



Bi-Annual Report from the Health Services Authority

January 1, 2025 – June 30, 2025

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MESSAGE FROM HEAD OF THE AUTHORITY



The Health Services Authority (HSA) is pleased to submit this mid-year report to the Ministry of Health, summarising our strategic performance and key accomplishments for the first half of 2025. As the Cayman Islands' national healthcare provider, the HSA remains unwavering in our commitment to delivering world-class, patient-centred care to all members of the community.

This report highlights the significant milestones achieved in advancing our Strategic Plan, supported by targeted initiatives designed to address the nation's evolving healthcare needs.

Guided by the principles of quality, safety, accountability, and innovation, the HSA has made remarkable strides in enhancing patient care, improving operational efficiency, fostering staff engagement, and advancing population wellness. These accomplishments reflect our dedication to excellence and our role as a cornerstone of healthcare delivery in the Cayman Islands.

Strategic Vision: Our Strategic Plan focuses on delivering high-quality care, improving access to services, fostering innovation, and addressing the growing burden of chronic diseases. By leveraging cutting-edge technology, expanding clinical services, and prioritizing patient and staff satisfaction, the HSA continues to fulfil its mission of improving the health and well-being of the Cayman Islands population.

The collective efforts of the HSA have contributed to the Cayman Islands' impressive average life expectancy of 85 years, among the highest in our region. This achievement reflects not only the strength of our healthcare infrastructure but also the effectiveness of our health promotion and disease prevention programmes.

In recognition of our ongoing commitment to excellence, the HSA has received its eighth consecutive clean audit opinion, further demonstrating our commitment to being the best at what we do, our commitment to improving, accountability and transparency in financial stewardship.

The Board has identified seven principal pillars for the Authority's development:

- 1. Revenue Growth & Financial Efficiency:** Prudent revenue growth, enhanced cost controls, and improved billing/reimbursement. Financial sustainability challenged by escalating patient demand, underfunded government output contracts, and mounting unpaid receivables.

2. **Patient and Staff Experience:** Continued investments in clinical safety, automation (e.g., medication dispensing systems), and staff support initiatives to improve retention and well-being.
3. **Access to Care:** Extended specialist services/ operating hours to address backlog and improve access, particularly pressing due to population growth and ageing demographics.
4. **Recruitment & Retention:** Building a sustainable workforce, by expanding specialised training, promotions, and leadership succession planning for Caymanians.
5. **Technological Innovation:** Modernising systems (cybersecurity, patient records, disaster recovery, telehealth) to improve clinical quality, efficiency, and resilience.
6. **Population Wellness:** Intensified focus on prevention and management of non-communicable diseases (NCDs), mental health, and digital health registries.
7. **Infrastructure Development:** Critical projects: expansion/ modernisation and replacement of aged infrastructure.

Revenue Growth and Financial Sustainability In a period of global economic uncertainty and in the midst of increasing competition, the HSA has implemented measures to improve our financial performance and ensuring long-term sustainability and resilience. Key highlights include:

- **Record Revenue Growth:** In June 2025, our monthly revenue peaked at an unprecedented \$18 million, exceeding the budget by 31% and pushing our year-on-year outturn to 1% above the 2024 half year performance. This achievement underscores the effectiveness of our financial strategies and ongoing operational improvements.
- **Cost Containment:** In spite of having prices held for 10 years while we contend with annual cost increases in the supply chain, the HSA has contained the year on year increased spend to \$6.9 million due to close cost monitoring and cost reduction strategies. \$3.2 million of the overspend was driven by the 2024 5% COLA award and another \$2.5 million of this overspend resulted from the impact of the past service liability (PSL) and therefore outside the direct control of the HSA.
- **Successfully renegotiated the management of the staff health plan:** By remaining self-insured, the HSA will be able to keep healthcare costs for its employees and dependents, between \$10- \$20 million per annum below a fully insured.
- **Cash Reserves:** HSA met and exceeded the statutorily required 90-day cash reserves target over the first six months of the year.
- **Liquidity:** The HSA has consistently maintained a current ratio in excess of 4:1 through prudent cash management strategies and sustained improved collection efforts over the first half of the year. The standard is 2:1 that is, for every dollar owed, you should have twice the value in current assets.

Improving Patient and Staff Experience Improving the patient and staff experience has been a cornerstone of the HSA's strategy. Key initiatives include:

- **Patient Experience Team Reorganisation:** The team was restructured to improve patient engagement and accessibility, while incorporating feedback to improve the patient experience.
- **Expanded Clinical Services:** Additional specialist services were introduced, reducing the need for external referrals and enhancing the overall patient experience.
- **Staff Engagement:** Targeted efforts to improve staff satisfaction and retention have fostered a supportive work environment, enabling the delivery of high-quality care.

These initiatives have led to measurable improvements in patient satisfaction scores, clinical outcomes, and staff engagement, reinforcing the HSA's commitment to excellence.

Improving Access to Care and Services. The HSA has made significant progress in improving access to healthcare services, ensuring that all members of the community can receive timely and specialised care. Key achievements include:

- **Respiratory Rehabilitation Programme:** A multidisciplinary programme was launched to reduce respiratory readmissions, addressing a critical healthcare need.
- **Extended Clinic Hours:** Specialist Clinic and other service hours were expanded to include evening sessions, improving accessibility for patients with demanding schedules.
- **Expanded Specialist Capacity:** Additional specialists were recruited in radiology, pulmonology, ophthalmology, chiropractic and joint replacement services, significantly enhancing the scope and quality of care available locally.

These initiatives have reduced wait times, improved patient outcomes, and strengthened the HSA's ability to meet the diverse healthcare needs of the Cayman Islands population.

Workforce Recruitment and Retention. The HSA recognises that our workforce is the backbone of its success. During the reporting period, significant strides were made in recruitment and retention, including:

- **Targeted Recruitment Campaigns:** Efforts to attract top talent in specialised fields have strengthened the HSA's capacity to deliver high-quality care.
- **Professional Development:** Comprehensive training programmes and career advancement opportunities have been introduced to support staff growth and engagement.
- **Employee Wellness Initiatives:** Programmes designed to enhance staff well-being have improved morale and retention rates.

These efforts have resulted in a highly skilled and motivated workforce, capable of meeting the growing demand for specialised healthcare services.

Technology and Innovation Technological advancements have been prioritised to enhance healthcare delivery, operational efficiency, and data security. Key initiatives include:

- **Security Operations Centre (SOC):** A 24/7 monitoring system was launched across three islands, improving cyber-resilience and safeguarding patient data.
- **Upgraded Data-Centre Architecture:** IT systems redundancy was achieved, reducing downtime risk by 40% and ensuring uninterrupted service delivery.
- **Barcode Scanning and Automated Discharge Summaries:** These innovations have streamlined inpatient operations, improved efficiency, and enhanced the accuracy of patient records.

These advancements position the HSA as a leader in healthcare innovation, ensuring the delivery of safe, efficient, and reliable services.

Advancing Population Wellness Population wellness remains central to the HSA's mission. During the reporting period, the following initiatives were implemented:

- **Non-Communicable Disease Strategy:** A comprehensive strategy was developed to address chronic diseases, with a focus on hypertension screening and the deployment of a non-communicable disease digital registry in collaboration with the Ministry of Health.
- **Community Outreach:** Health education campaigns and wellness programmes were launched to promote preventive care and healthy lifestyles.

These efforts aim to improve health outcomes, reduce the burden of chronic diseases, and empower the community to take charge of their health.

Infrastructure Development: Infrastructure upgrades have been a key focus for the HSA, ensuring that our facilities meet the needs of the community. Key projects include:

- **Renovation of Urgent Care and Chemotherapy Units:** These upgrades, which have been initiated, are designed to improve patient comfort, improve service delivery, and increase capacity to meet growing demand.
- **Facility Expansion:** Plans for future infrastructure development are underway to accommodate the anticipated growth in healthcare needs.

These improvements reflect the HSA's commitment to providing facilities that support high-quality care.

Challenges and Future Outlook. While the HSA has achieved remarkable success during this reporting period, challenges such as global supply-chain volatility and the growing demand for specialised services remain. The HSA is actively addressing these challenges through strategic planning, innovation, and collaboration. Looking ahead, the organisation is focused on further expanding access to care, enhancing technological capabilities, and advancing population wellness initiatives.

The accomplishments of the Health Services Authority for the first half of 2025 reflect our unwavering commitment to delivering the highest quality healthcare and improving the well-being of the Cayman Islands population. By prioritising excellence, innovation, and accountability, the HSA continues to set the standard for optimal healthcare delivery in the Cayman Islands.



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Lizzette Yearwood, BSN, MHA, MMH, JP, Cert Hon
Chief Executive Officer

ABOUT US

Outline the (HEALTH SERVICES AUTHORITY) Mission, Vision and Core Values

The Health Services Authority (HSA) is the premier healthcare provider in the Cayman Islands and a Joint Commission International (JCI) Accredited organisation. Operating under the Ministry of Health, Environment & Sustainability, the HSA serves as the backbone of the Cayman Islands health system, playing a vital role in social stability and economic resilience. Since our establishment in 1937 as a modest four-bed hospital, the HSA has evolved into a comprehensive healthcare network comprising nine facilities across Grand Cayman, Cayman Brac, and Little Cayman, employing nearly 1,331¹ professionals, including 713 Caymanians and 23 student interns.

The flagship facility, Anthony S. Eden Hospital, formerly known as the George Town Hospital, is a 127-bed hospital offering 24/7 accident and emergency services, ambulance services, maternity care, neonatal care (NICU), dialysis, outpatient pharmacy, and various diagnostic and specialist services. The HSA also operates district health centres, outpatient clinics, and the Faith Hospital which delivers care in Cayman Brac and Little Cayman, ensuring healthcare access across all three islands from nine (9) locations. The HSA is also the sole provider of critical services such as hyperbaric centres, blood banking, forensic laboratory services, and hospital-based dental and eye clinics.

Mission

The Mission of the Health Services Authority is to provide the highest quality healthcare and improve the well-being of people in the Cayman Islands through accessible, sustainable patient-focused services by highly skilled, empowered and caring staff in collaboration with our partners.

Core Values

We believe that caring and compassionate personal behaviours are at the core of our organisation's commitment to delivering quality patient-focused care. By making an official commitment to practice these values we reinforce them, acknowledge that they are expected behaviours and encourage our fellow employees to practice them diligently:

- Respect
- Responsibility
- Integrity
- Caring
- Excellence

¹ Payroll count as at 30 June. Includes 23 summer students

COMMITTEES/ COMMISSIONS/ COUNCILS

The Health Services Authority is governed by a ten-member board including seven non-executive Directors who establish the strategic policy direction for the organisation.

Insert Board/Commission/Council:	Member's Name:	Members Expiry Date:
Board of Directors, Chair	Yvette Dilbert	1-Aug-25
Board of Directors, Deputy Chair	Joy Vernon	1-Aug-26
Board of Directors, Director	Golda Tatum Carter	1-Aug-25
Board of Directors, Director	Hazel Brown	31-Aug-26
Board of Directors, Director	Tayvis Walters	1-Aug-26
Board of Directors, Director	Trisha McElroy	1-Aug-26
Board of Directors, Director	Rosie Whittaker-Myles	1-Aug-25
Ex-Officio - Chief Executive Officer	Lizzette Yearwood	
Ex – Officio - Medical Director	Delroy Jefferson	
Ex-Officio - Govt. Finance Representative	To be filled	
Ex-Officio - Govt. Ministry of Health Representative	Tamara Ebanks	

The following are the subcommittees of the Board:

Board Sub- Committees

- **Human Resource Sub-Committee** advises the Board on strategic direction in support of the organisation's mandate to recruit, retain, develop and empower highly skilled and caring staff, and maintain the Authority's staffing plan.
- **Clinical Sub-Committee** advises the Board on clinical matters, examines ways to better manage services, and reviews all new applications, revocations and appeals concerning practicing privileges.
- **Finance Sub-Committee** reviews the Authority's budget documents, ownership and purchase agreements with CIG, monthly financials, submits projections and recommendations to the Board, and oversees procurement.
- **Infrastructure & Development Sub-Committee** advises the Board on, and oversees the planning, development, maintenance and future development of the physical infrastructure to support the care delivery and safety of patients, visitors and staff.
- **Information Technology Sub-Committee** establishes and monitors policies for the management of information systems whilst using technology to enhance care delivery, operational efficiency and data security.
- **Safety & Risk Management Sub-Committee** monitors actual and potential organisational risks and provides recommendations as to ways the organisation should manage and reduce exposure to liability.

- **Audit Committee** supports the Board with oversight of the financial statements, compliance with legal and regulatory requirements, and internal and external audit.

GOVERNANCE (List of ACT and Regulations, Policies that affect your Department/SAGC)

Births and Deaths Registration Act (2021 Revision)
 Children's Act (2012 Revision)
 Confidential Information Disclosure Act (2016)
 Coroner's Act (2021 Revision)
 Data Protection Act (2017)
 Drug Rehabilitation Court Act (2015 Revision)
 Education Act (2010)
 Foundation Companies Act (2017) (HSA Foundation)
 Freedom of Information Act (2021 Revision)
 Health Care Decisions Act (2022 Revision)
 Health Insurance Act (2021 Revision)
 Health Insurance Commission Act (2016 Revision)
 Health Practice Act (2021 Revision)
 Health Services (Fees) Act (2002 Revision)
 Health Services Authority Act (2018 Revision)
 Human Tissue Transplant Act, 2013
 Labour Act (2021 Revision)
 Limitation Act (1996 Revision)
 Mental Health Act (2023 Revision)
 Mental Health Commission Act (2013)
 Pharmacy Act (1979)
 Prescription Act (2018 Revision)
 Procurement Act (2023 Revision)
 Public Authorities Act (2020 Revision)
 Public Health Act (2021 Revision)
 Public Management & Finance Act (2020 Revision)
 Public Service Management Act (2018 Revision)
 Standards in Public Life Act (2021 Revision)
 Whistleblower Protection Act (2015)
 Workmen's Compensation Act (1996 Revision)

REPORTS TABLED OR FILED BY STATUTORY DEADLINES

MANAGEMENT DISCUSSION AND ANALYSIS

HUMAN RESOURCES ANALYTICS

The HSA had a total of 1,331 staff members on payroll as at June 30, 2025. This number included 23 summer interns and 3 locums. The workforce is 54% Caymanians (713 individuals) and 46% non-Caymanians (618 individuals). Non-Caymanians predominantly occupy specialized medical and technical roles.

Medical and Clinical Roles

The HSA employs professionals across diverse medical and clinical disciplines. The distribution of Caymanians and Non-Caymanians in these roles is as follows:

- **Registered Nurses:** 249 positions (55 Caymanians, 194 non-Caymanians)
- **Medical Doctors:** 31 positions (18 Caymanians, 13 non-Caymanians)
- **Pharmacists:** 21 positions (1 Caymanian, 20 non-Caymanians)
- **Physiotherapists:** 22 positions (9 Caymanians, 13 non-Caymanians)
- **Radiographers:** 20 positions (3 Caymanians, 17 non-Caymanians)
- **Dentists:** 10 positions (4 Caymanians, 6 non-Caymanians)
- **Occupational Therapists:** 7 positions (3 Caymanians, 4 non-Caymanians)
- **Anaesthetists:** 11 positions (2 Caymanians, 9 non-Caymanians)

Staffing Statistics (June 2025)

As of June 30, 2025, the total headcount was 1,331, distributed across the two main facilities: Anthony S. Eden Hospital and Faith Hospital. The breakdown is as follows:

Anthony S. Eden Hospital

Staffing	Number	FTE
Full-time	1,187	1,187
Part-time	5	2.45
Temporary	19	0
Summer Students	23	0
Total Staff	1,234	1,189.45

Faith Hospital

Staffing	Number	FTE
Full-time	93	93
Part-time	1	0.75
Temporary	3	0
Summer Students	0	0
Total Staff	97	93.75

The combined total across both facilities is 1,331 employees, with a Full-Time Equivalent (FTE) of 1,283.

KEY ACHIEVEMENTS AND CHALLENGES 2025

Finance

The HSA has demonstrated resilience and adaptability in navigating financial and operational challenges during the first half of 2025. While the organisation has faced a year-to-date (YTD) deficit of \$4.9 million, there are several positive indicators and strategic initiatives that position the HSA for improved performance in the latter half of the year and beyond.

Key Achievements and Strengths

1. Revenue Growth:

- YTD net revenue increased by \$0.8 million (1%) compared to 2024, with June 2025 achieving the highest monthly revenue of \$18 million.
- Outpatient revenue continues to outperform inpatient revenue, with a 9% year-over-year (YoY) increase in revenue primarily from District Health Centres due to expanded service offerings. More home visits, non-emergent transport are just two (2) of the initiatives that are beginning to bear fruit.

2. Operational Efficiency:

- The HSA achieved a current ratio of 4:1, indicating strong liquidity.
- Cash on hand days exceeded the statutory 90-day reserve by 16 days, providing a buffer for operational needs.

3. Strategic Investments:

- Significant progress has been made on key capital projects such as installation of new Operating Room Lights, upgraded the medical gas lines, enhanced our dental and radiology imaging services and capabilities, upgraded our ophthalmology equipment, acquired a gene expert machine for the microbiology lab, replaced and certified our Pharmacy chemo hood, expanded Chemo bed capacity, upgraded ambulance equipment and deployed 50 new patient beds as well as complete of the A&E Renovation and Faith Hospital Morgue Roof Replacement. Ongoing projects such as the Relocation of the ACU and additional Chemotherapy Expansion are expected to further enhance clinical capacity and patient care.

