	(2,339)
42,815	Total Non-Current Assets		39,851	37,525	38,235	(2,326)
53,371	Total Assets		53,021	45,724	46,434	(7,297)
	Current Liabilities					
1,737	Trade payables	8	548	455	455	(93)
2,292	Other payables and accruals	8	2,064	-	-	(2,064)
120	Unearned revenue	9	120	-	-	(120)
2,022	Employee entitlements	10	2,708	-	-	(2,708)
906	Repayment of surplus	11	-	-	-	-
7,077	Total Current Liabilities		5,440	455	455	(4,985)
7,077	Total Liabilities		5,440	455	455	(4,985)
46,294	Net Assets		47,581	45,269	45,979	(2,312)
	NET ASSETS/EQUITY					
46,294	Contributed capital		48,014	45,269	45,979	(2,745)
-	Accumulated deficits		(433)	-	-	433
46,294	Total Net Assets/Equity		47,581	45,269	45,979	(2,312)

The accounting policies and notes starting on pages 9-37 form an integral part of these financial statements.

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2022

Actual 2021 Restated (\$'000)		Note	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
	Revenue					
26,050	Sale of goods and services	13	50,508	50,340	50,962	(168)
26,050	Total Revenue		50,508	50,340	50,962	(168)
	Expenses					
17,894	Personnel costs	14	36,636	36,988	36,194	352
4,871	Supplies and consumables	15	9,652	9,660	11,076	8
2,371	Depreciation & Amortisation	6&7	5,210	3,682	3,682	(1,528)
-	Impairment of property	6	362	-	-	(362)
8	Other Gains and Losses	16	(13)	10	10	23
25,144	Total Expenses		51,847	50,340	50,962	(1,507)
906	Surplus / (Deficit) for the period/year		(1,339)	-	-	1,339

The accounting policies and notes starting on pages 9-37 form an integral part of these financial statements.

STATEMENT OF CHANGES IN NET ASSETS/EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Contributed Capital (\$'000)	Accumulated Surplus/ (deficits) (\$'000)	Total (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
Changes in net worth for 2021						
Transfer of departments	42,586	-	42,586	-	-	(42,586)
Equity Investment from Cabinet	3,708	-	3,708	35,182	35,182	31,474
Surplus payable to Cabinet (Restated)	-	(906)	(906)	-	-	906
Net revenue / expenses recognised directly in net worth	46,294	(906)	45,388	35,182	35,182	(10,206)
Surplus/(deficit) for the year ending December 2021 (Restated)	-	906	906	-	-	(906)
Total recognised revenues and expenses for the period	46,294	-	46,294	35,182	35,182	(11,112)
Balance at 31 December 2021 carried forward	46,294	-	46,294	35,182	35,182	(11,112)
Balance at 31 December 2021 brought forward	46,294	-	46,294	35,182	35,182	(11,112)
Prior Year Adjustments						
Prior Year Adjustments	(1)	-	(1)	-	-	1
Restated balance 31 December 2021	46,293	-	46,293	35,182	35,182	(11,111)
Changes in net worth for year ending December 2022						
Transfer of departments	58	-	58	-	-	(58)
Equity Investment from Cabinet	1,663	-	1,663	10,087	10,797	8,424
Surplus payable to Cabinet	-	906	906	-	-	(906)
Net revenue / expenses recognised directly in net worth	1,721	906	2,627	10,087	10,797	7,460
Surplus/(deficit) for the year ending December 2022	-	(1,339)	(1,339)	-	-	1,339
Total recognised revenues and expenses for the period	1,721	(433)	1,288	10,087	10,797	8,799
Balance at 31 December 2022 carried forward	48,014	(433)	47,581	45,269	45,979	(2,312)

The accounting policies and notes starting on pages 9-37 form an integral part of these financial statements.

CASHFLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior Year Actual Restated (\$'000)			Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
	CASH FLOWS FROM OPERATING ACTIVITIES					
	<i>Receipts</i>					
21,255	Outputs to Cabinet		47,344	49,246	49,246	1,902
13	Outputs to other government agencies		384	-	-	(384)
23	Sale of goods and services - third party		424	110	110	(314)
33	Other receipts		(33)	-	-	33
	<i>Payments</i>					
(16,676)	Personnel costs		(35,498)	(36,988)	(36,988)	(1,490)
(3,456)	Supplies and consumables		(11,933)	(10,022)	(10,022)	1,911
-	Other payments		-	(10)	(10)	(10)
1,192	Net cash flows from operating activities		688	2,336	2,336	1,648
	CASH FLOWS FROM INVESTING ACTIVITIES					
(1,169)	Purchase of property, plant and equipment		(2,473)	(10,087)	(10,797)	(7,614)
	Proceeds from sale of property, plant and equipment		12	-	-	(12)
(1,169)	Net cash outflows from investing activities		(2,461)	(10,087)	(10,797)	(7,626)
	CASH FLOWS FROM FINANCING ACTIVITIES					
1,661	Equity Investment from Org 40		2,047	10,087	10,797	8,040
1,748	Funds received from Ministry reorganisation		52	-	-	(52)
3,409	Net cash flows from financing activities		2,099	10,087	10,797	7,988
3,432	Net increase in cash and cash equivalents		326	2,336	2,336	2,010
-	Cash and cash equivalents at beginning of period		3,432	1,223	1,223	(2,209)
3,432	Cash and cash equivalents at end of period	3	3,758	3,559	3,559	(199)

The accounting policies and notes starting on pages 9-37 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 1: Description and Principal Activities

The Ministry of Home Affairs (the “Ministry”) is a Government owned entity as defined by the *Public Management and Finance Act (2020 Revision)* and it is domiciled in the Cayman Islands.