4. Improved Revenue Cycle Management:

- Stricter monitoring of the revenue cycle to address gaps and reduce denials.

5. Enhanced Patient Experience:

- Extended operating hours in Urgent Care and increased clinical capacity in the Operating Theatre have reduced patient waiting times and improved satisfaction.
- Marketing efforts and the addition of patient experience officers have driven higher utilization of services.

6. Hosted 23 summer students: This provided exposure to our students in the various disciplines across the healthcare industry. By the conclusion of the summer, we would have hosted X number of students

Challenges and Mitigation Strategies

1. Expense Management:

- YTD operating expenses are 29% above budget and 6.8% higher than 2024. Personnel costs, which account for 66% of total expenses, remain a key driver.
- **Mitigation:** Implement stricter budgetary controls, optimize staff allocation, and leverage technology to reduce reliance on manual processes.

2. Accounts Receivable and Cash Flow:

- Government entities account for 65% of total revenue, posing a risk of delayed payments.
- **Mitigation:** Strengthen collection efforts, expedite the posting of payments, and diversify the revenue base to reduce dependency on government sources over the long-term.

3. Uncompensated Care:

- Self-pay encounters represent 37.5% of total receivables, with a high risk of default due to the transient nature of patients.
- **Mitigation:** Enhance third-party revenue collection and implement stricter credit policies for self-pay patients.

4. Rising Supply Costs:

- Supplies and materials costs have risen due to supply chain disruptions and changes in operating standards.
- **Mitigation:** Explore alternative purchasing practices and negotiate bulk discounts with suppliers.

Strategic Priorities for the Remainder of 2025

1. Revenue Diversification:

- a. Expand service offerings at community health centres and clinics to capture additional revenue streams.
- b. Invest in high-demand services such as Radiology

2. Cost Containment:

- a. Institutional headcount has been capped at 1,420 ~~and~~ with focus on internal efficiency through process optimisation and technology adoption.
- b. Reduce overtime costs especially in non-clinical areas.

3. Capital Projects:

- a. Prioritise the completion of ongoing projects such as the inpatient expansion and the new Endoscopy Suite to enhance service capacity.
- b. Reassess and reallocate resources to high-impact initiatives.

4. Enhanced Revenue Cycle Management:

- a. Deploy technology to reduce denials and improve claims accuracy.
- b. Establish a verification team to ensure claims are correctly recorded and coded before submission.

5. Stakeholder Engagement:

- a. Maintain regular communication with the Ministry of Health to address funding gaps and secure ongoing payments and supplemental budget approval in a timely manner.
- b. Collaborate with government entities to resolve outstanding receivables and ensure timely payments.

Financial Projections

1. Revenue Growth:

- With sustained efforts in revenue capture and service expansion, total net revenue is projected to exceed \$208 million by year-end, representing a 14% increase over the FY budget.

2. Expense Management:

- Operating expenses are forecasted at \$214 million, with targeted cost-saving measures expected to offset rising personnel and supply costs.

3. Net Income:

- While the YTD deficit of \$4.9 million poses a challenge, the HSA is taking steps to reduce the projected annual deficit to \$6.7 million.

The HSA is poised for a stronger financial and operational performance in the second half of 2025. By focusing on revenue growth, cost containment, and strategic investments, the organisation can achieve sustainable financial stability while continuing to deliver high-quality healthcare services to the Cayman Islands community. With the support of the Ministry of Health and Cabinet, the HSA can navigate current challenges and build a solid foundation for future success.

Adolescent Behavioural Health

The HSA has successfully proposed a critical interim initiative to address one of the new government's 90-day objectives: enhancing mental health care services for adolescents. This achievement represents a significant milestone in improving the accessibility, safety, and quality of care for young individuals requiring inpatient mental health support.

This initiative will see the implementation of a dedicated Adolescent Behavioural Health Inpatient wing adjacent to the existing Adult Inpatient Behavioural Health Facility. This newly designated space is specifically designed to cater to the unique needs of adolescents, ensuring age-appropriate care in a safe and secure environment. The wing includes:

- **Independent Access Point:** A separate entrance ensures privacy and reduces the risk of interaction between adolescent and adult patients, fostering a more tailored and secure care experience.
- **Dedicated Dining and Recreational Area:** Adolescents can engage in therapeutic activities and meals in a space designed exclusively for their needs.

- **Private Bathroom Facilities:** Enhancing dignity and comfort for adolescent patients.
- **24/7 CCTV Monitoring:** Ensuring continuous safety and security for patients and staff.

This interim solution accommodates up to three adolescent patients while the adult inpatient unit can now support up to eight patients. Adolescent patients receiving care in the new wing are supported by a multidisciplinary team of trained mental health nurses, clinicians, and social workers.

Importance of the Initiative:

Addressing Growing Needs

The demand for adolescent mental health inpatient beds has consistently increased over the years. The HSA has restructured its existing space to better meet the needs of all patients without compromising the overall quality of care. This initiative directly addresses the critical gap in mental health services for adolescents, ensuring they receive specialised care in an environment tailored to their developmental and emotional needs.

Enhancing Safety and Care

The inclusion of independent access points, private facilities, and 24/7 monitoring reflects a commitment to patient safety and dignity. Adolescents are particularly vulnerable during mental health crises, and this dedicated wing provides a secure environment where they can focus on recovery without external stressors.

Supporting Families and Communities

Mental health challenges in adolescents often have ripple effects on families and communities. By providing targeted inpatient care, the HSA is not only supporting the patients but also alleviating the burden on families and contributing to healthier communities.

Alignment with Global Mental Health Priorities

Globally, mental health issues among adolescents are a growing concern. According to the World Health Organization (WHO), depression is one of the leading causes of illness and disability among adolescents, and suicide is the fourth leading cause of death in individuals aged 15-19 years. The establishment of this dedicated wing aligns with international efforts to improve mental health care infrastructure and reduce stigma surrounding mental health issues.

Impact on Government Objectives

This initiative demonstrates the government's commitment to prioritising mental health care as part of its broader health and social welfare agenda. By achieving this critical 90-day objective, the government has:

- **Strengthened Health Infrastructure:** The creation of a dedicated adolescent wing is a tangible improvement in the country's mental health care system.
- **Promoted Equity in Health Care:** Adolescents now have access to gender segregated, age-appropriate care, addressing previously unmet needs.
- **Enhanced Public Trust:** Delivering on this promise within the 90-day timeframe showcases the government's ability to act swiftly and effectively on pressing issues.

OTHER KEY ACHIEVEMENTS

1. Improving Access to Care and Services:

- a. Launched a multidisciplinary Respiratory Rehabilitation Programme, fully integrated with existing Pulmonology resources, projected to reduce respiratory readmissions.

2. Workforce Recruitment & Retention

- a. Launched comprehensive policies mandating annual appraisals linked to strategic outcomes and targeted development programmes, including mandatory training integrated into employee performance agreements.
- b. Developed and initiated a multi-year action plan to boost retention, morale and productivity aligned with the Employee Engagement Survey results.
- c. Expanded physiotherapist services at Faith Hospital to improve patient throughput.

3. Technology & Innovation

- a. Launched the HSA Security Operations Centre (SOC), enhancing our cyber-resilience posture with 24/7 monitoring across the three islands.
- b. Upgraded our data-centre architecture to achieve geographic redundancy, reducing planned downtime risk by 40%.
- c. Introduced bar-code scanning on inpatient units.
- d. Initiated enterprise-wide cyber-awareness and successfully simulated business-continuity and disaster-recovery plans, underlining our commitment to uninterrupted clinical operations.

6. Advancing Population Wellness

- a. Developed a comprehensive non-communicable disease strategy, beginning with hypertension screening and digital non-communicable registry deployment, empowering data-driven public-health interventions.

7. Infrastructure Development

- a. Advanced urgent-care and chemotherapy unit renovations
- b. Relocated administrative teams in preparation for expanded Therapy services at Bay Town House.
- c. Executed critical upgrades, including security shutters across four district health centres, pharmacies, hurricane shutters installed in East End Health Centre and procured a new Medical Air Compressor, ensuring regulatory compliance and service continuity.

Challenges

- a. **Significant output underfunding:** This remains the most pressing challenge. Current government output allocations fall short of the actual costs of delivering mandated services, compounded by long-standing arrears in reimbursements. The HSA delivers outputs in good faith, however, the payment for these services can sometimes take a year.
- b. HSA is constrained by a strict 180-day recovery limit under the Health Insurance Act (Section 20[2]). Outstanding uncollected debts of \$27 million to date largely from patients with the SHIC plan have continued to erode the HSA's fiscal position. Currently, these patients have minimal annual outpatient coverage (\$400), often leaving unpaid balances that the HSA cannot recover. We continue to advocate for approval to treat SHIC holders as cash-paying customers for outpatient services and allow them to seek subsequent reimbursement from their insurers. This measure aims to ensure sustainable healthcare delivery and reduce financial losses.
- c. Demand for healthcare continues to outstrip infrastructure. Growing population levels, ageing demographics, and rising mental health needs necessitate capital investments in facilities such as a purpose-built mental health inpatient unit with dedicated paediatric/adolescent facilities, expanded emergency and diagnostic capabilities at Faith Hospital (Sister Islands), and an expanded clinic to serve the Bodden Town area.
- d. Inability to update the HSA fee schedules (Chargemaster) in a timely manner has further constrained the Authority's revenue generation and responsiveness to the escalating cost of equipment, staff, and modern treatments.

Urgent Ministry Action:

- 1. **Chargemaster:** Resubmission of Chargemaster to Cabinet for approval of the updated fee schedule to modernise billing, recover operational costs, and avoid increased dependence on subsidies.
- 2. **HSA Foundation:** Formal establishment and Board appointment to unlock philanthropic revenue, diversify funding, and enhance healthcare sector resilience.
- 3. **Increase and regularise output funding; expedite payment of all arrears.**

ACHIEVEMENTS

JANUARY

HSA Implemented Photo Badge System for Inpatient Visitors

The HSA enhanced its visitor security policy by implementing a new system that issues temporary photo identification (ID) badges to visitors of patients in inpatient areas. The new system aligns with current global hospital standards, making it easier for staff to identify visitors, which speeds up verification processes and improves hospital efficiency.

Before visitors had to check in and out at the Information Booth in the main entrance (Atrium), with the exception of visitors to Accident & Emergency (A&E). Effective Tuesday, 14 January 2025 all those visiting patients within HSA's wards were required to have their photo taken. The photo is used to produce a photo badge that is then provided to the visitor for them to have access to these secured areas and for staff within these areas to easily identify them. Visitors are required to present a government-issued photo ID (e.g. passport, driver's license, voter's card, work ID) at check-in as usual.

The new photo ID badge system is an easy and effective way to increase current building security measures by identifying everyone who enters our hospital. Visitor photo ID is a simple system that is being used at many of the leading hospitals across the United States and other countries, and it has proved to be very effective.

<https://www.hsa.ky/articles/hsa-implements-photo-badge-system-for-inpatient-visitors>

Full-Time Paediatric Services Available at Faith Hospital

HSA was proud to announce the launch of full-time paediatric services at Faith Hospital in Cayman Brac, ensuring children in the Sister Islands have access to timely, specialised, and comprehensive care close to home.

In a small and remote community like Cayman Brac, where accessibility can often be a challenge, having a dedicated, full-time paediatric service fulfils an essential need. Previously, paediatric care was provided through general practice and supported by weekly visits from Grand Cayman-based paediatricians. While these arrangements served residents well, the increasing paediatric population in the Sister Islands has highlighted the need for continuous, local access to specialised healthcare for children. We are pleased to offer this vital service to our community.

<https://www.hsa.ky/articles/full-time-paediatric-services-now-available-at-faith-hospital>

FEBRUARY

HSA Hosted the Annual World Cancer Day Event: Empowering Progress in Cancer Care Pathways



Healthcare providers and members of the public were invited to the HSA's free annual World Cancer Day event on Tuesday, 4 February, from 3:00 PM to 7:00 PM at The Westin Grand Cayman Seven Mile Beach Resort & Spa. This year's theme, "Empowering Progress: New Frontiers in Cancer Care Pathways," highlighted some of the latest advancements and collaborative efforts in cancer care within the Cayman Islands.

There were presentations, display booths and a panel discussion with representatives from the Breast Cancer Foundation, the Cayman Islands Cancer Society, Jasmine, CINICO and the Chief Medical Officer, Dr Nick Gent. Guests also heard inspiring stories from cancer survivors and healthcare professionals who attended the event received up to 4 CME credits.

<https://www.hsa.ky/articles/hsa-hosts-annual-world-cancer-day-event-empowering-progress-in-cancer-care-pathways>

New Chair Appointed to HSA Board of Directors



HSA was pleased to announce the appointment of Yvette Dilbert as the new Chairperson of its Board of Directors, effective 23 January 2025. She succeeded Osbourne Bodden, who stepped down after over three years of dedicated leadership.

Mrs. Dilbert holds a Managing Health Services Certificate from the Institute of Health Services Management in London, along with a Bachelor of Science in Nursing from the William Carey University in Mississippi, United States and a Master of Science in Public Policy and Management from the University of London. She brings a wealth of experience to her role, having served as the Hospital Administrator at Faith Hospital for 20 years before her retirement in December 2020.

During her tenure, she played a pivotal role in strengthening healthcare services within the Sister Islands. She focused on improving operational efficiency by refining financial and administrative management, ensuring regulatory compliance, and optimising resource allocation. Additionally, she managed initiatives related to disaster preparedness, human resources, and specialised medical services.

<https://www.hsa.ky/articles/new-chair-appointed-to-hsa-board-of-directors>

MARCH

HSA Laboratory Expanded Weekend Hours

To better serve the community, the HSA expanded access to its laboratory services. Effective 2 March 2025, the HSA Phlebotomy Department at the George Town Hospital opens on Sundays from 8:00 AM to 12:00 noon, providing more flexibility for weekend blood work.

We recognise that many of our patients have busy schedules, and we wanted to make our lab services more accessible. With this extension, we hope to provide greater convenience and shorter wait times for essential lab testing.

<https://www.hsa.ky/articles/hsa-laboratory-expands-weekend-hours>

Women's Health Conference 2025 Address Collaboration in Women's Healthcare

The HSA hosted its 13th annual Women's Health Conference on Friday, 7 March 2025, at the Hotel Indigo.



With the theme, “Women’s Reproductive Healthcare: A Collaborative Approach,” this year’s conference focused on the importance of interdisciplinary cooperation in advancing women’s health. The conference featured presentations on cutting-edge topics.

This year's theme reflected the essential need for collaboration in the field of women's healthcare to better serve women in our community and region.

<https://www.hsa.ky/articles/womens-health-conference-2025-to-address-collaboration-in-womens-healthcare>

HSA expanded Clinical Education Department, certifying seven Operating Room Assistants



HSA has expanded its Clinical Education Department to focus on staff development through capacity building and skill enhancement. This initiative aimed to empower employees to deliver superior patient care while seizing new professional opportunities and filling critical vacancies.

The department successfully offered an Operating Room Assistant Training course, certifying seven Operating Room Assistants (ORA). The HSA, through several certification training initiatives this year, has sought to empower members of staff and promote the expertise of Caymanians in healthcare.

The expansion of the Clinical Education Department underscores our commitment as a teaching facility and improves professional standards that will ultimately benefit the community. The offering of courses to staff helps us to build a stronger, capable workforce to elevate the standard of care and provide us with opportunities to fill positions quickly while continuing our culture of exceptional delivery of care.

<https://www.hsa.ky/articles/hsa-expands-clinical-education-department-certifies-seven-operating-room-assistants>

HSA Recognised World Kidney Day with Free Health Screenings in West Bay

In recognition of World Kidney Day 2025, the HSA hosted free health screenings at the West Bay Health Centre on Wednesday, 12 March, 2025, from 9:30 AM to 2:00 PM.

As part of the event, the public access to free screenings, including blood pressure, blood sugar, urine test (optional), weight and height. A physician and dietitian was available on-site to review any abnormal results and provide guidance on kidney health.

This year's World Kidney Day theme was: "Are Your Kidneys OK? Detect Early, Protect Kidney Health."

<https://www.hsa.ky/articles/hsa-recognises-world-kidney-day-with-free-health-screenings-in-west-bay>

APRIL

Public Health Launched Annual Primary Healthcare Awareness Day

On Saturday, 5 April, the Public Health Department hosted the inaugural annual Primary Healthcare Awareness Day at John Gray High School Gym from 9:00 AM to 3:30 PM. This free community event was designed to raise awareness about the importance of preventive healthcare while providing attendees with valuable resources, services, and activities to support their well-being.

The event featured free health screenings, including checks for blood pressure, blood sugar, and body mass index (BMI). Participants attended expert-led workshops on preventive care, and chronic disease management to gain practical knowledge and tools for healthier living. Immunisations were available onsite, along with information about local healthcare services and resources. To encourage physical activity, there were interactive demonstrations such as Zumba sessions and simple at-home exercises for all fitness levels.

Dr. Samuel Williams-Rodriguez, Medical Officer of Health and Director of Primary Healthcare Services emphasised the significance of community engagement in promoting health and wellness.

<https://www.hsa.ky/articles/public-health-launches-annual-primary-healthcare-awareness-day>

HSA Partnered with Autism Cayman to Host Inaugural Autism and Neurodevelopment Symposium



Autism Cayman announced the inaugural Cayman Islands Autism and Neurodevelopment Symposium 2025, a free educational event dedicated to supporting neurodiverse individuals across their lifespan. The symposium took place on Saturday, April 5, 2025, from 9:00 AM to 4:00 PM at the John Gray High School Performance Hall, and was open to everyone at no charge.

This pioneering event brought together experts, educators, parents, caregivers, and autistic individuals for a day of collaboration, learning, and community-building. The symposium aimed to provide a platform for the latest research, strategies, and resources to better support individuals on the autism spectrum and others with neurodevelopmental differences.

HSA renamed George Town Hospital in honour of Anthony Eden



The HSA announced the renaming of the George Town Hospital to the Anthony S. Eden Hospital. This honour recognised the extraordinary contributions of the Honourable Anthony Samuel Eden, OBE, JP (Ret), whose visionary leadership and unwavering dedication have profoundly transformed the healthcare landscape of the Cayman Islands.

Mr. Anthony Eden served as the Minister of Health from 1994 – 2000 and 2005 – 2009. During his tenure he led strategic initiatives and reforms that elevated the quality and accessibility of healthcare services, significantly enhancing the well-being of our nation.

Among the highlights of Mr. Eden’s visionary leadership are the completion of the Cayman Islands Hospital in 1999; the expansion of the district health centres - a strategic move to improve healthcare accessibility; and the introduction of mandatory health insurance. Additionally, he was instrumental in reforming the Health Practitioners Bill, introducing the National Strategic Plan for Drug Abuse Prevention and Rehabilitation effectively leading to the creation of Caribbean Haven in Breakers, establishing the National Strategic Health Plan, as well as forging strategic partnerships with international healthcare institutions to enhance tertiary care.

<https://www.hsa.ky/articles/hsa-renames-george-town-hospital-in-honour-of-anthony-eden>

MAY

HSA Celebrated Dedication and Milestones at Annual Long Service Awards



The HSA hosted a week of celebrations to honour its long-serving employees for their dedication, loyalty, and years of service. Nearly 160 employees reached their employment milestones in 2024 recognising 5, 10, 15, 20, 25, 30, 35, 40 and 45 years of service.

A special ceremony was held at the Hotel Indigo Grand Cayman to recognise 14 of the organisation's longest-serving staff members, each with 30 or more years of service.

<https://www.hsa.ky/articles/hsa-celebrates-dedication-and-milestones-at-annual-long-service-awards>

JUNE

HSA Launches Diabetes Education Clinics Across Districts

In a major step toward improving access to care and preventing diabetes-related complications, the HSA launched monthly Diabetes Education sessions at all district health clinics.

These group sessions, led by certified Diabetes Educators and Pharmacists Winsome Jefferson and Amanda Daley, provide practical guidance on lifestyle changes, medication adherence, nutrition, physical activity, and blood glucose monitoring.

Expanding these services to our district clinics is part of our strategy to empower the community to make informed choices that enhance their well-being. We've seen firsthand how knowledge improves outcomes, and we want every person at risk for diabetes or living with it to benefit.

<https://www.hsa.ky/articles/hsa-launches-diabetes-education-clinics-across-districts>

Free HIV Testing Offered Island wide for HIV Testing Week

In recognition of HIV Testing Day on 27 June, the Public Health Department of the HSA together with the Cayman Islands Red Cross and the Cayman AIDS Foundation urged residents to take proactive steps toward their well-being by getting tested at their free testing clinics throughout the week.

HIV Testing Day serves as a vital reminder that testing is the gateway to prevention, treatment, and care. This year's theme, "Know Your Status. Protect Your Health," highlighted the importance of early detection and ongoing awareness in the fight against HIV.

<https://www.hsa.ky/articles/free-hiv-testing-offered-islandwide-for-hiv-testing-week>

HSA Nurse Receives 2025 Eloise Reid Excellence in Nursing Award



Young Caymanian Nurse, Shanique Ayres, of the Health Services Authority (HSA) was awarded the 2025 Eloise Reid Excellence in Nursing Award by the Cayman Islands Nursing and Midwifery Association (CINMA) at its Nursing Symposium on the 8th May at the University College of the Cayman Islands (UCCI).

The Eloise Reid Excellence in Nursing Award was re-established by CINMA to recognise the 30-year contribution of Nurse Eloise Reid, one of the longest-serving chief nursing officers at the HSA, who moved on to become CEO at the HSA in 2004 before retiring in 2005. Renowned for her visionary leadership and commitment to advancing patient care, Nurse Reid's distinguished career stands as a testament to excellence, foresight and resilience.

The award, last given in 2013, recognises registered nurses/midwives in the Cayman Islands who have demonstrated excellence, creativity and commitment to improving nursing practice for the benefit of patients and the people of our Islands.

[HSA Nurse Receives 2025 Eloise Reid Excellence in Nursing Award | HSA](#)

LEARNING AND DEVELOPMENT OF HSA STAFF

An opportunity to highlight your staff. Be sure to include pictures if possible. You can also include the interns here and how they assisted the SAGC/DEPT. Include any conferences or training staff may have attended locally / overseas / online. Also include any inhouse training that may have been conducted for all employees (eg. First Aid Training).

A variety of training and development initiatives were implemented from January - June 2025 for clinical, clinical support and non-clinical personnel to meet the health care needs of the Caymanian Community. Training sessions are completed as mandatory organisational requirements or for professional licensure with the various Health Care Regulatory Bodies.

Mandatory Trainings:

To maintain our ongoing obligation to a culture of safety for individuals (patients, staff, visitors) and data, staff are required to complete mandatory training sessions annually or every two years. Other training is offered to maintain high quality standardized care across the organisation. Sessions are offered through a variety of mediums, including in-person, via teams and as e-courses.

Topics and number of staff completing each are outlined below:

Antibullying	763
Basic Fire Safety Training	334
Basic Hazardous Materials	341
Basic Life Support	115
Bloodborne Pathogens	659
Cardiopulmonary Resuscitation (CPR)	75
Compress Gas	394
CPI-Nonviolent Crisis Intervention	331
Customer Service	111
Cybersecurity	798
Data Protection	809

Disaster Preparedness	882
Hand Hygiene	795
Hostile Situation	598
Incident reporting	339
Just Culture	109
Medication Error	313
Moving and Handling	448
Office Ergonomics	889
Operating Room Fire	128
Standards of Performance	109



Continuing Medical Education (CME)/ Continuing Nursing Education (CNE)

To remain current with clinical practice, a consistent offering of evidence-based educational presentations and case studies are done by various specialties. Some of the topics completed include:

- Adolescent Mental Health Suicidal Behavior
- Adult Seizure Management
- Advancement in the Management and Treatment of Resistant Depression
- Airport Emergency Response Field Exercise
- Anatomy of a Prosthesis
- Antenatal and Intrapartum Electronic Fetal Monitoring
- Chest Pain in the Urgent Care
- Chronic Pain Management
- Complex congenital heart disease/ complex AV Canal Defect
- Congenital diaphragmatic Hernia
- Dementia Presenting with a Mood Disorder
- Diagnosis of Bipolar Disorder Complicated by a recent bereavement
- Diasorin Liasion XL H. pylori Stool Antigen Test

- ECG Interpretation part 3: Supraventricular Tachycardia & Ventricular Tachycardia
- Event Supposedly Attributable to Vaccination or Immunization
- Formulary Management - A Tale of Two Drugs
- Hypertensive Emergencies
- Hypoxic-Ischemic Encephalopathy Case presentation
- Introduction to Inpatient Psychiatry
- Maternal Collapse and Maternal Cardiac Arrest
- Mental Health Law Challenges
- Perinatal Statistics 2024
- Pituitary Disorders and the Unique relationships of mental and emotional states
- Plastic Surgery in the Cayman Islands
- Prodromal Phase in Schizophrenia
- Schizoaffective Disorder- Bipolar Type Diagnosis & Management
- Severe Conduct Disorder & Social Pragmatic Disorder
- Shoulder Dystocia and Post Partum Haemorrhage
- Sickle Cell disease management in adults and children
- Surginet: Peri-operative Nurse Training
- Telemedicine Training

Long Service

HSA celebrated nearly 160 employees who reached their employment milestones in 2024 recognising 5, 10, 15, 20, 25, 30, 35, 40 and 45 years of service. A special ceremony was held at the Hotel Indigo Grand Cayman to recognise 14 of the organisation's longest-serving staff members, each with 30 or more years of service.

30 Years

- Lisa McLaughlin-Edwards
- Michael Leon
- Daireen Powery
- Derek McLaughlin
- Brenda Riley

35 Years

- Hovel Pusey
- Charmin King-Fennell
- Zelta Gayle

40 Years

- Dr. Gerald Smith
- Dr. Kadiyala Sekhar
- Elena (Rosa) Echenique-Harley

45 Years

- Veronica Jackson-Seales



Professional Development Opportunities

Education Leave and Funding

Education funding and leave grants have been approved for 126 staff to access training leading to certificates, associates, bachelors, master's and doctoral degrees. Trainings span areas of finance, nursing, medicine, supervisory management, various healthcare conferences, radiology, public health and pharmacy. Special approvals have been granted for Caymanian physicians completing the Family Medicine program of study.

Operating Theatre Scrub Technician

One staff was chosen to complete the fully sponsored Operating Theatre Scrub Technician programme leading to certification as part of the organisation professional development programme. She has since returned to the Cayman Islands and commenced her new role in the operating theatre as part of the surgical team.



Trained Diabetes Clinician Training

Twenty-two nurses across various specialties (surgical, medical, specialist, critical care, dialysis, Faith Hospital, urgent care, maternity, paediatrics, ophthalmology and training) completed a fourteen-module trained diabetes clinician training programme. The course has strengthened the cohort of clinicians across the organisation that are equipped to offer education/ coaching in areas of nutrition, medication management, foot care, and complications relating to diabetes.

Certified Phlebotomy Technician Programme

Six students are currently enrolled in the HSA first cohort of the certified phlebotomy training programme scheduled to be completed in August 2025.

Leadership Training & Succession Planning

As part of the organisation's continued commitment to leadership growth and capacity building for transition into various leadership positions, numerous staff have been sponsored to complete the widely accepted Institute of Leadership and management (ILM) programs at different levels.

ILM level 7 – Three Senior leaders currently enrolled with the Civil Service college

ILM Level 5 – Five section managers currently enrolled online

ILM Level 3 – Five supervisors/team leaders currently enrolled with the civil service college

ILM Level 2 – One team leader currently enrolled online

Performance Management for Managers

Section managers, supervisors, clinical heads of departments and deputies were trained in the performance management process. The workshops included performance appraisal training, feedback, performance improvement plan and continued staff support and interactions.

Work Experience

High school senior students are exposed to one week of career specific work experience as a mandatory requirement for graduation. Students with varied interests in healthcare are afforded the opportunity to work alongside experienced clinicians.

School	Students
Clifton Hunter High	20
Grace Christian Academy	3
Triple C	2
Cayman Preparatory	2
CIFEC	12

Summer Student Internship

In 2025, the paid summer student internship programme sponsored 94 students, 30 of them having completed the four-to-six-week internship thus far in June. Students gain experience through clinical, clinical support and non-clinical departments.

RISK MANAGEMENT

RISK REGISTER			
Key risks faced by the Health Services Authority	Further Actions to Mitigate Risks	Mitigation strategies in place	Financial value of risks
Lightning strike to generator rendering systems inoperable with no reliable back-up power support for critical patient care and operational functions	Annual assessment of lightning suppression system.	1. Lightning suppressant system installed.	\$2M
		2. Automatic safety switch in place which detects any system anomaly and initiates safety mode which protects the generator	
		3. Redundant generator in place that powers lifesaving medical equipment	
Potential for catastrophic impact and continuity of operations from fire in the backup generator room	Monthly visual inspection of the area to ensure no flammable items are in and around the generator that adds risk.	1. Fire alarm system in place to detect and alert to any fire	\$2M
		2. Fire suppression system in place to immediately control the fire until fire units arrive on scene	
		3. Infrastructure is compartmentalised to protect critical systems and contain fire within the particular compartment	
		4. Active fire wardens in place to carry out safety checks	
		5. Main generator is in a different location	
Potential for vicarious liability exposure for claims made against underinsured privileged physicians	Training & Awareness	1. Levels of minimum med-mal insurance levels instituted.	\$2M
		2. Evidence of med mal insurance submitted annually prior to the renewal of privileges	
		3. MD's office to automate insurance laps notification in real-time	

Potential for the inappropriate and unsolicited release of confidential material to the public.	Continue awareness sessions and training of the staff in progress	1. Training on Data Protection Act	\$5M
		2. Third party gap analysis and vulnerability penetration testing completed	
		3. Organisation-wide policies in place to protect and govern release of information	
		4. Media relations policy in place	
		5. All Board and Staff sign a confidentiality agreement.	
		6. Persons violating this policy will be handled according to HR policy	
		7. Robust IT Policies implemented to promote data retention and prevent loss.	
Contracts supplied which could leave the organisation exposed to consultants/vendors benefit/financial gain.	Contract Database Management	1. All contracts are drafted/vetted by counsel.	\$2M
Potential loss of revenue (loss of marketshare) from increased competition from private healthcare providers in the community	Improve the marketing of services offered by the HSA, expand service offerings, improve throughput and reduce wait time. Focus on patient satisfaction & quality improvement of all services.	1. Annual strategic review is undertaken as part of the budget and strategic planning process to identify opportunities for new services based on data and market analysis.	
		2. Periodic reviews are undertaken to identify opportunities and implement measures to improve quality of services and patient experiences.	
		3. Focus is placed on measures that will reduce waiting list and waiting time.	
		4. Implement a fee for service model for physicians to promote staff retention and reduce waiting time	
		5. Enhancements to call Centre and Patient Experience Teams	
Difficulty/ inability to provide current level of services due to lack of or disrepair of facilities	Preventative Maintenance and ongoing repairs and enhancements. Update of facility master plan.	1. 30-year Facility Master Plan	\$300M
		2. Acquisition and lease of space for service expansion	
		3. Prioritization and completion of preventive maintenance, construction and refurbishment.	

Potential for cost overrun on Contracted Goods and Services	No Manual Purchase Orders (POs). Monitoring & Reporting	1. Purchase Orders required for each payment	
		2. All requests for payments on contracts appropriately supported and recorded	
		3. Implementation of budgetary control	
		4. Legal penalties incorporated in open contracts.	
		5. Negotiation of fixed cost contracts where possible.	
		6. Implement Oracle Fusion budgetary controls, three-way matching capability, system tolerance implemented	
		7. Mandatory training for all persons in Procurement process	
Potential of cost overrun for professional services and large-scale projects	No Manual POs, budgetary control and change order process adherence	1. Change order vetted and recommended by senior managers	
		2. Contract negotiation	
		3. Legal review of contracts.	
		4. Establishment of a strict change order approval process with final approval from EPC.	
		5. Contracts drafted by HSA to protect and favour HSA's interest	
		6. System Budgetary controls in place to prevent unauthorised project spend.	
Potential for the payment of unauthorized personnel allowances, overpayment of final monies on employment exit, former or fictitious employees.	Implementation of payroll and time and attendance system controls: PDS VISTA HR Software	1. All staff contract end dates entered into HR system at engagement	
		2. Data verification completed by another HR Officer after amounts are inputted.	
		3. Segregation of duty - ensuring multiple levels of checks in payroll	
		4. Budgetary control	
		5. Exception reporting and reconciliation to detect unusual trends.	
		6. Cross referencing HR records with payroll recons.	

		7. Quarterly HR audits to detect presence of ghost employees 8. Payroll Officer inputs data, reviewed by DSTM and updates made by Payroll Officer. 9. All changes in payroll bank data must be vetted and approved by HR officer	
Potential for unauthorized access to system for payroll and allowances	2-step authentication & 90-day re-credentialisation procedures	1. Restrict physical and system access to payroll info. Restrict printing of payroll data to specific printers. System audits. Prevent data download without authorised security level access. 2. Files saved in Finance directory - only CFO, DCFO, FC, DSTM and Payroll Officer have access to this directory. New robust HR system currently being implemented.	as above
Potential for the alteration of leave forms once approved or non-declaration of leave taken, allowing for financial advantage through employees promoting an inaccurate recording of leave	Management of leave through Vista and to explore other software to accommodate complex scheduling	1. Accrued leave balances are electronically reconciled every 6 months. Leave to be electronically managed through software. Time and attendance system being implemented 2. CEO approval required for leave in excess of 5 days being carried forward to a subsequent year. Senior Managers held accountable for managing accrued vacation in their Portfolios	as above
Potential for the recording of false overtime entries to benefit in payroll and allowances	Overtime request subjected to multiple layers of scrutiny and vetting	Overtime policy reviewed and strengthened and requires preapproval of OT by senior manager. Monthly reporting and monitoring of overtime; Pre-approval of overtime. Segregation of duty for the processing and payment of overtime with multiple levels of approval	
Potential for the procurement of goods or services for personal use	Monthly Reports sent to managers for review and monitoring of their department spend. HSA has adopted the CIG whistleblower policy.	Several processes in place to ensure this does not occur: 1. All items procured require an IR, approved by the relevant Section Manager and Senior Manager; 2. IR must be submitted to Procurement Department for review and PO creation, along with all relevant supporting documents 3. Automated system checks for PO integrity. 4. Oracle Fusion further promotes segregation of duty and auditable approval trail	

		5. Procurement team then sends final package to Finance for payment	
Potential use of Procurement for favourable treatment of suppliers for personal gain	Annual reviews of Declaration of interest with monitoring by Procurement teams during the year.	1. Purchase Orders required for each payment	
		2. All requests for payments appropriately supported and recorded	
		3. System verification of the budget against all IRs prior to payment	
		4. Declaration of interest required for senior personnels, material purchases require competition or approval of Procurement Committees, purchasing decisions supported by multiple levels of review depending on value.	
		5. Procurement Manual updated in 2023	
Potential for unnecessary or excessive purchasing in return for gifts/kickbacks	Staff awareness and monitoring	Donations & Gift Register & Policy in place. Purchasing decisions subject to multiple levels of approval, procurement policies in place supported by legal framework	
Potential overcharging or provision of false accounts by suppliers	No changes to system and banking data without Procurement vetting	Procurement Policy in place to ensure comparative quotes which are reviewed by the Procurement Committee and PPC	
Potential Manipulation of accounts payable vendor masterfile	No changes to system and banking data without Procurement vetting	Creation of Vendor masterfile is segregated across several teams:	
		1. All relevant support for a payment is put together by relevant cost centre manager;	
		2. Procurement team gather all relevant KYC on vendor if not already provided by requesting cost centre;	
		3. Process will require updating once HSA moves to Oracle Fusion.	
Potential for the payment of fictitious invoices by accounts payable	Multiple layers of review and segregation of duty in the payments process.	Procurement process followed - 2 to 3 quotes are required prior to purchases going through the Procurement process (dependent on value, may need to go out for Tender) - Procurement committee review, contract creation, IR creation, PO creation, budget review prior to being paid for. All invoices to be supported by Purchase Order and or valid contracts.	