The ministry funds, develops and monitors the implementation of policy, legislation and services in the areas of prison services, community rehabilitation, fire services and public safety and communication, including the management of 911. The principal activities of the ministry include national security, emergency management operations and public safety communications. The ministry’s capacity to respond to national disasters/emergencies is further enhanced by the Cayman Islands Cadet Corps and the Cayman Islands Regiment.

Following the General Elections in April 2021, the home affairs departments were transferred to the new Ministry of Home Affairs. These departments included: the Prison Services, Community Rehabilitation, Fire Services and Public Safety and Communication. In addition, the Cayman Islands Cadet Corps and the Cayman Islands Regiment were transferred from the Ministry of Education, Youth, Sports, Agriculture and Lands and the Ministry of Employment and Border Control respectively, to complete the Ministry of Home Affairs.

Note 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.

The accounting policies set out below have been applied consistently over the period 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 basis applied to these financial statements is the historical cost basis (Land and Buildings are stated at revalued amounts). All numbers in these financial statements are rounded to the nearest thousand.

Reporting Period

The reporting period is the year ended 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 2: Significant Accounting Policies (continued)

New and revised accounting standards issued that are not yet effective for the financial year beginning 1 January 2022 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 assessments of the impact of these new standards are set out below.

IPSAS 41, Financial Instruments was issued in August 2018 and shall be applied for financial statements covering periods beginning on or after 1 January 2023. IPSAS 41 establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement. 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 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 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. Inter alia, IPSAS 43 requires lessees to measure and account for the right-of-use asset and the lease liability; exemptions apply to short-term leases what will continue to be accounted for in the same manner that operating leases are accounted for under IPSAS 13. It is anticipated that IPSAS 43 will not have a significant impact on the MHA'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 MHA's financial statements, but this will be assessed more fully closer to the effective date of adoption.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 2: Significant Accounting Policies (continued)

Changes in Accounting Policies

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

The financial statements show comparison of actual amounts with amounts in the original and final budget. Explanations of material differences between original budget and actual amounts are provided as required by IPSAS 24.

However, the 2021 comparison only covers six months. Therefore, they are not entirely comparable to the 2022 amounts which are for a 12-month period.

(b) Budget Amounts

The original budget amounts for the period ended 31 December 2022 are as presented in the 2022 Budget Statement and were approved by Parliament. The budget was prepared based on the accrual accounting concept and the going concern basis.

(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, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

Changes in Accounting Estimates

IPSAS 3 requires disclosure of any changes in accounting estimates and the nature, amount and the financial effect on present, past and/or future period. There were no changes in accounting estimates.

(d) 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 recognized as a liability (unearned revenue).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 2: Significant Accounting Policies (continued)

Cabinet revenue is recognized at the monthly cost to produce the outputs agreed in the Annual Budget Statement for 2022. Other revenues are recognized at the fair value of services provided.

(e) Expenses

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

(f) Operating Leases

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, where this is representative of the pattern of benefits to be derived from the leased property. Lease payments under operating lease, net of lease incentives received, are recognized as expenses on a straight-line basis over the lease term. Lease incentives received are recognized 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 recognized expenditure paid in advance of receiving services has been recognized as a prepayment.

(i) Inventories

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

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

Inventories held for sale or use in the production of goods and services on a commercial basis are valued at the lower of cost and net realizable value. Costs are assigned to inventories using first-in first-out (FIFO) as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 2: Significant Accounting Policies (continued)

(j) Property, Plant and Equipment

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

In accordance with IPSAS 17, when buildings are revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset.

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.

<u>Asset Type</u>	<u>Estimated Useful life</u>
• Buildings	40 – 60 years
• Motor vehicles	4 – 12 years
• Furniture and fittings	3 – 20 years
• Computer equipment and software	3 – 10 years
• Office equipment	3 – 20 years
• Other plant and equipment	5 – 25 years
• Other assets	3 – 25 years

Impairment

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the period end. Assets that are subject to amortization are reviewed for impairment whenever events of 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.

See **Note 6** below in respect to the carrying values of buildings for Her Majesty's Cayman Islands Prison Service.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 2: Significant Accounting Policies (continued)

Assets under construction or development

Work in progress items are valued at cost. No depreciation is applied to work in progress items until such time as they are commissioned.

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.

(k) Employee Entitlements

Employee entitlements to salaries and wages, annual leave, long service leave, retiring leave and other similar benefits are recognized 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 the 1 January 2000, the Board operated a defined benefit scheme. With effect from the 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 recognized 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 cash and cash equivalents, trade and accounts receivables and trade and accounts payable, all of which are recognized 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 recognized 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, term deposits and trade receivable.

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 accounts payable, accrued expenses and repayment of surplus.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 2: Significant Accounting Policies (continued)

Financial Instruments (continued)

Recognition

The ministry 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 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 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 de-recognized when the ministry 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 expires.

(m) Contingent Liabilities and Assets (including guarantees)

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

(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 period the following exchange rates are used to translate foreign currency balances:

- Foreign currency monetary items are 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 2: 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 accommodation in the central government building and human resources management by 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 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 an item of property, plant and equipment, such service in-kind is recognized in the cost of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 3: Cash and Cash Equivalents

The ministry's cash and cash equivalents as at the end of the year amounted to \$3.8 million, which was just under \$200 thousand over the budget.