Potential for the collusion with suppliers in providing false invoices or invoices that overcharge the organisation by accounts payable	Multiple layers of review and segregation of duty in the payments process.	Procurement Policy in place which reflects current practice. Procurement processes follow regulatory guidelines, including open tender process for larger items which allows for some element of transparency.	
		For smaller purchases - 2 to 3 quotes are required prior to purchases going through the Procurement process (Procurement committee review, contract creation, IR creation, PO creation, budget review) prior to being paid for. Multiple approval levels in place for material contracts.	
Cost of doing business is not reflected in our Chargemaster	Chargemaster Review	1. Continuous review of charge master to ensure alignment with standard health insurance fees	
		2. Payment policy has been updated and monitor for compliance.	
		3. A collector/counsellor is available to assess need and encourage patients to pay at the point of service.	
		4. Close collaboration with the NAU continues to provide patients with the necessary financial assistance they need to access services	
		5. Assessment & revision of Cabinet outputs periodically	
		6. Building of cost model to determine true cost of goods and services provided	
		7. Advocacy to Ministry to update Chargemaster fees	
Risk that self-insurance model may result in significant claim cost leading to severe adverse impact on HSA's finances	Consider current plan and future sustainability.	Medical Director's Office signs off on referrals through referral office, expanding ability to self-provide services, enforcement of policy regarding working dependent spouses, review for all external hospital stays over 10 days, limitation language regarding Biologics Review external referral practices. Work with administrator to ensure claims are appropriately reviewed	
Revenue loss due to unrecorded charges and missing physician notes.	Ongoing monitoring and follow-up by Revenue Accountant	Acquire an encoder and software to assist with the accurate entry of charges. Procurement has started; Implementation Targeted for Q42025	Business Case expects a 5-10% increase in Revenue.
Cash reserves below statutory levels	Monitoring and awareness	Cash management strategy including cash forecast. Control discretionary spending. Strict budgetary control processes	

Reliance on single customer for majority of revenue	Diversification of customer database	Seek New Revenue Opportunities. Brand Development. Increase marketing	
Supply Chain Shortages	Contracting monitoring	1. Monitor trigger events in supply chain.	
		2. Form alliances with our health care providers.	
		3. 2-year contracts with key stakeholders in the supply chain	
Declining reimbursement (acceptance) rates		1. Revenue Cycle Review.	
		2. Training team members.	
		3. Outsourcing of collection team	
Potential for patient safety, quality of care issues, understaffing and staff burnout due to the difficulty in recruiting experienced nursing staff	Additional incentives to attract nurses are being discussed.	1. Transition to practice programme instituted for new RNs	
		2. Variety of recruitment methods are being used to attract nurses, including agencies	
		3. Recruitment Manager	
		4. JCI Accreditation to attract	
		5. Plan to have a recruitment event in USA - DON, CHRO and Nurse Manager	
Potential for delays in transporting patients from Faith Hospital to CIH	Ongoing training for staff who may have to accompany patients to CIH to include proper use of PPE and infection control measures. Ongoing discussion with CIAA re airport works.	1. Evacuation plan with Cayman Airways	
		2. MOU with RCIPS for use of helicopter	
		3. Nurse Escort policy developed and agreed with CINICO	
Potential for patient falls in the inpatient and outpatient setting	Patient Safety Awareness and Measures	1. Fall risk assessment for each patient	
		2. Use of fall prevention interventions	
		3. Quarterly monitoring of in-patient fall rates	
		4. Ongoing training	
		5. Bed/chair alarms	
		6. Signs in room "Call don't Fall"	
		7. Fall risk scoring for outpatients and inpatients	
		8. Place pts with high fall risk near nurses' station	
		9. Patient/ family education	
		10. Hourly rounding	

Potential for unauthorised entry to the Maternity Unit	FOB access for authorized staff	1. Buzzer for entry	
		2. CCTV at door entry	
		3. Totguard system in place	
Potential disruption in Pharmacy services due to failures in inventory management system	Continuous monitoring of physical stock to reduce stockouts.	1. New Pharmacy System has been implemented	\$20K
		2. Fusion being reviewed as potential inventory management system for Pharmacy	
Potential for inadequate Blood Supply with poor patient outcome	Ongoing marketing and blood drives to recruit new donors	1. Contracts are in place for blood and products. Increase of blood collection pool from previously Bovine Spongiform restricted area.	
		2. Organised schedule for recruiting blood donors is in place	
		3. Space for Blood collection being expanded with new facility planned for Smith Road	
		4. Mobile blood donor van	
Potential for quality or system failure resulting in poor patient experience or clinical outcome	Ongoing staff training Ongoing risk assessments	1. Increased focus on improving the patient experience	\$350K annually
		2. Increased focus on staff training and development plan. Provision of continuing education to reduce risk of adverse outcomes.	
		3. Real-Time patient survey. Increase Patient Experience Team.	
		4. Robust system for RCA whenever patient issues arise	
Inadequate funding for the replacement of aging clinical equipment	Ongoing reviews by staff and Biomed team confirm need to replace end of life equipment	1. Review replacement schedule. Work in collaboration with the clinical team on procurement.	
		2. Replace equipment according to schedule	
		3. Update and maintain accurate asset list for equipment	
		4. Develop an item catalog to seek donations	
		5. Equipment is being replaced as scheduled	
		6. Advise of end of useful life of equipment	

Children being admitted to the adult Behavioral Health Unit.	Segregation of patients and enhanced supervision.	1. Alternative site for temporary location	
		2. Consider use of HSA owned property for purpose-built Behavioral Health Inpatient and Outpatient facility	
		3. Partner with the Ministry of Health for funding	
Staff occupational Exposure to chemicals	Continuous monitoring and training. Appropriate use of PPE. Hood assessment and certification.	1. Active Health and Safety Program	
		2. Use of Safety Data Sheets	
		3. Risk assessments	
		4. Site inspections	
		5. Hazmat training	
		6. Chemicals list/ log	
		7. Air quality testing	
		8. Surface testing	
Potential loss of supplies due to fire in Materials Management and Pharmacy Stores	Regular mandatory fire training and fire drills	1. Smoke detectors are functional	
		2. Flammable items are separated and stored in safety cabinets.	
		3. Daily rounds by Fire wardens	
		4. Quarterly Inspections & Risk Assessments by Health & Safety Officer	
		5. Independent Assessments Fire suppression system installed	
		6. Cameras installed	
Possible security threat from visitors in the Atrium reception area	Staff awareness and training in active shooter and de-escalation techniques	1. Access control	\$1.5M
		2. Atrium enclosure	
		3. CCTV - Increase CCTV coverage of blind spots	
		4. Outsourced security personnel - Increased security personnel.	
		5. Atrium registration. Tracking of visitors - registration and photo ID	
		6. Partnership with RCIPS.	
Propane water heaters		Scheduled annual inspection of operational efficiency. Replace as necessary.	\$112,000

Retention Challenges	Implementation of Just Culture programme in progress. JCI Accreditation	1. Staff survey completed to get feedback to ascertain staff issues and factors affecting morale.	
		2. Staff Wellness programme	
		3. Staff sensitisation of relevant policies affecting work life	
		4. Select Staff allowed to work remotely	
		5. Select staff allowed to work flex time to accommodate child-care issues.	
		6. Exit Surveys	
		7. CEO and Deputy holds Townhall meetings to get staff feedback	
		8. Incorporation of Values Day for all staff	
		9. Regular compensation review	
Potential improper recruitment practices	Electronic HR system being procured	1. Clear recruitment policies and procedures	included in HRIS Budget
		2. Clear interviewing and selection guidelines	
		3. Disclosure Form	
		4. Recruitment Manager in post	
Potential for the Inappropriate use of vehicles	Whistleblowing encouraged	1. Policy for the use and maintenance of vehicles	
		2. Use of logbook to sign out and return vehicles	
		3. Vehicles clearly branded with new HSA logo	
Potential for the unauthorised or private use of telephone	Whistleblowing encouraged	1. Monitor telephone use	
		2. Invoices audited for anomalous transactions	
		3. Cell phone access codes for authorised personnel	
Inappropriate personal use of the email/ internet	Whistleblowing encouraged	1. Email and Internet Policies	
		2. Supervision and monitoring	
Potential for the use of patient information for personal gain or influence	Whistleblowing encouraged	1. Organisational policies and procedures	
		2. Privileging guidelines are in place	
		3. Monitoring of privileged physicians by MD, DMD	
Potential for bias in referral recommendations for gain/		MD and DMD approve referrals. Monitoring reports provided by administrators.	

advantage with overseas medical entities		Referrals Office report on monthly statistics Appeals Referral Committee reviews Non approvals	
Potential loss of key staff in single incumbent positions due to retirement, resignation, lack of trained personnel on island and difficulty in recruiting and retaining professionals	Documentation of functional processes ongoing entity	1. Development and ongoing review of recruitment and retention strategies	\$900K
		2. Development of succession plan	
		3. Funding of succession plan	
		4. Cross training of staff in these positions	
Potential Security breach of IT system		1. Intrusion detection assessment	\$45K
		2. Periodic audit of active directory	
		3. Scheduled audits of IT system usage logs	
		4. Security software	
		5. Ongoing training and phishing	
		6. Information Security Manager hired	
		7. Cyber Insurance	
		8. Close collaboration with CIG's CISCO	
Security of Staff and Facilities		1. Installation of additional CCTV cameras	
		2. Access control and maintenance of alarms on exits	
		3. Issuing ID cards to all staff	
		4. Installation of gate to rear parking lot.	
		5. Issue panic button to all staff with rollout in more volatile areas currently ongoing	
Potential for business interruption due to natural, internal or external disaster	Creation of redundancy and daily backup to downtime and ensure business continuity	1. Backups take place daily. Data is replicated off site daily.	Insurance deductible
		2. Future construction of micro hospital facilities in the districts	
Lack of space for operating needs		1. Space to be considered as part of annual strategic planning. 2. Reconfigurations are carried out to maximize space use. 3. Admin and non-revenue generation functions moved out of hospital setting where possible.	

		4. Active management of lease and owned property portfolio. Expansions, Renovations, Relocation. 5. Budgetary allocation to support projects.	
The prevalence of Cyber Ransomware attacks targeting the Global Healthcare Sector means that there is a likelihood that HSA could be targeted with the same. The risk assessment is that it is LIKELY that HSA could be targeted with a ransomware attack, as a result of perceptions about CI's ability and willingness to pay the ransom	Continuous monitoring for unusual activity and potential threats across the network	1. Full replication and backup of all HSA's data to the existing Jersey Data Centre	Insurance deductible
		2. Full tested Business Continuity and Disaster Recovery Arrangements	
		3. Third Party Cloud Hosting Supplier Assurance (Cerner)	
		4. Implement strengthened access control measures, including Multi-Factor Authentication (MFA), least privileged access and eliminated deprecated/weak authentication protocols from across the network.	
		5. Implement restrictions on remote third-party access tools.	
		6. Evolve to a 24/7/365 Security Operations Centre. HSA has AI systems on the Network (DT) and across the End-Point Devices (EDR) already in place that can detect and autonomously thwart but still the materialization of this risk is still possible through a sophisticated and determined adversary.	
The risk that Cerner becomes unavailable and this extends for a period of time. CERNER is HSA's most critical clinical supply chain provider and should they fall victim to a significant cyber-attack. Software as a Service Healthcare providers are being targeted and have fallen victim to disruptive cyber-attacks recently, e.g. EPIC	Manual processes in place	Cerner has two Data Centres, however, now part of Oracle Health. Oracle has devised Data Centre infrastructure; however, it is unknown whether Cerner has been fully migrated across multiple Oracle Data Centre locations for resilience. 1. HSA to reassess its business continuity plans based on scenarios relevant to a significant cyber-attack on its critical third-party supply chains, which renders the third-party service unavailable.	

EHR cyber-attack resulted in a global outage.		2. Based on the impact, to determine whether to accept the risk or to devise a business continuity plan that has a level of independence from the third-party.	
		3. To seek cyber and resilience security attestations from Cerner	
		4. To consider requesting a flat copy of all HSA data in Cerner on a regular basis to be backed up in the Jersey Data Centre	
There is a risk of HSA suffering a large-scale data breach of sensitive/personal data or otherwise confidential information.		HSA has already implemented best-in-breed tools that provide a level of safeguarding against Large-Scale Data Breach, cyber-attacks; Dark Trace AI network detect and respond. In addition, we have now:	
		1. Evolved to a 24/7/365 Security Operations Centre	
		2. Implemented Data Loss Prevention (DLP) and Data Lifecycle Management (DLM) Tools	
		3. Enhanced configuration on the FW	
		4. Data encryption to render the data unreadable if stolen	
Ransomware attack with threat if organisation does not pay the ransom, the data will be sold on the Dark Web or divulged in the public domain exposing the organisation to reputation damage and potential regulatory fines, if personal data has been breached. Should any of the core Network suffer a cyber-compromise which renders it unavailable, this would result in wide scale outage across HSA clinical services, until such time as the issue is resolved or the business continuity plans are effectively enacted.		1. New Alternative Network / DC in Jersey and connectivity via Citrus Grove 2. New Network / DC at Faith Hospital 3. Build resilience into the Network at Hospital Road as per Audit findings	

There is a risk of Espionage cyber-attacks, normally such attacks are targeted at persons in position of authority, significant connections to their ultimate target or those having significant influence, such as CEOs, Board Members and other public figures.	Continued improvement to add layers of cyber defense	1. To implement elevated security measures on the computers and mobile devices used by those deemed at risk of espionage attack. The elevated security measures include their remote home working environment. 2. Quarterly executive cyber education training for those deemed at risk. 3. Elevated monitoring of the devices of those deemed at risk.	
There continues to be a risk that clinicians and other front-line personnel will be targeted with social engineering based cyber-attacks to gain access to HSA network, systems and services.		1. All staff mandatory training to cover this type of attack. 2. Simulation of social engineering attacks 3. Regular publicity of these types of attacks 4. Ensure frictionless reporting of suspected or actual attacks via email and telephone	
There is a risk of disruption to Critical National Infrastructure. The term critical national infrastructure (CNI) is used to describe critical and essential services, such as those provided by Government, Health Services, Airways (Authority/Airlines), Port Authority, Electricity, Telecommunications, Food Supply, Water Supply, Fuel Supply. As such, any significant or disruptive interruption or loss of such services.		5. Government-led initiative is required, working closely with OfREG. 6. If there is an option to diverse utility supply this should be considered.	
Potential of cyber-attacks electronic and internet enabled medical devices		1. Setup a Project Team Working Group to mitigate this vulnerability 2. Extreme care and due diligence is required when assessing and remediating vulnerabilities or security weaknesses with the medical devices 3. Incorporate all medical devices within the scope of the vulnerability Management.	

		4. Consider isolating the medical devices from the corporate network, through air-gapping and creating separation through a virtual LAN. 5. Assess whether the existing IT scanning tool, Qualys is 'fit for purpose' for agent-less scanning of the Medical Devices, if not assess the market for Medical Device Scanning tool. 6. If the findings point to significant vulnerable medical devices or insecure settings, urgent action will be required to engage with the vendor to seek their action and information on secure measuring.	
There is a risk of non-compliance with relevant applicable laws, in the event of a significant or disruptive cyber incident. It has been assessed by the Chief Information Security Officer that the relevant and applicable laws and regulations are: 1. Cayman Islands Data Protection Act ("CI DPA") 2. Cayman Islands Computer Misuse Act ("CI CMA") 3. EU General Data Protection Regulation (as relevant to European Citizens) – ("EU GDPR") - US Health Insurance Portability Accountability Act ("HIPAA")		1. Seek legal counsel's advice on all of the applicable clauses from the Acts and Regulations and assess for responsibility and compliance. 2. Any suspected or actual non-compliance must continue to be immediately reported to the HSA leadership.	
Regulatory and Compliance Risks that the requisite staff and institutional licenses are not in place resulting in the disruption of services		1. Loss of institutional licenses for facility or service. Annual Licensing and reaccreditation managed by designated personnel 2. Staff become uncompliant in relation to staff licenses resulting in negative outcomes. Licensing periods to be managed via VISTA	

		3. Compliance management/ lines of defense	
		4. Contract database management	
Operational Risks Service disruptions		1. Monitoring of the use of overtime to compensate for staff shortages to prevent staff burnout	
		2. Supply chain disruptions - implementation of 2-year contract & product diversification for all med/ surg and pharmaceutical items including critical supplies	
		3. Down time and business continuity ensured through manual processes and support arrangements with other facilities and providers.	
		4. Staff retention - loss of institutional knowledge through documentation, training, binding and enhanced staff retention policies.	
Market and Competitive Risks Having the ability to compete with other providers, meet required standards of performance	Diversification of service delivery to meet the needs of patient demographics	1. Competition: Reinvent ourselves to ensure we are seen as healthcare provider of choice	
		2. Meet and maintain required standards of performance through training and monitoring	
Capital and Investment Risks Ensuring adequate facility maintenance and upgrades and equipment replacement as required	Deliberate budget allocation based on FA register schedule	1. Monitoring and preventative maintenance to secure and enhance aging facility and keep equipment at required standards	
		2. Managing F A resources and long-term impact	
		3. Adequate insurance in place to protect	
Legal and Litigation Risks	Whistleblowing encouraged	1. Prevention of Lawsuits (malpractice/ contractual)	
		2. Insurance / training and staff awareness	
Macroeconomic and Policy Risks		Inflation/economic challenges/pricing - work with Ministry to ensure HSA aligns with CIG strategic direction	

SCRUTINY BY PARLIAMENT AND PUBLIC

Parliamentary Questions (PQs)

None

Public Accounts Committee (PAC)

None

Finance Committee

Request for breakdown of Director Fees by director by month

Freedom of Information (FOI)

Note summary FOI requests and timeliness of response.

APPLICATION DETAILS	NUMBER
Total Applications Received	6
Total Applications Open	4
Total Applications Closed	3
Applications for Personal Information (Applicant's own)	1
Application for General Information	5
TIMELINE DETAILS	NUMBER
Request Information (Decision made within 30 days)	1
Request Information) Decisions made later than 30 days and no extension taken under section 7 (4)	2
Request Information (Decision extended under section 7 (4)	0
Request Information (Decision extended under section 7 (4) but responded to later than 60 days.	0
Internal Review (Decision made within 30 days)	0
Internal Review (Decision made later than 30 days)	0
FEES	NUMBER
Fees levied under \$100.00	0
Fees levied \$101 - \$500	0
Fees levied \$501 – 1,000	0
Fees levied over \$1,000	0
Fees excused	0
AMMENDMENTS AND ANNOTATIONS	NUMBER
Request for Amendment or Annotation under section (28)	0
Number Amended	0
Number Annotated	0
Internal Reviews	0
Number of Requests for Internal Review	0
Number of Internal reviews Appealed	0

LOOKING FORWARD

Building on the achievements and initiatives of the first half of the year, the HSA is committed to continue strengthening our focus on improving patient care, expanding services, and addressing critical infrastructure needs to meet the growing demands of the population.

Key priorities include the completion of several infrastructure projects, such as the expansion of inpatient bed capacity, the relocation of Behavioural Health services, and the establishment of a new Endoscopy Suite. These initiatives will significantly improve patient flow, reduce wait times, and improve the overall quality of care. The Chemotherapy Unit expansion project will further strengthen specialised care offerings, ensuring that patients receive timely and comprehensive treatment.

The HSA is also advancing our technological capabilities, with projects like the implementation of Microsoft Intune for mobile device management, the upgrade of backup systems, and the integration of Gleamer AI for radiology diagnostics. These advancements will enhance operational efficiency, data security, and clinical accuracy, positioning the HSA as a leader in healthcare innovation.

Efforts to improve patient experience remain a top priority, with initiatives such as expanded clinical services. The Patient Experience Team continues to engage with patients and families, fostering trust and satisfaction through personalised care and streamlined processes.

On the clinical front, the HSA is expanding our service offerings, including a paediatric cardiology clinic, and full-time pulmonology services. These additions reflect the HSA's commitment to addressing the diverse healthcare needs of the community.

The HSA's workforce remains a cornerstone of our success, with ongoing recruitment efforts to fill critical positions and support staff development through training programmes and CME opportunities.

Marketing and communications efforts will continue to highlight the HSA's achievements and services, leveraging social media, video production, and community engagement to strengthen our presence and reputation.

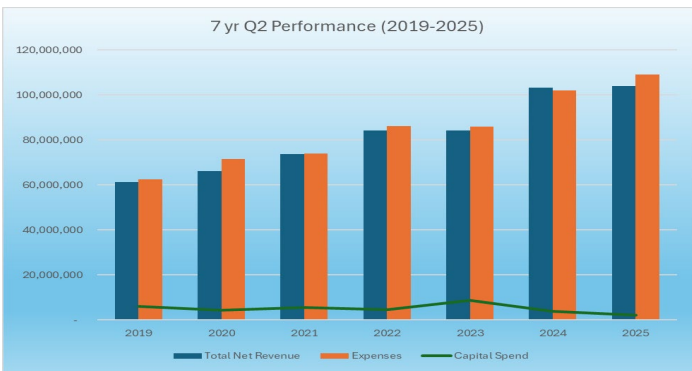
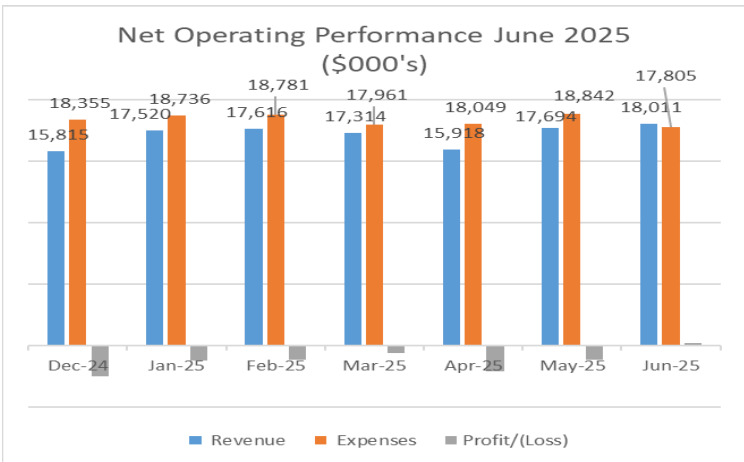
As the HSA moves forward, it remains steadfast in its mission to provide safe, high-quality, and patient-centred care. By addressing infrastructure challenges, expanding services, and embracing innovation, the HSA is well-positioned to meet the evolving healthcare needs of the Cayman Islands and maintain its role as a trusted national healthcare provider.

FINANCE

Operating Performance

In June 2025, the organization reported a net income of \$0.2 million bringing the ytd loss to \$4.9 million.

Month-on-month (May 2025 to June 2025), gross patient revenue increased by \$0.3 million to record the highest monthly revenue for 2025, having exceeded the \$18 million dollars mark. Year-to-date (YTD) total net revenue was \$0.8 million higher than the previous year. However, YTD operating expenses were 29% above the budget and 6.8% higher than the previous year's actual. It should be noted that an extraordinary journal for the YTD bad debt provision of \$1.8 million was passed to align bad debt provision with the accounting requirements. The June YTD results indicate an overall \$6.1 million decline in comparison to 2024.

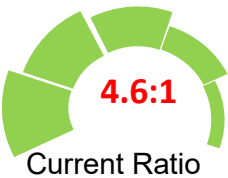


The 2025 Q2 results also indicate an overall decline in comparison to 2024. While revenues have continued to outperform the prior year, expenses have grown at an even more rapid pace resulting in the worst Q2 performance over the past seven (7) years.

Financial Position

- At the end of June 2025, aggregate cash holdings amounted to \$50.9 million.
- Cash on hand exceeded the statutory 90-day cash reserve by 16 days.
- Accounts receivable decreased by \$0.6 million, an increase of 0.9% year over year (YoY).
- Total liabilities decreased by \$7.7 million, 3% YoY.
- The Net worth was \$(16.9) million at the end of June.

Key Performance Indicators



HSA remains in a liquid position at 4.6:1 at the end of June 2025. However, it is crucial to remain vigilant, as government entities delayed payments have negatively impacted cashflow and increased the receivables position. This underscores the need for proactive cash flow management and customer base diversification.

To avoid losses and safeguard capital from erosion, revenue must grow at a higher rate than expenses.

Four measures that have been implemented that will be key to financial stability:

- 1. budgetary control,
- 2. staff headcount capped at 1,420,
- 3. management of the chargemaster database and
- 4. revenue management – significant time is being spent to improve revenue capture, measurement and reporting.

Financial Position

Total assets improved by 3% compared to 2024, which was comparable to the growth in liabilities of 3%.

Jun-24 Actual in \$000's	FINANCIAL POSITION	Jun-25 Actual in \$000's	Movement from PY \$000's	YTD BUDGET Budget in \$000's	Variance \$000's
236,278	Total Assets	245,443	9,164	224,122	21,321
(270,241)	Total Liabilities	(262,306)	7,935	(207,323)	(54,983)
(33,963)	Net Accumulated Surplus/(Deficit)	(16,864)	17,099	16,799	(33,662)

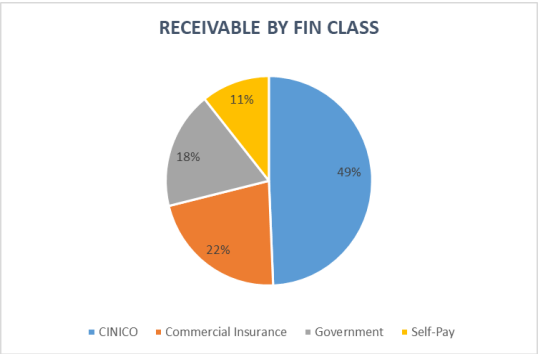
Total assets included cash holdings (\$50.9 million), property, plant, and equipment (\$109.3 million), accounts receivable (\$65.1 million), and inventories (\$19.0 million) offset by past service liabilities of \$230.7 million, leases of \$2.5 million, trade creditors and accruals \$11.8 million, and employee entitlements and patient credits of \$17.1 million.

Investment and Cash Management:

HSA currently has a 90-day term deposit as detailed below:

Term Deposit	Principal Amount	Interest Rate	Maturity Date	Interest at Maturity
90 Day Fixed Deposit	18,896,239	4.39	9/24/2025	209,091

Continued late payments from CIG will present significant cash flow challenges for the CIG accounts as 67% of the average monthly receivable comes from CIG and government entities. Therefore, diligent collection of receivables remains imperative to meet, exceed, and maintain statutory cash targets.



Accounts Receivable and Risk Concentration:

Receivables categorized by financial class indicate that CIG and CINICO combined accounted for 65% of total net receivables. The growth in third-party receivables has been significantly influenced by the ongoing debt collection challenges with Cayman First. HSA has been working with Cayman First Insurance (CFI) to resolve prior period claims (2018-2022) that were erroneously rejected due to the changes at Cayman First. The matter is now being adjudicated by HIC.



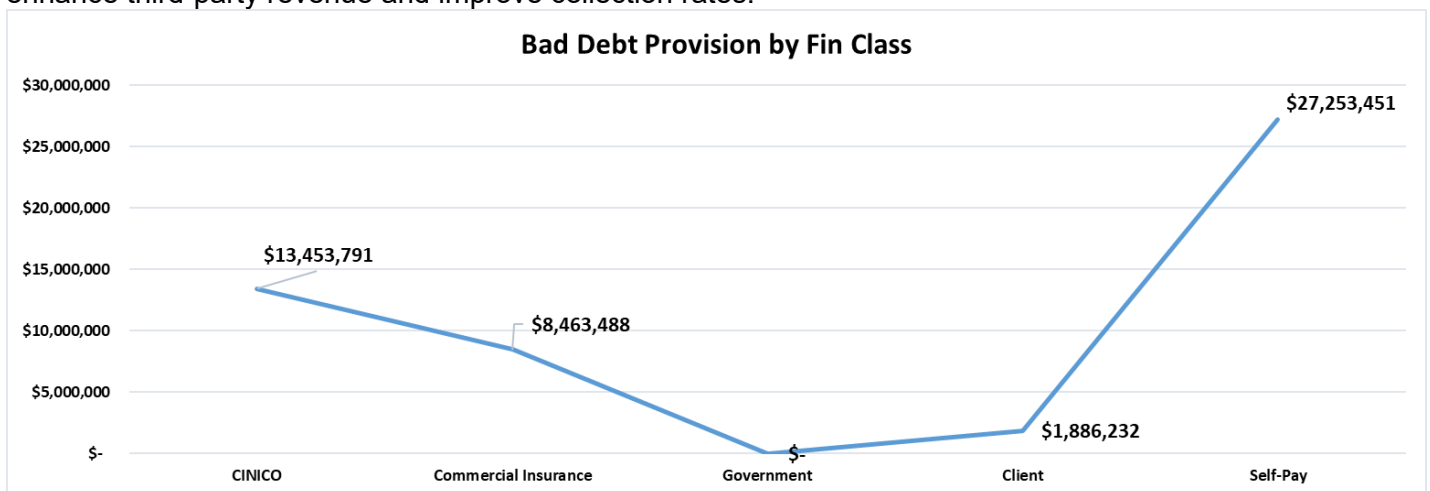
At the end of June, there was \$20.5 million in unposted payments. This was an increase of \$2.3 million from the \$18.2 million recorded at the end of May 2025.

41% (\$8.3 million) of unposted payments are within the 0 – 60 days aging bucket, however 37% (\$7.5 million) are in the 365 plus days+ bucket.

The long outstanding unposted payments (365+ days) relates to government output payments which need to be posted via lock box templates. There have been delays on the part of PFS due to the very manual

processes involved. A script has been provided by IT to facilitate a quicker turnaround and reduce the reputational risks for the HSA brought on by delays in recognizing patient payments. PFS management has committed to clearing up all unposted payments that are outstanding for 365+ days. The internal deadline for completion has been extended to 31 July 2025.

Self-pay encounters represent 37.5% of the total receivables as of June 2025. This category represents the highest risk of default for collections due to the transient nature of most of the patients in this receivable grouping. As part of any future risk management strategy, HSA must reposition itself to enhance third-party revenue and improve collection rates.



The total bad and doubtful debt provision for patient debts was \$50.7 million at the end of June 2025 and is shown by financial class in the accompanying graph.

Financial Performance Summary

Net revenues increased by \$0.8 million (1%) compared to 2024 while expenses increased by \$6.9 million (6.8%), resulting in a deficit of \$4.9 million in YTD performance. Whilst the growth in revenue performance remains a positive indicator, sustained efforts are required to increase revenue and reduce uncompensated care to cover the growing cost of operations. This will be critical to achieving sustainable and healthy financial performance.

Jun-24	FINANCIAL PERFORMANCE	Jun-25	Movement from PY	YTD BUDGET	Variance
Actual in \$ 000's		Actual in \$ 000's	\$000's	Budget in \$000's	\$000's
103,257	Revenue	104,073	816	84,743	19,331
102,085	Operating Expenses	108,997	6,912	84,743	(24,255)
1,172	Net Surplus/(Deficit)	(4,924)	(6,096)	-	(4,924)

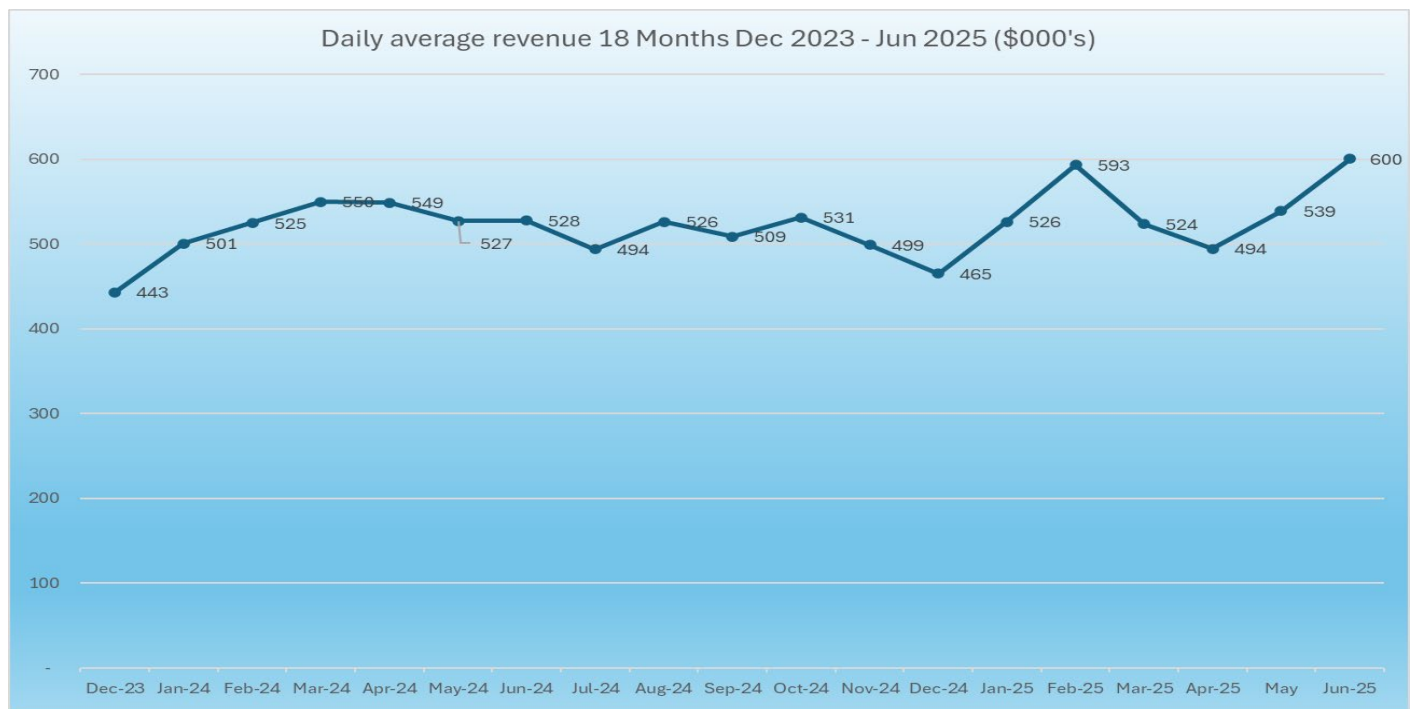
Revenue

Net patient revenue trends reveal a 1.0% increase in revenue over the past year, primarily propelled by an 2% increase in both inpatient and outpatient ancillary revenue. Revenue from District Health Centers (clinics) has experienced 9% YoY increase due to expanded service offerings at the community health centres.