Actual 2021 Restated (\$'000)	Description	Foreign Currency	Exchange Rate	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
10	Cash in transit (IRIS Remittance Account)			1	1	-	-
2,536	CIS Operational Current Account held at Royal Bank of Canada			2,673	3,558	3,558	885
898	US\$ Operational Current Account held at Royal Bank of Canada	60	0.0008	49	-	-	(49)
(12)	Payroll Current Account held at Royal Bank of Canada			1,035	-	-	(1,035)
3,432	TOTAL			3,758	3,559	3,559	(199)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 4: Trade and Other Receivables

Trade receivables

Trade receivables as at the end of the year totaled \$7.5 million, which was \$2.9 million over the budget. The outstanding Cabinet revenue accounted for 97% of the trade receivables and represents amounts outstanding for November and December 2022. The trade receivable for sale of goods and services are largely amounts invoiced by HMCIPS for services provided to other jurisdictions as well as farm sales to other Government entities.

Actual 2021 Restated (\$'000)	Trade Receivables	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
162	Sale of goods and services	220	-	-	(220)
4,515	Outputs to Cabinet	7,300	4,640	4,640	(2,660)
4,677	Total trade receivables	7,520	4,640	4,640	(2,880)

Actual 2021 Restated (\$'000)		Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
	Current				
4,521	Past due 1-30 days	7,520	(209)	(209)	(7,729)
-	Past due 31-60 days	-	4,640	4,640	4,640
156	Past due 90 and above	-	116	116	116
	Non-Current				
-	Past due 1 year and above	-	93	93	93
4,677	Total	7,520	4,640	4,640	(2,880)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 4: Trade and Other Receivables (continued)

Other receivables

Other receivables largely comprised \$1.7 million outstanding from Cabinet for Equity Injection (EI 85) in respect to the acquisition of fixed assets. These funds were subsequently received in 2023.

Actual 2021 Restated (\$'000)	Other Receivables	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
2	Advances (salary, Official Travel, etc.)	14	-	-	(14)
75	Inter-entity Due from	-	-	-	-
2,250	Other	1,684	-	-	(1,684)
2,327	Total other receivables	1,698	-	-	(1,698)

Actual 2021 Restated (\$'000)		Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
	Current				
2,219	Past due 1-30 days	30	-	-	(30)
102	Past due 31-60 days	-	-	-	-
3	Past due 61-90 days	-	-	-	-
3	Past due 90 and above	1,667	-	-	(1,667)
2,327	Total	1,698	0	0	(1,697)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 5: Inventories

Actual 2021 Restated (\$'000)	Description	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
83	Inventory held for use in the provision of goods and services	73	-	-	(73)
83	Total	73	-	-	(73)

Inventories held at the end of December 2022 amounted to \$73 thousand dollars and were held by the Prison Service. These are mainly food supplies and consumables.

Note 5b: Prepayments

Prepayments at the end of December 2022 amounted to \$121 thousand and were largely held by the Prison Services for certain preventive maintenance services and the Department of Public Services and Communications for software licences.

Actual 2021 Restated (\$'000)	Description	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
37	Accrued Prepayments	121	-	-	(121)
37	Total	121	-	-	(121)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 6: Property, Plant & Equipment

Cost	Land	Plant & Equipment	Buildings & Leasehold	Furniture & Fittings	Computer Hardware	Office Equipment	Roads & Sidewalks	Water Retriculation	Infrastructure	Motor Vehicles	Marine Vessels	Other assets	Assets under construction or development	Total	Original Budget 2021	Variance
Balance as at 1 January 2021																
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	4,425	17,976	22,267	389	1,414	134	-	81	8,576	1,338	768	848	1,792	60,008	47,741	(12,267)
Balance as at 31 December 2021	4,425	18,399	22,339	389	1,443	136	-	81	8,576	1,888	768	884	4,135	63,463	57,954	(5,509)
Cost	Land	Plant & Equipment	Buildings & Leasehold	Furniture & Fittings	Computer Hardware	Office Equipment	Roads & Sidewalks	Water Retriculation	Infrastructure	Motor Vehicles	Marine Vessels	Other assets	Assets under construction or development	Total	Original Budget 2022	Variance
Balance as at 1 January 2022																
Additions	4,425	18,399	22,339	389	1,443	136	-	81	8,576	1,888	768	884	4,135	63,463	57,954	5,509
Disposals and Derecognition	157	2,385	635	32	101	55	23	-	45	352	-	53	1,548	5,386	10,087	(4,701)
Impairment	-	(474)	-	-	(4)	-	-	-	-	-	-	-	-	(478)	-	(478)
Transfer out	-	-	(298)	-	-	-	-	-	-	-	-	-	(98)	(396)	-	(396)
Transfer in	-	(91)	-	-	-	-	-	-	-	-	-	-	(2,688)	(2,779)	-	(2,779)
Balance as at 31 December 2022	4,582	20,219	22,676	421	1,540	191	23	81	8,621	2,270	768	937	2,897	65,226	68,041	2,815

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2022

Note 6: Property, Plant & Equipment (continued)

Reference is made to “Asset Revaluation” below. It should be noted that buildings and leasehold include net book value of \$14.2 million properties for the Prison Service. However, there is plan afoot to build a new prison building on a phased basis over a period of approximately ten (10) years. As there is no immediate plan to demolish the existing infrastucture, the current revaluation values have been used. However the Director’s House was impaired as it is no longer habitable. This resulted in an impairment adjustment of \$362 thousand.