For the month of June, the total net revenue was \$18 million, an increase of \$0.3 million from the previous month's \$17.7 million. This was the highest monthly revenue achieved in 2025 to date and made more remarkable by the fact that June had one less operating day than May. Gross patient revenue in June 2025 was above target by 31%.

Outpatient revenue, as has been the pattern since the prior year, surpassed inpatient revenue and budget targets. While the overall revenue trend is positive, a few departments declined against budget targets, indicating the need for focused management in these units.

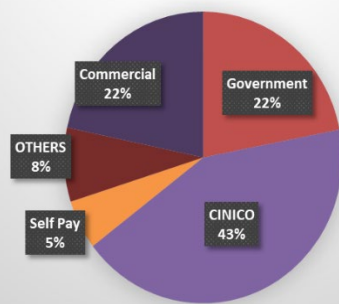
The graph below shows the average daily revenue over the past 18 months.



Traditionally December has low revenues. Daily average revenue rebounded from the low in April 2025 of \$494k up to \$600k in June 2025.

Revenue across Health Plans

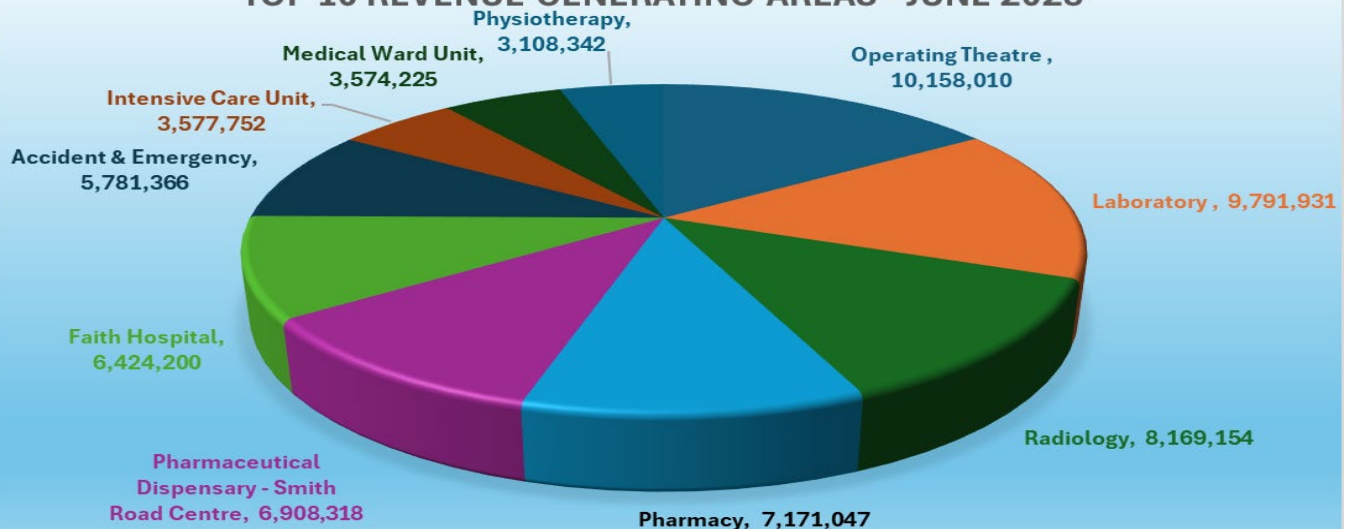
Revenue Across Health Care Plans



CINICO accounted for 43% of the total YTD revenue through its management of the civil service. Combined, government entities represent 65% of the total YTD revenue. Having 65% of total income coming from a single source poses a financial risk in the event of a likely loyalty switch,

Top Revenue Earners

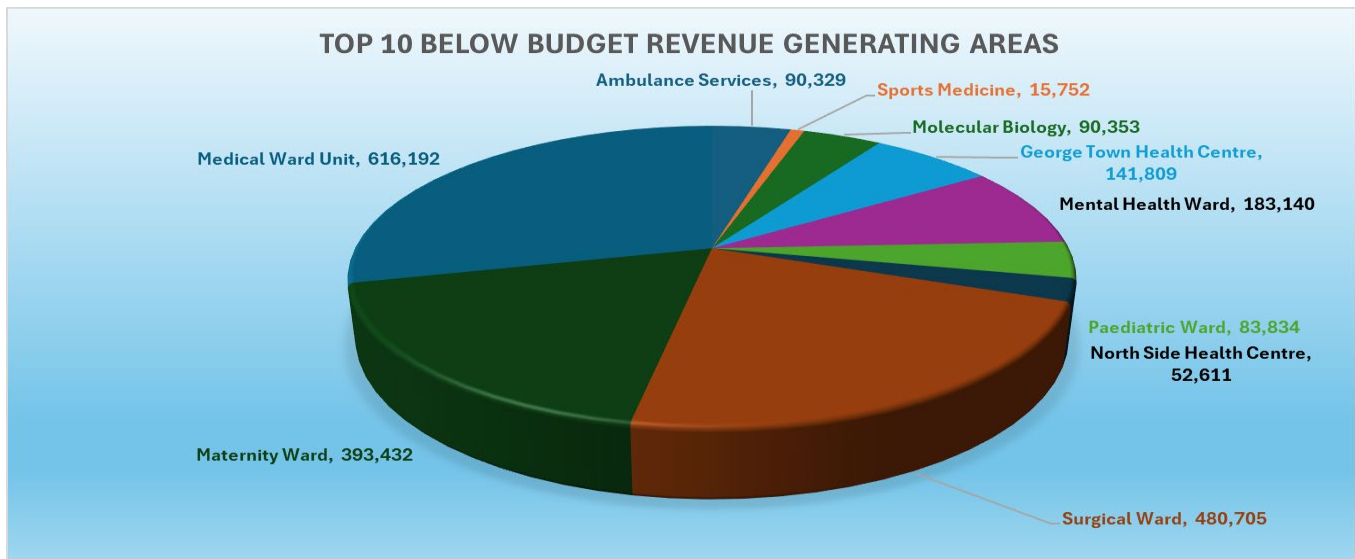
TOP 10 REVENUE GENERATING AREAS - JUNE 2025



Revenue is recognized as earned where and when the service has been performed. The top ten (10) revenue-generating departments produced \$11.1million (66%) of the total monthly income.

YTD 2025, Operating Theatre although limited due to upgrades remains the top performer, followed closely by Laboratory and Radiology with \$10.2 million, \$9.8 million and \$8.2 million respectively. This positive revenue performance has been fueled primarily by an increase in clinical capacity in the Operating Theatre allowing for a quicker turnaround in surgeries while reducing the number of referrals to external providers. Similarly, the extended opening hours in Urgent Care continue to positively impact patient waiting times. Increased marketing and the addition of patient experience officers across HSA has also improved patient satisfaction, leading to a higher utilization of services. the year.

Revenue Under Budget Performance



Some departments continue to fall below budget targets. The top ten (10) cost centers reporting negative revenue budget variances are shown in the accompanying pie chart above.

The variance against budget ranges as high as 74% (Ambulance) to the least variance, 11% (Medical Ward), with everything else falling in between those two ranges. In total these 10 areas had a YTD budget of \$16.4 million and have generated \$8.2 million – a total 50% below budget.

There is potential for increased Radiology revenue with the addition of an MRI machine which has been reiterated by the Radiology department from the beginning of the year.

Revenue Trends and Patterns

At the end of June, twenty-three (23) of the forty-two (42) revenue generating areas reported higher revenues than May 2025. YTD revenue compared to 2024 has increased by 1% even though we have a 5% higher staff complement.

A comprehensive review of revenue by the cost centre is ongoing covering data entry, system integrity and business processes, with a view to identifying patterns for remediation and further opportunities for revenue increase enhancements.

Other Issues impacting revenue performance

Zero balance encounters: A zero-balance encounter occurs when a clinician sees a patient, but no charges are recorded against the encounter.

At the end of June 2025 there were 136 zero balance encounters, a decrease of 16 encounters from the 152 reported in May 2025.

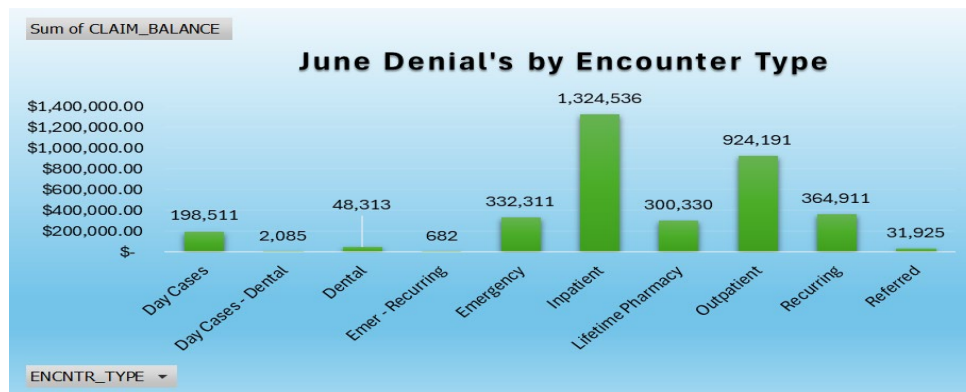
All the zero balance encounters are within the 30-day bucket range and all teams have been alerted and are in the process of addressing these balances. The fact that all the zero balances are in the 30-day bucket demonstrates the efficiency in which zero balance encounters are cleared monthly. As of reporting date only 31 of the original 136 zero balance encounters remain unaddressed.

Denials: For the month of June, denials were \$3.5 million, an improvement of \$1.2 million from May when denials stood at \$4.7 million. The following table summarizes denials by health insurance provider.

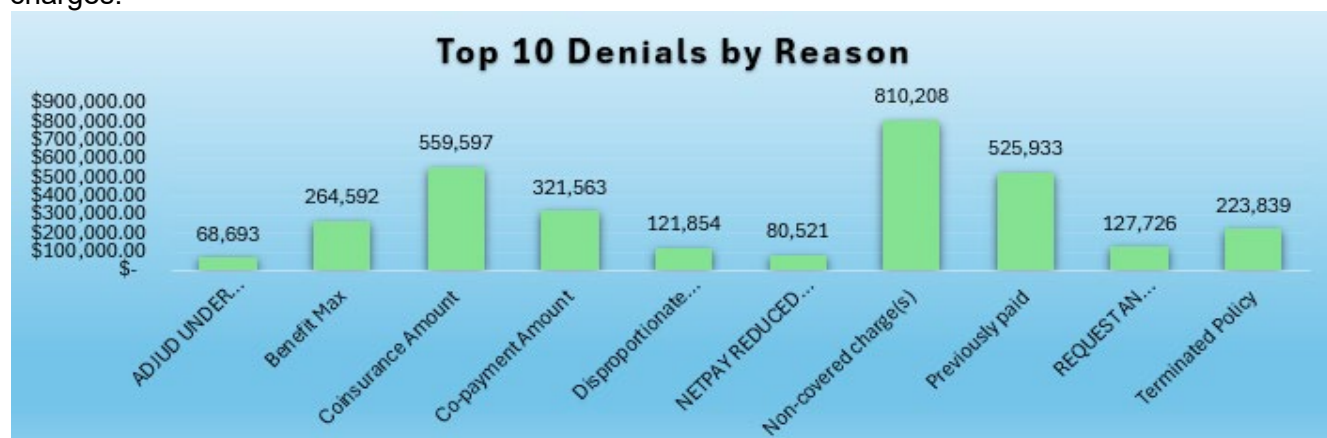
Health Insurance	Sum of CLAIM_BALANCE
Cinico Insurance	\$ 974,977.57
Aetna Insurance	\$ 148,347.98
BAF Insurance	\$ 160,879.12
British Caymanian Insurance	\$ 1,157,638.35
CaymanFirst Insurance	\$ 655,832.73
Fidelity Insurance	\$ 321,577.58
HSABritish Caymanian	\$ 58,425.19
One Health Insurance	\$ 1,900.93
Pan American	\$ 48,215.94
Grand Total	\$ 3,527,795

Key to reducing denials is the deployment of technology and better coordination between all teams in the revenue cycle. An intervention strategy is underway. Additionally, the practice of ensuring that claims are correctly recorded, coded, and substantiated before submission will reduce denials. Currently, there is no verification team in place.

Denials have an adverse effect on personnel costs as the rectification of these denials, means additional man hours and potential overtime costs, as well as delays the submission progress for new claim submissions as the staff shifts focus to address denied claims.



Particular attention should be paid to the quick rectification of denied claims to manage our collection efforts for services provided. The top denials by reason also suggest that there must be a more robust front office review process to reduce avoidable errors. The top reason for denial of claims is non-covered charges.



Government Programmes (Episodic & Non-Episodic Outputs) budget amounts to \$54.2 million for 2025. At the end of June 30, 2025, the status of these programmes is shown below:

Program	Budget	Billed	Collected	Unpaid
Patients Outputs	\$ 28,601,255	\$ 20,228,915	\$ 14,288,922	\$ 5,939,992
Programmes	25,619,000	12,809,500	10,674,583	2,134,917
Total	54,220,255	33,038,415	24,963,506	8,074,909

It should be noted that the \$0.6 million receivable from the MoH for the 2023 budget year will be adjusted for in the subsequent reporting month as the Ministry has rejected the reimbursement claim.

The amount of \$4.6 million is still due from the 2020 budget year for outputs delivered none of which is disputed. At the end of June 2025, projections based on YTD activity for **Patient Outputs** (below) show that there will be shortfalls in the annual episodic output budget. The MoH is advised monthly on the current position.

CIG ref	Prog No.	Program	Budget	SIF	Total Funds	Billing to-date	Months Billed	12-month Moving Projection	Projected Undrawn / (Shortfall)	Supplemental Request (Jun 30, 2025)
HEA 17	HSA1	Beyond Insurance	1,675,000		1,675,000	969,128	4.50	2,584,340	(909,340)	915,000
	HSA2	Uninsured Pregn	200,000		200,000	103,875	4.50	277,000	(77,000)	80,000
	HSA3	Postnatal	125,000		125,000	58,089	4.50	154,905	(29,905)	35,000
HEA 2	HSA7	Indigents	20,250,000	4,500,000	24,750,000	14,928,710	5.25	34,122,765	(9,372,765)	9,400,000
HEA 16	HSA37	Geriatric Service	4,000,000		4,000,000	2,929,449	4.50	7,811,865	(3,811,865)	3,820,000
HEA 19	HSA38	Chronic Ailment	1,359,255		1,359,255	1,302,460	4.50	3,473,226	(2,113,971)	2,200,000
HEA 23	HSA42	Provision of Antir	492,000		492,000	82,523	3.00	330,091	161,909	-
HEA 20	HSA41	PH Communicabl	450,000		450,000	29,923	4.50	79,795	370,205	
		Cayman Aids Fou	50,000		50,000	12,500	-	50,000	-	
			28,601,255	4,500,000	33,101,255	20,416,656		48,883,986	(15,782,731)	16,450,000

Recommendations

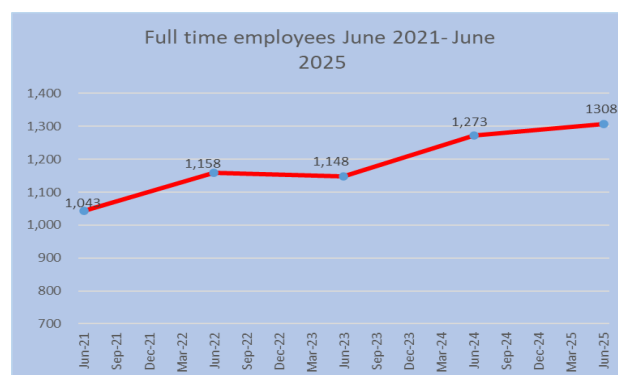
In keeping with best practice, revenue diversification and enhanced billing & collection are recommended as part of the risk management strategy to improve cash flow.

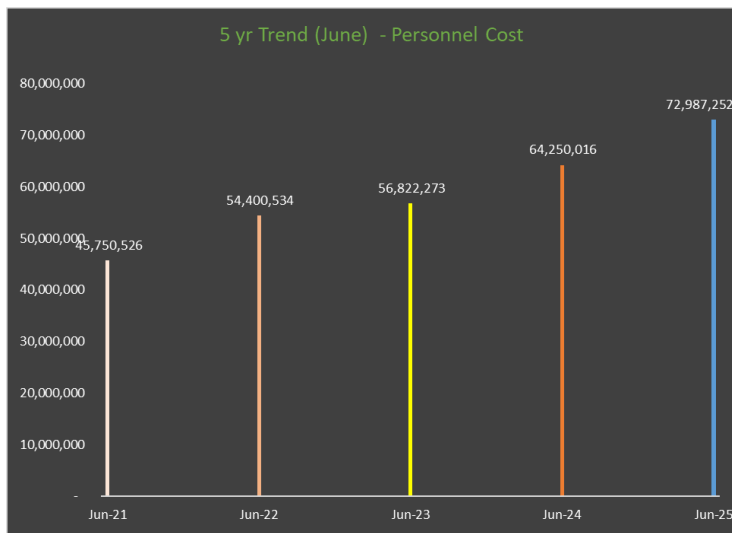
Expenditure

Expense Management: In June 2025, expenses totaled \$17.8 million, exceeded the budget by \$3.6 million (26%) and were 1.7% below May 2024 (\$18.1 million). Year-to-date (YTD), expenses have risen by 6.8 %, indicating the need for closer monitoring and cost control.

Personnel costs, the largest expense category, accounted for 66% of YTD expenditure, followed by supplies and materials at 12%. Combined, these two categories represent 78% of the total operating expenses.

Personnel Costs





YTD personnel costs exceeded the budget by 26%. As of June 2025, there were 1,308 employees, a 25% increase from 1043 employees in June FY2021. This rise in the headcount has significantly impacted on personnel expenses. Additionally, HSA has implemented a government-mandated 5% Cost-of-Living Adjustment (COLA January 2025, further increasing staff rates and the associated pension costs. While the growth in patient numbers and the expanded scope of operations supports the need for the increased headcount, efforts must be made to find internal efficiency through improved business processes and the use of technology as the growth in staff

headcount is not sustainable.

YTD revenue compared to 2024 has increased by just 1% even though we have a 5% higher staff complement. Operational reviews need to be conducted to identify areas of inefficiency as the increased hiring and consequentially increased personnel costs were intended to generate increased revenue.

As a percentage of revenue, personnel costs accounted for 70% of total revenue year-to-date. The national standard for US based hospitals is 45-54%. Although it is acknowledged that there are differences in the operating environment between the USA and the Cayman Islands, the increased use of technology to enhance and streamline operations, in contrast to adding to the current FTE headcount especially for non-fee earners is recommended.

The non-clinical staff ratio at the end of May 2025 was 25% and accounted for 8% of the total payroll costs, putting both metrics below the headcount and cost benchmark for support staff in the healthcare industry.

Contractual allowances increased by \$1.0 million (15%) when compared to YTD 2024. Staff contractual adjustment as of June 2025 was \$0.9 million, which was in line with the YTD budgeted amount for the month.

The health care plan utilization for June 2025 is as indicated below.

Prior Year	Composition	Amount
6,000,788	Capitalation Adjustment - Employee	6,897,630
759,334	Contractual Allowance Adjustments	900,363
6,760,122	Total	7,797,992

Staff Health Plan Utilization & Claims – June 2025:

Medical/Rx

The grand total plan cost for June 2025 is \$2,323,662.

- The grand total plan cost for July 1, 2024, to June 30, 2025, is \$21,809,741 which was -2.3% lower on a per employee per month basis as compared to the prior 12-month plan year July 1, 2023, through June 30, 2024.
- The grand total plan cost for the month of June 2025 was comprised of \$1,937,732 (medical), \$197,872 (Rx), \$0 (ISL Reimbursement) and \$188,058 (administrative expenses).

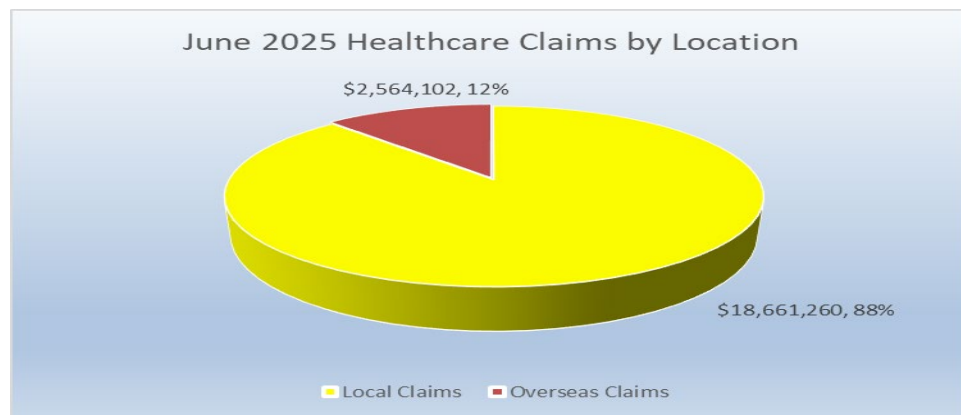
Large Claim Expense

There are 4 claimants in excess of \$150,000 for the current year compared to the 11 claimants in prior year. In 2024, two claimants exceeded the ISL, and the expected SL reimbursement was recorded to the FMR

Dental plan claims for July 1, 2024, to June 30, 2025, are \$618,793 which is 4.6% higher on a per employee per month YTD as compared to the prior 12-month plan year of July 1, 2023, through June 30, 2024.

Vision: There were 79 claims for June 2025 totaling \$28,664.

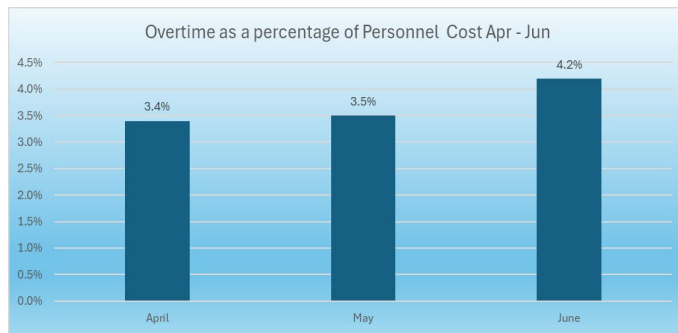
Staff Healthcare claims by Location



Overtime (OT)

June 2025 overtime costs of \$0.4 million exhibited a negative variance of \$0.2 million (50%) when compared to budget, due to the substantial overspend in this category. Total overtime for 2024 was \$4.8 million at year- end. Should this trend continue, then the HSA is projected path to match or exceed the 2024 outcome of just under \$5 million.

As a percentage of payroll cost overtime had been trending to the accepted 2% of the payroll cost until March of 2025. As of June, that figure stands at 4.2 %, which is 2.2% above the accepted 2% benchmark. Therefore, immediate intervention is required, especially with the rising trend noted over the last 3 months.



It is important to note for overtime that:

1. A sustained effort is still required to prevent the material ad-hoc spikes we have seen over the past years.
2. In addition, there needs to be a policy to force claim submission within 30 days to prevent the deliberate accumulation of claims thereby distorting performance reporting.

Overtime (OT) Trends

Even with a 25% growth in headcount over the past 5 years (2021 – 2025), we continue to incur overtime costs and therefore careful examination of the reasons for overtime while putting measures in place to curtail this expense is required.

60% of the number of overtime claims across the top clinical and non-clinical departments paid to employees in June 2025 was primarily attributed to vacancies, acuity and callouts. Non-clinical team overtime claims accounted for 13% of the total costs.

As of July 2025, CHRO has been tasked with the management of overtime costs.

Supplies and materials for the month of June 2025 were 8.9% of total operating expenses and remained the second largest operating expenditure. 51% of all supplies and materials are drug costs which continue to be the biggest driver of expenditure for this category.

Supplies and materials costs continue to be impacted by the shocks in the supply chain (price increase, product origin – US vs Europe, market uncertainty and industrial unrests), and changes in operating standards as dictated by JCI with respect to business process. For example, some patient-use items could be sterilized and reused such as bed pans. Under JCI, disposables must be used. This has resulted in increased operating costs.

The increase in supplies and materials needs to be closely monitored and data entry, system integrity and business processes should be continually tested and verified to control these costs. Currently, Materials Management and Procurement are in the process of exploring alternative purchasing practices with a view to minimize the expense of buying supplies and materials.

Rental expenses Rental expenses remain a concern despite being consistent with the prior year at \$0.2 million. A key issue is the ongoing monthly rental charges for underutilized facilities, in particular unit 104 in Baytown Plaza. This unit has been earmarked for the use of the Physiotherapy department. Currently it is largely unoccupied by the Physiotherapy staff with only two occupants, namely one staff member from Registration and the other being the unit Business Coordinator. There has been a delay in getting the inspection and authorization for the space to be used for patient therapy services. A strategy needs to be developed to limit unoccupied lease facilities while we seek to resolve clinical space needs.

Utility costs the primary utility expenditure was electricity, which accounted for 70% of the total utility expenditure. YTD utility costs stand at \$1.8 million dollars which is \$0.4 million below 2024 levels. This is primarily due to reduced electricity costs being offset by the main hospital solar plant, and a reduction in fuel costs from the provider in comparison to the beginning of the year. Reduced patient numbers also means less demand on electricity.

Insurance: There has been a 59% increase in general insurance costs year on year driven primarily by increases in property insurance rates. This insurance has doubled over 2024.

Forecast:

Although there was a small profit in June 2025, the trend of losses YTD suggests the notion that there is clear budget pressure with expenses outpacing revenue.

It is expected that should the entity continue the same trajectory without proper cost management, the rolling forecasted outturn shows a significant operating deficit in the region of \$6.7 million.

Financial Performance for the period ending Feb 2022	FYForecast		
	Current YTD Actual	FYBudget	Variance
GROSS PATIENT REVENUE			
Total Net Revenue	208,146,653	182,665,573	25,468,581
EXPENSES			
Total Expenses	214,874,399	182,665,573	(32,208,826)
Net Income/(Deficit)	(6,727,745)	0	(6,740,245)

Based on the current trajectory, staff costs are expected to end at some \$142.3 million while other operating expense /overheads are projected at circa \$72.6 million. The capital spend has started slowly with \$2.2M spent in the first 6 months to June 2025. Based on the capex project plan, capital should remain within the projected \$12 million cap.

ROLLING CASHFLOW to Dec 2025 (CIS\$000)								2025 Total
	June	July	August	September	October	November	December	
Opening Cash	50,067	50,900	50,900	48,505	48,910	50,955	49,709	64,437
Inflows								-
Earnings	16,510	15,369	15,810	15,715	15,888	16,061	15,198	170,101
New Earnings								
New Fee Earners	189	189	189	250	250	250	250	1,661
Chargemaster Changes	161	161	161	161	161	161	161	1,610
Receivables		1,797		3,000	3,500	600		20,970
Total Inflows	16,860	17,516	16,160	19,126	19,799	17,072	15,609	194,342
Outflows								
Payroll (Existing)	11,427	11,427	11,427	11,427	11,427	11,427	11,427	133,555
Payroll (New)		109	157	90	23	87	80	546
New Strategic Plans		304	304	304	304	304	304	1,824
Other Direct and Administrative Co	4,000	5,000	5,000	5,000	5,000	5,000	5,000	60,455
Projected Capital Outflow	600	1,500	1,667	1,900	1,000	1,500	1,500	11,229
Total Outflows	16,027	18,340	18,555	18,721	17,754	18,318	18,311	207,609
Net Cash	833	(824)	(2,395)	405	2,045	(1,246)	(2,702)	(13,267)
Closing Cash	50,900	50,076	48,505	48,910	50,955	49,709	47,007	51,170
Statutory Cash Reserves	39,263	39,263	39,263	39,263	39,263	39,263	39,263	39,263
Excess/(Shortfall)	11,637	10,813	9,242	9,647	11,692	10,446	7,744	11,907

Summary

In summary, operating expenditure was higher than budget targets of \$24.3 million, and the prior year by \$6.9 million. Due to the projected negative impact of market changes and growing competition, it is important that revenue surpass or, at a minimum, keep pace with the growth in expenditure levels to mitigate erosion in capital. Efforts are therefore required to sustain and improve revenue as noted below.

1. Continued monitoring of the Chargemaster service list and rates.
2. Improve revenue cycle management (reduce denials, improve revenue capture, improve collection efforts, and double handling of data).
3. Identify and reduce uncompensated care (reduce deficiencies).

Similarly, efforts are required to curtail operating expenditure run rate through:

1. Continued management and monitoring of staff costs including overtime and headcount.
2. Reviewing business processes and harnessing technology to maximize the use of resources.
3. Management of procurement activities to reduce cost and waste across the organization.

One of the key areas for a winning strategy is to reduce manual intervention and reliance on human input as this drives costs. Greater efforts are therefore required to optimize existing IT systems, improve business procedures and increase efficiency across the entire organization.

While the organization faces challenges, strategic management of assets and waste reduction will provide a foundation for financial stability to navigate the evolving financial landscape.

Statement of Financial Position

June 2024	Financial Position as at 30 June 2025	Note	Current Month Actual	Amended Prior Month	MoM Change	Phased Budget 2025	PY vs CY	in %	CY vs Budget	in %
	Current Assets									
19,295,497	Cash & Cash Equivalents	1	32,055,549	20,086,932	11,968,617	41,884,417	12,760,052	66%	(9,828,868)	-23%
25,880,018	Short-term investments		18,896,239	28,845,062	(9,948,823)	-	(6,983,779)	-27%	18,896,239	0%
350,598	Prepaid Expense	2	706,240	808,080	(101,840)	583,425	355,642	101%	122,814	21%
59,023,216	Accounts Receivable (Net)	3 (a)	49,263,948	51,086,024	(1,822,077)	22,954,063	(9,759,268)	-17%	26,309,884	115%
6,099,728	Ministry Receivables (Net)	3 (b)	14,683,499	14,683,499	-	12,034,917	8,583,771	141%	2,648,582	22%
631,917	Other Receivables		1,177,503	1,180,718	(3,215)	680,443	545,586	86%	497,060	73%
1,105,129	Advances to Supplier (Capex)		336,499	418,815	(82,317)	1,280,066	(768,630)	-70%	(943,567)	-74%
14,712,681	Inventories	4	19,048,205	19,016,490	31,716	11,415,683	4,335,525	29%	7,632,522	67%
127,098,783	Total		136,167,682	136,125,620	42,062	90,833,014	9,068,899	3	45,334,667	2
	Property Plant & Equipment									
158,624,643	Property Plant & Equipment	5	168,071,083	167,507,026	564,057	190,599,642	9,446,440	6%	(22,528,559)	-12%
(52,802,845)	Accumulated Depreciation	5	(60,954,001)	(60,295,850)	(658,151)	(58,568,035)	(8,151,156)	15%	(2,385,966)	4%
7,057,301	Right-of-use Assets		5,899,879	5,899,879	-	3,554,297	(1,157,422)	-16%	2,345,582	66%
(3,699,558)	Accumulated Dep Right-of-use Assets		(3,741,902)	(3,546,420)	(195,482)	(2,297,159)	(42,345)	1%	(1,444,743)	63%
109,179,541	Total		109,275,059	109,564,635	(289,575)	133,288,745	95,518	0	(24,013,686)	1
236,278,323	Total Assets		245,442,741	245,690,254	(247,514)	224,121,759	9,164,417	3	21,320,982	3
	Current Liabilities									
-	Trade payables	6	313,788	349,646	35,858	12,198,942	(313,788)	0%	(11,885,154)	-97%
638,402	Stale dated payables	6	1,157,045	1,157,045	-	85,337	(518,643)	-81%	1,071,708	1256%
2,564,809	Accruals	6	10,042,347	9,851,668	(190,679)	5,354,002	(7,477,538)	-292%	4,688,345	88%
15,420,169	Other Creditors	7	17,164,244	17,592,624	428,380	8,210,255	(1,744,075)	-11%	8,953,989	109%
124,998	Provision - legal		395,833	354,166	(41,666)	-	(270,835)	0%	395,833	-
646,565	Operating Lease Rental		548,566	548,566	-	326,809	97,999	15%	221,757	68%
19,394,944	Total		29,621,822	29,853,715	231,892	26,175,345	(10,226,879)	(4)	3,446,477	14
	Non-current Liabilities									
242,185,389	Unfunded Past Service Health Care		229,213,000	227,909,000	(1,304,000)	172,432,000	(12,972,389)	-5%	56,781,000	-33%
5,779,000	Unfunded Defined Benefit Obligation		1,533,500	1,432,500	(101,000)	8,205,000	4,245,500	73%	(6,671,500)	81%
2,881,918	Non-current Lease liability		1,937,949	1,937,949	-	510,634	943,969	33%	1,427,315	-280%
250,846,307	Total		232,684,449	231,279,449	(1,405,000)	181,147,634	(7,782,920)	-3%	51,536,815	(2)
270,241,250	Total Liabilities		262,306,271	261,133,163	(1,173,108)	207,322,979	(7,934,979)	-3%	54,983,292	12
(33,962,927)	Net Assets		(16,863,530)	(15,442,909)	1,420,621	16,798,780	17,099,397	-50%	(33,662,310)	(9)
	Net Worth									
1,172,292	Surplus/(Deficit)		(4,923,873)	(3,503,251)	(1,420,621)	-	(6,096,165)	520%	(4,923,873)	x
42,801,302	Assets Revaluation		42,801,302	42,801,302	-	42,801,302	-	0%	-	0%
141,983,402	Contributed capital B/F		141,983,402	141,983,402	-	140,805,201	-	0%	1,178,201	-1%
(219,919,922)	Accumulated Surplus/(Deficit)- B/F		(196,724,361)	(196,724,361)	-	(166,807,722)	23,195,561	11%	(29,916,639)	-18%
(33,962,927)	Net Deficit/Equity		(16,863,530)	(15,442,909)	1,420,621	16,798,780	17,099,396	-50%	(33,662,310)	(0)