Accumulated Depreciation and Impairment losses

	Land	Plant & Equipment	Buildings & Leasehold	Furniture & Fittings	Computer Hardware	Office Equipment	Roads & Sidewalks	Water Retriculation	Infrastructure	Motor Vehicles	Marine Vessels	Other assets	Assets under construction or development	Total	Original Budget 2021	Variance
Balance as at 1 January 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	9,131	1,163	209	1,184	81	-	-	9	4,353	911	454	793	18,288	22,973	4,685
Depreciation Expense	-	573	825	13	72	11	-	3	728	103	28	-	12	2,368	3,973	1,605
Balance as at 31 December 2021	-	9,704	1,988	222	1,256	92	-	12	5,081	1,014	482	805	-	20,656	26,946	6,290

	Land	Plant & Equipment	Buildings & Leasehold	Furniture & Fittings	Computer Hardware	Office Equipment	Roads & Sidewalks	Water Retriculation	Infrastructure	Motor Vehicles	Marine Vessels	Other assets	Assets under construction or development	Total	Original Budget 2022	Variance
Balance as at 1 January 2022	-	9,704	1,988	222	1,256	92	-	12	5,081	1,014	482	805	-	20,656	26,946	6,290
Transfer in	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	1,281	1,911	25	137	27	3	6	1,508	233	47	29	-	5,207	3,591	(1,616)
Impairment	-	-	(34)	-	-	-	-	-	-	-	-	-	-	(34)	-	34
Eliminate on Disposal or Derecognition	-	(468)	-	-	(4)	-	-	-	-	-	-	-	-	(472)	-	472
Balance as at 31 December 2022	-	10,517	3,865	247	1,389	119	3	18	6,589	1,272	529	834	-	25,382	30,537	5,154
Net Book value 31 December 2022	4,425	8,695	20,351	166	186	44	-	69	3,495	874	286	78	4,135	42,804	31,009	(11,795)
Net Book value 31 December 2022	4,582	9,702	18,811	174	151	72	20	63	2,032	998	239	103	2,897	39,844	37,504	(2,339)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 6: Property, Plant & Equipment (continued)

Asset Revaluation

Properties (buildings and structures) were revalued as at 1 January 2021 by in-house professionals with the exception of specialized buildings which were contracted to independent evaluators and are stated at revalued amounts less accumulated depreciation. The previous revaluation was conducted 30 June 2016. Whilst properties were revalued 1 January 2021, the values in these accounts represent the net book value as at 30 June 2021, when the assets were transferred to this ministry, and then further depreciated up to 31 December 2022.

Valuation methods

The valuations of the ministry's buildings have been prepared in accordance with IPSAS, Royal Institute of Chartered Surveyors (RICS) Red Book, 2021 Valuation Standards references with the International Valuation Standards, and the guidance notes provided by the RICS. Particular regard should be paid to the following definitions and methodology having been adopted in the assessment of value:

- Fair Value (Market Value) defined in accordance with IFRS 13 Fair Value Measurement as follows: "The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date."
- Fair Value (Existing Use Value) extends the definition of Fair Value (Market Value) in "assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause its market value to differ from that needed to replace the remaining service potential at least cost."
- Specialized Assets: Specialized assets are those for which no market exists for the current use. Specialized assets are valued using the Depreciated Replacement Cost method (DRC valuation). The definition of 'Depreciated Replacement Cost', as contained in The Standards, is as follows: "The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimization."

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 6: Property, Plant & Equipment (continued)

Valuation assumptions

Plant and machinery have only been included in the valuation of building assets where these form an integral part of the fabric of the building (e.g. lifts or air conditioning equipment) or where it perform a task crucial to the continuation of the existing use (e.g. swimming pools). Unless specifically stated otherwise, it is assumed that such items are reflected in the unit building cost.

It is assumed that all properties have the required planning consents and certificates for use and construction. Where Fair Value (or land value in a DRC valuation) relies on obtaining an alternative planning consent the alternative use has been derived from consideration of prevailing land uses in the immediate area and Local Planning Policies and practice.

Where an asset has been valued by Depreciated Replacement Cost (DRC) it is subject to the prospect and viability of the asset continuing to be used for the existing use.

These valuations do not take into account any form of selling or purchase costs, tax (including Stamp Duty), inflation or finance costs. In Cayman, there is no tax on property except for Stamp Duty which is ordinarily required to be paid by a purchaser.

Valuations of each 'specialized building' state their total asset value and the (depreciated) value of the respective building. Those with a depreciated building value greater than \$0.5 million also state figures for their 'component' parts. Buildings valued by the investment or comparison methods of valuation also state figures for their respective land values. These do not compute to reflect actual building values but indicate the inherent value attributing to the land only.

Where applicable, the remaining economic life of the building / building components has been indicated. This is the period during which the building element is anticipated to have a future useful economic life for its existing purpose.

In preparing the valuations, information has been obtained from the following sources:

- Cayman Islands Government 2001 Asset Register.
- Cayman Islands Government Land Registry Database.
- Caymanlandinfo System (Mapping, aerial photography, evidence of comparable sales and lettings).
- Copies of and extracts from leases.
- Architect scaled floor plans.
- Ministries and users / occupiers of operational property assets.

Land areas (where stated) are provided for guidance only and are quoted from the Land Registers or otherwise from Caymanlandinfo database. Any building floor areas supplied have been obtained from one of the following sources:

- Measurements taken on site.
- Measurements extracted from Cayman Islands Government property records.

Buildings were revalued as an entire class of asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 7: Intangible Assets

Intangible Assets

	<i>Computer Software</i>	<i>Total</i>	<i>Original Budget 2021</i>	<i>Final Budget 2021</i>	<i>Variance (Orig. vs Actual)</i>
Balance as at 1 January 2021	-	-	-	-	-
Additions	-	-	180	180	180
Transfers	522	522	592	592	70
Balance as at 31 December 2021	522	522	772	772	250
	<i>Computer Software</i>	<i>Total</i>	<i>Original Budget 2022</i>	<i>Final Budget 2022</i>	<i>Variance (Orig. vs Actual)</i>
Balance as at 1 January 2022	522	522	772	772	250
Balance as at 31 December 2022	522	522	772	772	250

Accumulated Depreciation and impairment losses

	<i>Computer Software</i>	<i>Total</i>	<i>Original Budget 2021</i>	<i>Final Budget 2021</i>	<i>Variance (Orig. vs Actual)</i>
Balance as at 1 January 2021	-	-	-	-	-
Transfers	510	510	571	571	61
Amortisation Expense	2	2	89	89	87
Balance as at 31 December 2021	512	512	660	660	148
	<i>Computer Software</i>	<i>Total</i>	<i>Original Budget 2022</i>	<i>Final Budget 2022</i>	<i>Variance (Orig. vs Actual)</i>
Balance as at 1 January 2022	512	512	659	659	148
Amortisation Expense	3	3	92	92	89
Balance as at 31 December 2022	515	515	751	751	236
Net Book value 31 December 2021	10	10	112	112	102
Net Book value 31 December 2022	7	7	21	21	13

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 8: Trade Payables, Other Payables & Accruals

Actual 2021 Restated (\$'000)		Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
1,617	Creditors	546	455	455	(91)
121	Creditors Ministries/Portfolios	2	-	-	(2)
1	Payroll Deductions	2	-	-	(2)
2,314	Accrued Expenses	2,024	-	-	(2,024)
(22)	Other payables	38	-	-	(38)
4,031	Total trade payables other payables and accruals	2,612	455	455	(2,157)

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

Total trade payables, other payables and accruals amounted to \$2.6 million as at 31 December 2022. Though higher than budget, it was nonetheless lower than the balance at the end of the prior financial year. The accrued expenses represent miscellaneous outstanding payments to vendors, the most significant of which relate to outstanding medical charges in respect to inmates.

The ministry has booked pension liability of \$300 thousand and is in the process of seeking Cabinet's approval for supplementary funding.

Note 9: Unearned Revenues

Actual 2021 Restated (\$'000)	Details	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
120	Other unearned revenue	120	-	-	(120)
120	Total unearned revenue	120	-	-	(120)

Unearned revenue at the end of the year was \$120 thousand. This represents grant funding of \$10 thousand held by the Prison Service in respect to assistance to released-persons continued education and re-introduction into the community. The programme activities were expected to be delivered in the current financial year but have not yet occurred as the programme had not been finalized. In addition, \$110 thousand was transferred from the Ministry of Financial Services for the Prison Services which is to be used to acquire specialised equipment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 10: Employee Entitlements

Actual 2021 Restated (\$'000)		Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
615	Comp time	521	-	-	(521)
1,137	Annual leave accrual	1,567	-	-	(1,567)
252	Accrued salaries	374	-	-	(374)
18	Pension	246	-	-	(246)
2,022	Total current portion	2,708	-	-	(2,708)
2,022	Total employee entitlements	2,708	-	-	(2,708)

Annual leave entitlements are calculated on current salary, pay scale, and years of service in accordance with the *Public Service Management Act (2020 Revision)* and the accompanying Regulations.

Note 11: Surplus Payable

There was no surplus payable as at 31 December 2022 (2021:\$906k). Under the Public Management & Finance Act (2020 Revision) section 39 (3) (f), the ministry may “retain such part of its net operating surplus as is determined by the Financial Secretary”. The Financial Secretary has not confirmed whether the ministry can retain the surplus achieved during the year.

Note 12: Revenue from Non-Exchange Transactions

During the year ended 31 December 2022, the ministry received services in-kind in the form of accommodation in the central government building and human resources management by the Portfolio of the Civil Service. The fair value of these services cannot be determined and therefore no expense has been recognised in these financial statements for the twelve months ended 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 13: Sales of Goods & Services

Actual 2021 Restated (\$'000)	Revenue type	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
25,770	Outputs to Cabinet	50,129	50,230	50,852	101
199	Fees and charges	217	-	-	(217)
78	General sales	160	110	110	(50)
3	Other	2	-	-	(2)
26,050	Total sales of goods and services	50,508	50,340	50,962	(168)

Outputs to Cabinet comprise goods delivered to and services performed on behalf of the Cayman Islands' Government. Cabinet revenues are drawn down based on the entity costs incurred.

Outputs to other government agencies comprise trade between the ministry and other government bodies. These are arm length transactions governed by Service Level Agreements (SLAs) between the contracting parties.

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

The ministry, on a monthly basis, bills Cabinet for the cost to produce and deliver the agreed outputs. For the 2022 financial year, Cabinet revenue was just over \$50 million, which was \$100 thousand less than the budget.

Fees and charges amounted to \$217 thousand and represent fees in relation to use of radio communication system. General sales of \$160 thousand largely represent Canteen sales at HM Cayman Islands' Prison Services as well as services provided to other jurisdiction.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 14: Personnel costs

Actual 2021 Restated (\$'000)	Description	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
14,291	Salaries, wages and allowances	28,251	28,081	27,287	(170)
2,935	Health care	6,532	7,327	7,327	795
664	Pension	1,300	1,473	1,473	173
(22)	Leave	355	3	3	(352)
26	Other personnel related costs	198	104	104	(94)
17,894	Total Personnel Costs	36,636	36,988	36,194	352

For the year ending 31 December 2022, overall personnel costs were below the budget by \$350 thousand. This represents budget savings in health care costs and pension which have been netted against the increase in the movement of outstanding vacation leave.

Salaries and benefits of \$158 thousand were paid to a senior officer at the Prison Service who has been on required leave.

Note 15: Supplies and consumables

Actual 2021 Restated (\$'000)	Description	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
1,790	Supplies and Materials	1,947	2,030	2,230	83
1,290	Purchase of services	2,902	3,460	3,460	558
312	Lease of Property and Equipment	646	721	721	75
798	Utilities	1,874	1,808	2,422	(66)
390	General Insurance	1,476	779	1,381	(697)
89	Interdepartmental expenses	105	125	125	20
41	Travel and Subsistence	137	190	190	53
109	Recruitment and Training	341	317	317	(24)
52	Other	224	230	230	6
4,871	Total Supplies & consumables	9,652	9,660	11,076	8

For the year ending 31 December 2022, the cost of supplies and consumables was just about in line with the budget. Included in other supplies and consumables is a total of \$48 thousand in respect to legal fees for a senior officer at the Prison Service who has been on required leave.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 16: (Gains) /losses

Actual 2021 Restated (\$'000)	Description	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
-	Net (gain) / loss on disposal of property, plant and equipment	(6)	-	-	6
8	Net (gain) / loss on foreign exchange transactions	(7)	10	10	17
8	Total gains/ (losses)	(13)	10	10	23

Note 17: Related party and key management personnel disclosures

The ministry is a wholly owned entity of the government from which it derives its major source of its revenue. The ministry and its key management personnel transact with other government entities on a regular basis.

While the ministries and portfolios do not settle the cost of the services directly with the ministry, the Cabinet compensates the ministry for the provision of these services to government departments under the agreed purchase agreements. These transactions are consistent with normal operating relationships between entities under common control and are being disclosed in compliance with the requirements of IPSAS.

Key management personnel, for the purposes of this disclosure, is defined as chief officer and deputies, chief HR officer, chief financial officer, heads of department, deputies and finance managers. The summary of the remuneration paid to the key management personnel is as outlined below.

The ministry requires all employees to complete the Individual Notice of Interest annually. In addition, all senior employees are required to complete annual declarations to the Commission for Standards in Public Life.

Actual 2021 Restated (\$'000)	Description	Current Year Actual (\$'000)	Original Budget 2022 (\$'000)	Final Budget 2022 (\$'000)	Variance (Orig. vs Actual) (\$'000)
1,783	Salaries & other short-term employee benefits	3,149	3,150	3,150	1
1,783	Total	3,149	3,150	3,150	1

Number of key management personnel as at 31 December 2022: 27 (2021: 26).

There were no loans granted to key management personnel or their close relatives during the year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 18: Segment Reporting

The Ministry's segments for the year ended 31 December 2021 were based on services provided by the following departments: Fire Services, HM's Cayman Islands Prison Services, Community Rehabilitation, the Cayman Islands Regiment, Public Safety and Communication and the Cayman Islands Cadet Corps. The Ministry Administration is responsible for policy and strategic direction.

Note: 2021 was for six months (July to December).

	Fire Services		Prison Services		Community Rehabilitation		Regiment		MHA Admin		Public Safety		Cadets		CONSOLIDATED	
	Jul-Dec2021	Jan-Dec2022	Jul-Dec2021	Jan-Dec2022	Jul-Dec2021	Jan-Dec2022	Jul-Dec2021	Jan-Dec2022	Jul-Dec2021	Jan-Dec2022	Jul-Dec2021	Jan-Dec2022	Jul-Dec2021	Jan-Dec2022	Jul-Dec2021	Jan-Dec2022
	\$'000		\$'000		\$'000		\$'000		\$'000		\$'000		\$'000		\$'000	
Revenue																
Outputs from Cabinet	8,277	15,625	9,965	21,360	4,006	1,607	1,000	1,607	800	1,402	3,020	5,511	337	618	25,769	50,129
Outputs - Other gov't agencies	-	-	6	5	-	-	-	-	-	-	-	-	-	-	6	5
Other revenue	-	-	175	155	-	-	3	-	-	2	97	217	-	-	275	374
Total Revenue	8,277	15,625	10,146	21,520	4,006	1,607	1,003	1,607	800	1,404	3,117	5,728	337	618	26,050	50,508
Expenses																
Personnel	6,378	13,410	7,611	15,139	1,634	3,252	458	1,013	494	1,292	1,132	2,139	187	391	17,894	36,636
Supplies & Consumables	539	1,321	2,162	5,060	275	513	423	450	225	124	1,221	1,995	35	189	4,880	9,652
Depreciation	670	1,423	875	1,780	(12)	230	32	145	2	7	780	1,586	23	39	2,370	5,210
Impairment of property	-	-	-	362	-	-	-	-	-	-	-	-	-	-	-	362
Other expenses	-	(6)	-	-	-	-	-	-	-	(7)	-	-	-	-	-	(13)
Total Expenses	7,587	16,148	10,648	22,341	1,897	3,995	913	1,608	721	1,416	3,133	5,720	245	619	25,144	51,847
Surplus/(Deficit) from Operating Activities	690	(523)	(502)	(821)	473	11	90	(11)	79	(12)	(16)	8	92	(1)	906	(1,339)
Assets																
Current Assets	1,653	2,627	1,957	4,130	406	451	171	307	5,687	5,141	626	516	57	(2)	10,556	13,170
Fixed Assets	14,469	14,305	22,276	20,339	505	280	768	1,320	174	22	4,297	3,300	315	278	42,804	39,844
Intangible Assets	-	-	11	7	-	-	-	-	-	-	-	-	-	-	11	7
Total Assets	16,122	16,932	24,244	24,476	911	731	939	1,627	5,861	5,163	4,923	3,816	372	276	53,371	53,021
Liabilities																
Current Liabilities	(1,689)	(834)	(2,533)	(3,430)	(151)	(162)	(158)	(134)	(2,089)	(487)	(442)	(365)	(15)	(27)	(7,077)	(5,440)
Total Liabilities	(1,689)	(834)	(2,533)	(3,430)	(151)	(162)	(158)	(134)	(2,089)	(487)	(442)	(365)	(15)	(27)	(7,077)	(5,440)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 19: Subsequent Events

Effective 24 April 2023, a new Acting Chief Officer was appointed.

A senior officer within the ministry is on required leave.

Management is not aware of any other events after the reporting date which will have an impact on the financial statements at 31 December 2022.

Note 20: Financial Instruments Risks

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.

At 31 December 2022, the ministry held various sums in financial instruments represented by cash and cash equivalents at one financial institution in the Cayman Islands. As such, the ministry is exposed to credit related losses in the event of non-performance by the financial institution. However, given the high credit rating of this financial institution, management does not anticipate any material losses as a result of this concentration.

Currency and interest rate risk

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 20: Financial Instruments 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 target level of available cash to meet liquidity requirements.

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

Note 21: Contingent Liabilities and Assets

The ministry had no contingent assets and liabilities as at 31 December 2022. However, prior year contingent liabilities of \$424 thousand were paid in 2022. While the ministry had several legal disputes pending, these will be reviewed on a continuous basis to establish if provisions will be necessary.

Note 21(b): Lease Commitments and Fixed Asset Commitments

	No later than one year or less (\$'000)	Later than one year and not later than five years (\$'000)	Later than five years (\$'000)	Total (\$'000)
Operating commitments				
Non-cancellable accommodation leases	506	893	273	1,672
	506	893	273	1,672

Operating leases include space at Apollo House East, Building #2 which houses Community Rehabilitation with monthly commitments of \$22 thousand, and falls due for renewal in December 2025. Public Safety incurs \$13 thousand monthly in lease expense for office space at the Citrus Grove Building. This lease comes up for renewal in September 2029. The Regiment had monthly lease commitments of \$7 thousand for office space at the Windjammer Building which is set for renewal in 2023.

Fixed asset commitments as at 31 December 2022 amounted to \$350 thousand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 22: Budget Period

The government operates a budget period of appropriation covering two financial years. Under section 9(5), Public Management and Finance Act (2020 Revision), an appropriation lapses at the end of the budget period, meaning at 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 approved budget of 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 for that year. As a consequence, the budget allocation of the second year will be equally reduced by the amounts brought forward to the first year of the 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.

During 2022, \$220 thousand was brought forward from 2023 to fund acquisition of operational vehicles for the Regiment.

At the end of 2022, \$723 thousand of unused budget was carried forward to 2023 to supplement the 2023 original operating budget.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 23: Changes to the Budget

The changes between the original and final budget are a result of supplementary approvals under sections 9(5) and 11(5) Public Management and Finance Act (2020 Revision).

Description	Operating Budget (\$'000)	Capital Budget (\$'000)
2022 Original budget	50,340	10,087
Section 9(5) B/F to 2022		220
Section 11(5)	622	490
Final Budget	50,962	10,797

The section 11(5) approvals include \$239k for additional staffing for the Regiment, \$424k in respect to settlement of case and \$41k reallocated from the Cadet Corps' operating budget to the Cadet Corps' Volunteer Committee. The balance of \$1.4m represents reallocation of budget savings from the Min Admin and Community Rehabilitation to cover operating expenses at the Prison Service.

In respect to capital, a section 11(5) approval of \$490k was received to purchase military equipment for the Regiment.

Details are provided below:

	(\$'000)
Personnel Cost (Regiment)	239
Personnel Cost (Prison)	424
Personnel Cost (Cadet)	(41)
Personnel Cost (Prison)	1,218
Supplies & consumables (Prison)	176
Personnel Cost (Min Admin)	(694)
Personnel Cost (Community Rehab)	(700)
	622

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 24: Budget Variances

Explanations for major variances – actual performance vs. original budget are as follows:

	Actual (\$'000)	Budget (\$'000)	Variances (\$'000)	Var. (%)	Explanation
Statement of Financial Performance					
Sale of goods and services	50,508	50,340	168	0%	Revenues are just about in line with the budget and are mainly Cabinet funding.
Personnel costs	36,636	36,988	352	1%	Personnel costs are just about in line with the original budget. However, DCR and the Min Admin had significant unused funds due to vacant posts that were not filled. These funds (\$1.393m) were partly transferred to the Prison Services via section 11(5) of the PMFA to cover additional S&C expenditure. In addition, \$200k was transferred from personnel cost budget to cover training cost for the Regiment.
Supplies and consumables	9,652	9,660	8	0%	See note above in respect to personnel cost where a total of \$1.6m was transferred from personnel budget to S&C, mainly for the Prison Services and the Regiment. However, the expenditure was still in line with budget.
Depreciation & amortisation	5,211	3,682	(1,529)	-42%	The excess was due to higher depreciation associated with the revaluation of buildings as well as a general under-budgeting for this expenditure.
Statement of Financial Position					
Cash and cash equivalents	3,758	3,559	(199)	-6%	DPSC received over \$200k in third party revenues in respect to radio communication services that were not included in the budget.
Trade receivables	7,520	4,640	(2,880)	-62%	Trade receivables largely includes Cabinet revenue. The ministry had budgeted to have one month outstanding at the end of 2022. However, amounts for November and December 2022 were outstanding at the end of 2022.
Other receivables	1,698	0	(1,698)	-	Other receivables were not budgeted but largely includes receivables for equity injection funding which was received in 2023.
Inventories	73	0	(73)	-	This was not budgeted but represents balances of food supplies and consumables held by the Prison Services at the end of the year.
Prepayments	121	0	(121)	-	Mainly includes prepayments in respect to software licences for DPSC and Prison Services.
Property, plant and equipment	39,844	37,505	(2,339)	-6%	Whilst the actual PPE exceeded budget by 6%, it only exceeded the final budget by 4%. The main additions are work on the new communications tower and GT Fire Station Bay Extension and Storage Addition.
Trade payables	548	455	(92)	-20%	The ministry has processed payments in a timely manner except for those received late. The later would have been included in the accruals (see below).
Other payables and accruals	2,064	0	(2,064)	-	This was not budgeted. However, over \$1m is attributed to the Prison Services for outstanding medical care invoices and food supplies, and amounts outstanding for DPSC in relation to 911 telephone charges.
Unearned revenue	120	0	(120)	-	This is held by the Prison Services in respect to assistance to released-persons continued education and re-introduction into the community (\$10k). In addition, \$110 thousand was transferred from the Ministry of Financial Services for balance of funds to acquire specialised equipment which has not yet been acquired.
Employee entitlements	2,708	0	(2,708)	-	This was not budgeted, but includes cost of comp time, annual outstanding vacation accrued and accrued salaries.
Contributed capital	48,014	45,269	(2,744)	-6%	The budget did not account for the recent investments in the Regiment which remains an evolving unit as well as investments in the Fire Services.
Cash Flow Statement					
Cash from Operating Activities	688	2,336	1,647	70%	Actual operating activities did not align with budget.
Cash from Investing Activities	(2,461)	(10,087)	(7,626)	76%	Timelines in respect to investing activities did not align with budget.
Cash from Financing Activities	2,099	10,087	7,988	79%	Timelines in respect to financing activities did not align with budget.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

Note 25: Restatement for Prior Period

The prior year actuals have been restated to include a number of financial transactions relating to 2021 that were not booked in 2021. Revenues of \$103k in respect to charges by the Prison Service to overseas jurisdiction and \$96k in tower fees, the latter was received in 2022. Personnel cost includes settlement of pension liability \$299k which remained outstanding at the end of 2022. Supplies and consumables of \$543k relate to telecom charges and maintenance of the NCCTV system for the Department of Public Safety and Communication.

The effects of these transactions on the financial statements are shown below:

Prior Period Restatement

	2021 Restatement (\$'000)	2021 Prior to Restatement (\$'000)	Effect of Restatement (\$'000)
Statement of Financial Position			
Other receivables	2,327	2,128	(199)
Other payables and accruals	2,292	1,450	842
Surplus payable	906	1,548	(642)
Statement of Financial Performance			
Sales of Goods & Services	26,050	25,851	(199)
Personnel cost	17,894	17,595	299
Supplies and consumables	4,872	4,329	543
Net Surplus	906	1,548	642



FREEDOM OF INFORMATION REQUESTS MADE IN 2022

MINISTRY OF HOME AFFAIRS CORE UNIT

OPENED = 13 | CLOSED = 13

DEPARTMENT OF PUBLIC SAFETY COMMUNICATIONS

OPENED = 5 | CLOSED = 1

CAYMAN ISLANDS FIRE SERVICE

OPENED = 5 | CLOSED = 4

HM CAYMAN ISLANDS PRISON SERVICE

OPENED = 8 | CLOSED = 4

DEPARTMENT OF COMMUNITY REHABILITATION

OPENED = 1 | CLOSED = 1

CAYMAN ISLANDS REGIMENT

OPENED = 2 | CLOSED = 2

CAYMAN ISLANDS CADET CORPS

OPENED = 0 | CLOSED = 0

WHAT THE ACRONYMS MEAN

ACF	Army Cadet Force
CAACI	Civil Aviation Authority of the Cayman Islands
CFO	Chief Financial Officer
CO	Commanding Officer
CICC	Cayman Islands Cadet Corps
CICG	Cayman Islands Coast Guard
CIFS	Cayman Islands Fire Service
CIIMB	Cayman Islands Independent Monitoring Board
CIR	Cayman Islands Regiment
CRB	Conditional Release Board
DCR	Department of Community Rehabilitation
DPSC	Department of Public Safety Communications
EMC	Electronic Monitoring Centre
EMS	Emergency Medical Service
ERU	Early Reintegration Unit
FOI	Freedom of Information
GEARS	GIFR Electronic Assessment and Reporting System
HADR	Humanitarian Assistance and Disaster Relief
HMCIPS	HM Cayman Islands Prison Service
KPI	Key Performance Indicator
MHA	Ministry of Home Affairs
MOI	Method of Instruction
MOU	Memorandum of Understanding
NCCTV	National Closed-Circuit Television
NDC	National Drug Council
NEOC	National Emergency Operations Centre
NG9-1-1	Next Generation 9-1-1
PSCC	Public Safety Communications Centre
RCIPS	Royal Cayman Islands Police Service
ROTL	Release on Temporary License
RSM	Regimental Sergeant Major
SCIC	Senior Cadet Instructors Course
SLA	Service Level Agreement
SOTP	Sex Offender Treatment Programme

CAYMAN ISLANDS GOVERNMENT MINISTRY OF HOME AFFAIRS

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