Financial Performance Statement

Financial Performance for the period ending June 2025															
June 2024 YTD	Note	Current Month Actual	Month Budget	Variance	%	YTD Actual	YTD Budget	Variance	%	PY change	% change	YTD average	PY AVG		
	GROSS PATIENT REVENUE														
6,481,940	Routine Care (Room & Board)	1,093,296	998,295	95,001	10%	5,944,451	5,989,770	(45,319)	-1%	(537,489)	-8%	990,742	1,080,323		
35,967,564	Inpatient Ancillary	6,318,284	5,210,877	1,107,407	21%	36,801,636	31,265,261	5,536,374	18%	834,072	2%	6,133,606	5,994,594		
42,449,504	Total Inpatient Revenue	7,411,579	6,209,172	1,202,408	19%	42,746,087	37,255,031	5,491,056	15%	296,583	1%	7,124,348	7,074,917		
49,625,704	Outpatient Ancillary	8,758,250	6,110,529	2,647,720	43%	50,718,117	36,663,176	14,054,941	38%	1,092,413	2%	8,453,020	8,270,951		
3,835,507	Clinics	761,861	449,223	312,638	70%	4,171,761	2,695,336	1,476,425	55%	336,255	9%	695,294	639,251		
53,461,210	Total Outpatient Revenue	9,520,111	6,559,752	2,960,359	45%	54,889,879	39,358,512	15,531,367	39%	1,428,668	2.7%	9,148,313	8,910,202		
95,910,714	Total	16,931,690	12,768,924	4,162,766	33%	97,635,965	76,613,543	21,022,423	27%	1,725,251	2%	16,272,661	15,985,119		
	REVENUE DEDUCTION														
6,760,122	Contractual Adjustments	1,277,527	935,514	(342,013)	-37%	7,797,992	5,613,082	(2,184,910)	-39%	1,037,870	15%	1,299,665	1,126,687		
6,760,122	Total	1,277,527	935,514	(342,013)	-37%	7,797,992	5,613,082	(2,184,910)	-39%	1,037,870	15%	1,299,665	1,126,687		
89,150,592	Net Patient Revenue	15,654,163	11,833,410	3,820,753	32%	89,837,973	71,000,460	18,837,513	27%	687,381	1%	14,972,995	14,858,432		
	OTHER REVENUE														
12,809,500	Government Programmes (non-Property Rental	2,134,917	2,134,917	0	0%	12,809,500	12,809,500	0	0%	-	0%	2,134,917	2,134,917		
38,055	Property Rental	10,185	8,000	2,185	27%	54,711	48,000	6,711	14%	16,656	44%	9,118	6,343		
375,000	Concession Income	68,750	62,500	6,250	10%	381,250	375,000	6,250	0%	6,250	73%	63,542	62,500		
8,610	Miscellaneous Sales	17,903	12,653	5,251	42%	38,310	75,915	(37,605)	-50%	29,701	3%	6,385	1,435		
865,199	Other Receipts	125,090	30,624	94,466	308%	913,861	183,746	730,115	397%	48,662	6%	152,310	144,200		
10,200	Donations	-	41,667	(41,667)	-100%	37,721	250,000	(212,279)	-85%	27,521	0%	6,287	1,700		
14,106,564	Total Other Revenue	2,356,845	2,290,360	66,485	3%	14,235,354	13,742,161	493,193	4%	128,790	1%	2,372,559	2,351,094		
103,257,156	Total Net Revenue	18,011,008	14,123,770	3,887,238	28%	104,073,327	84,742,621	19,330,706	22.8%	816,171	1%	17,345,554	17,209,526		
	EXPENSES														
64,250,016	Personnel Cost	12,109,140	9,653,086	(2,456,053)	-25%	72,727,252	57,918,519	(14,808,733)	-26%	(8,477,236)	-13%	12,121,209	10,708,336		
17,344,769	Supplies & Materials	1,511,062	1,679,056	167,994	10%	13,341,182	10,074,335	(3,266,848)	-32%	4,003,587	23%	2,223,530	2,890,795		
2,293,561	Utilities	323,600	319,300	(4,300)	-1%	1,863,131	1,915,800	52,669	3%	430,430	19%	310,522	382,260		
5,229,704	Other Operating Expenses	1,413,110	547,961	(865,148)	-158%	5,286,257	3,287,769	(1,998,489)	-61%	(56,554)	-1%	881,043	871,617		
1,918,263	Information Technology Costs	196,909	178,475	(18,434)	-10%	1,183,280	1,070,850	(112,430)	-10%	734,984	38%	197,213	319,711		
857,609	Insurance	227,423	144,064	(83,359)	-58%	1,364,736	864,385	(500,351)	-58%	(507,127)	-59%	227,456	142,935		
141,613	Impairment of Inventory	99,338	33,333	(66,005)	-198%	143,414	200,000	56,586	28%	(1,802)	0%	23,902	23,602		
339,135	Travel & Subsistence	66,637	51,113	(15,523)	-30%	291,714	306,681	14,967	5%	47,421	14%	48,619	56,523		
1,651,087	Legal & Professional Fees	237,413	234,562	(2,851)	-1%	1,232,113	1,407,373	175,259	12%	418,973	25%	205,352	275,181		
239,017	Training	44,760	32,883	(11,877)	-36%	187,090	197,299	10,209	5%	51,927	22%	31,182	39,836		
1,189	Reference Materials	43	6,113	6,070	99%	14,758	36,679	21,921	60%	(13,569)	0%	2,460	198		
4,420,432	Doubtful Debt	820,072	820,072	0	0%	6,806,664	4,920,432	(1,886,232)	-38%	(2,386,232)	-54%	1,134,444	736,739		
3,398,469	Depreciation	755,892	423,750	(332,142)	-78%	4,555,607	2,542,500	(2,013,107)	-79%	(1,157,139)	-34%	759,268	566,411		
102,084,863	Total Expenses	17,805,397	14,123,770	(3,681,627)	-26%	108,997,199	84,742,621	(24,254,579)	-29%	(6,912,336)	-6.8%	18,166,200	17,014,144		
1,172,293	Net Income/(Deficit)	205,611	-	205,611		(4,923,873)	-	(4,923,873)		(6,096,165)	94.0%	(820,645)	-		

Statement of Cash Flows

CAYMAN ISLANDS HEALTH SERVICES AUTHORITY Statement of Cash Flows For the period ending 30 June 2025 <i>(stated in Cayman Islands dollars)</i>				
30-Jun-24		30-Jun-25	Budget	Variance
	Cash provided by/(applied in):			
	Operating activities			
1,172,292	Net income (loss) for the year	(4,873,373)	-	(4,873,373)
	Add item not affecting working capital:			
4,420,432	Provision for doubtful debts	6,806,664	4,920,432	1,886,232
2,824,193	Depreciation	3,948,405	2,542,500	1,405,905
141,613	Inventory (write-up) write-downs	143,414	200,000	(56,586)
	Net changes in non-cash working capital balances relating to operations:			
(19,058,328)	Accounts receivable, net, (increase)	(9,098,739)	11,477,032	(20,575,771)
(4,196,708)	Other receivables, (increase) decrease	(10,989,911)	340,222	(11,330,133)
(618,450)	Inventory, net, (increase) decrease	(2,148,484)	(2,078,452)	(70,032)
(2,451)	Advances to suppliers, (increase) decrease	884,123	640,033	244,090
(278,009)	Prepaid expenses, (increase) decrease	724,798	291,713	433,086
(1,616,387)	Accounts payable and accrued expenses, increase	(8,305,309)	7,512,811	(15,818,120)
574,276	Right of use asset, (increase) decrease	607,203	(255,317)	862,520
(602,117)	Lease Liability, increase (decrease)	(511,000)	(163,404)	(347,595)
495,000	Employee pension benefits, net, increase (decrease)	4,801,000	4,102,500	698,500
6,542,389	Employee healthcare benefits, net, increase (decrease)	25,845,554	10,367,419	15,478,135
(10,202,256)	Net cash generated from operating activities	7,834,343	39,897,487	(32,063,143)
	Investing activities			
(3,689,417)	Cost of fixed assets purchased	(2,161,312)	(7,900,000)	5,738,688
(391,068)	Short-term investments	-	-	-
(4,080,485)	Net cash provided by (used in) investing activities	(2,161,312)	(7,900,000)	5,738,688
	Financing activities			
-	Finance interest on Operating Leases	-	-	-
-	Lease Liabilities - Long-term, (decrease) increase	-	255,317	(255,317)
-	Net cash used in financing activities	-	255,317	(255,317)
(14,282,742)	Increase/ (Decrease) in cash during the period	5,673,031	11,517,966	(5,844,935)
24,141,844	Cash and cash equivalents at beginning of the period	32,080,343	32,080,343	-
19,295,497	Cash and cash equivalents at end of the period	32,055,549	43,598,309	(11,542,760)
25,880,018	Term Deposits	18,896,239	-	18,896,239
45,175,515	Aggregate Cash	50,951,788	41,884,417	9,067,371

Accounting Principles

Basis of Accounting

These financial statements are prepared on an accrual basis under the historical cost convention, valued in Cayman Islands Dollar.

Revenue Recognition

Patient revenue is recognized on the day services are provided.

Budget

Budget figures used are based on approved 2024/2025 Purchase and Ownership agreement.

Revenue

This comprises (1) revenue from Profit which reflects the patient charges that are posted to each encounter at discharge date including government programs such as Indigent, Uninsured/Underinsured children, Antenatal et al, either run automatically by the system or manually by the Ward/Registration Clerk or Physicians (2) Autopsies & (3) Prison care conducted at the prison.

Revenue Deduction

Contractual allowances comprise deductions against revenues for HSA Employees & Dependents medical costs for services that were provided by HSA. These are periodically directly written off from Accounts Receivable and against Contractual Adjustments.

Non-EPISODIC Fee Outputs

Non- Episodic fee (output) comprises outputs purchased by Cabinet in respect of Faith Hospital, District Clinics, Mental Health, School Health, and Ambulance and the Microbiology Lab.

Rental Income

Rental space for Hyperbaric Chamber, Barista, and Smith Road Centre.

Miscellaneous sales & other receipts

This comprises interest received on cash balances, medical supplies, morgue fees, food sales & catering service and reimbursement from the Ministry for sponsored training.

Donation

For the quarter ending March 31st, 2025, this comprises of cash received from the Cayman Islands Cancer Society which was applied in the purchase of oncology equipment. See Note 11 for details.

Personnel Cost

Comprises all costs relating to salaries & wages, allowances, pension, recruitment, overseas medical cost of staff etc. See Note 12 for details.

Doubtful Debts Expense

Based on Doubtful debts percentage that has been estimated on monthly basis and approved by the board, plus uncollectible cabinet output receivable.

Supplies & Materials

Comprises all cost relating to drugs, medical supplies, food & dietary & housekeeping supplies. See Note 13 for details.

Utilities

Comprises all costs relating to electricity, water, telephone & cable. See Note 14 for details.

Other Operating Expense

See Note 15 for details of the expenses recorded here.

Cash & Cash Equivalents

Comprises bank accounts & petty cash. These accounts are both current accounts and saving accounts, of which all accounts are interests bearing.

Prepaid Expense

Prepaid Portion of Service Maintenance Agreement, Nursing, Registration, and other expenses.

Accounts Receivable

Represents patient accounts receivable net of doubtful debts reserve to reflect true receivables. Summaries of the Aged Trial Balance are provided in the notes.

Cabinet Receivables & Other receivables

Non-episodic fee output receivable including billing for equity injection. See Note 2 and 3 for details.

Inventory

Represents stock on hand in the Pharmacy and Material Management warehouse. See Note 4 for details.

Trade Payable

Invoiced items received and input into the system that are yet to be processed for payment.

Accruals

See Note 6 for details.

Notes to Financial Statements

1. Cash Holdings

Prior Year	Composition	Amount
17,928	Cash on hand	1,546,517
15,360,739	KYD-Operating Account	2,615,058
1,933,822	USD-Operating Account	27,374,115
1,360,936	KYD-Cayman Brac Savings Account	518,604
622,072	USD-Cayman Brac Savings Account	1,255
19,295,497	Total	32,055,549
		0

Investments		
Prior Year	Composition	Amount
25,880,018	CI\$ Fixed Deposits (>90 Days)	18,896,239
25,880,018		18,896,239
45,175,515	Aggregate cash	50,951,788

2. Prepayments

Prepayments

Prior Year	Composition	Amount
105,944	Accrued Prepayments	(153,770)
244,655	General Advances	860,009
350,598	Total	706,240

3 (A) Accounts Receivable (Net)

Prior Year	Net Account Receivable by health plan	Jun-25	Dec-24	Change
8,788,490	CINICO	24,309,711	8,788,490	15,521,221
10,468,520	GOVERNMENT	10,739,653	10,468,520	271,133
-	CLIENT BILLING	2,532,934		
12,770,262	COMMERCIAL	6,397,771	12,770,262	(6,372,491)
26,995,943	SELF-PAY	5,283,879	26,995,943	(21,712,064)
59,023,216	Total	49,263,948	59,023,215	(9,759,268)

3 (B) Ministry Receivables

Prior Year	Amount	Allowance	Net
6,099,728 Outputs (Periodic and Other)	14,683,499	-	14,683,499
6,099,728	14,683,499	-	14,683,499

4 Inventories

Prior Year	Composition	Amount
40,093	Dietary Supplies	98,949
73,414	Housekeeping	89,989
1,216,523	Other supplies	491,225
7,533,055	Medical Supplies	11,845,445
5,849,595	Pharmacy	6,522,599
14,712,681	Total	19,048,206

5. Property, Plant and Equipment

Prior Year	Composition	Net Book Value
2,521,555	Work/Construction in Progress	3,120,375
18,540,000	Land	18,540,000
55,916,413	Revalued Buildings	52,792,783
14,742,719	Buildings	16,558,383
1,534,830	Vehicles	1,306,444
1,161,712	Furniture & Fittings	1,092,684
924,100	Computer Hardware	918,439
196,574	Computer Software	379,222
277,056	Office Equipment	85,411
7,706,269	Medical Equipment	10,933,816
2,302,915	Other Assets	1,389,527
105,824,142	Total	107,117,082

Prior Year	Rights of use assets	Net Book Value
3,355,398	Rights of use assets	2,157,977
109,179,541	Grand total	109,275,059

5(A) Work-In-Progress/ WIP

Prior Year Spend 2024	Composition	2025	Project Value
149,554	Atrium upgrade	212,478	359,571
225,583	A&E Renovation (continuation from 2022)	398,362	726,000
254,009	District Health Centre upgrades/expansion	-	97,000
931,326	Relocation expansion of ACU	1,736,598	2,700,000
561,751	Hospital Bed Replacement	-	1,500,000
11,163	Morgue & Forensic Lab	33,490	450,000
-	Bodden Town EMS (outfitting of EMS Station)	43,165.00	-
4,503	Faith Hospital Morgue Roof Replacement	-	30,000
17,834	Relocate Finance to Citrus Grove	138,696	260,000
34,230	Relocation of Forensics & EMS	-	-
68,000	Plumbing system replacement	101,340	2,000,000
147,600	Exterior Building Repainting of the Faith Hospital Campus	-	-
64,173	Ward expansion 11 beds	96,813	5,000,000
4,525	Renovation of Medical Records	-	518,951
21,105	A&E New Triage and Registration	47,588	37,250
-	Faith Hospital Morgue Roof Replacement	68,037	-
17,160	Chemotherapy Expansion	37,140	-
9,040	New Endoscopy SuiteNew Endoscopy Suite	56,564	-
-	Dental Lab Expansion	25,770	-
-	Emergency Water Storage Tanks	55,423	-
-	Relocation of Physio	32,255	28,000
-	EMS Ambulance Cover	6,733	100,000
-	Renovation of SPAediatrics Waiting Room at Public Health	15,923	-
-	Patient Specimen Collection Area	14,000	-
2,521,555	Total	3,120,374	13,806,772

6 Accruals

Prior Year	Composition	Amount
1,028,835	Local and Overseas Vendor Accrual	6,189,126
220,362	Electricity Accrual	167,438
143,140	Audit fees	222,868
231,384	Insurance	1,283,623
520,585	CPAM	175,000
-	Staff Honorarium	1,560,000
420,503	Overtime Accrual	444,292
2,564,809	Total	10,042,347

7 Other Creditors

Prior Year	Composition	Amount
14,000	Unearned income	48,064
733,048	Long service leave and other leave	531,007
14,175,415	Patient credits	16,190,514
497,706	Payroll deductions	394,661
15,420,170	Total	17,164,244

8. Revenues

Prior Year	Composition	YTD
95,784,290	Patient Revenue	97,509,541
126,425	HM Prison SLA	126,425
95,910,714	Total	97,635,965

9 Contractual Adjustments

Prior Year	Composition	Amount
6,000,788	Capitalation Adjustment - Employee	6,897,630
759,334	Contractual Allowance Adjustments	900,363
6,760,122	Total	7,797,992

10 Government Outputs (Non-Episodic)

Prior Year	Program Name	Amount
1,858,000	Ambulance Service	1,858,000
2,167,500	Mental Health	2,167,500
600,000	Adolescent Mental Health	600,000
1,513,000	George Town Health Centre	1,513,000
125,000	Bodden Town Health Centre	125,000
50,000	East End Health Centre	50,000
100,000	North Side Health Centre	100,000
550,000	School Health Centre	550,000
700,000	Special Needs Dentistry Program	700,000
1,000,000	Public Health Program	1,000,000
104,000	Child Abuse Program	104,000
68,000	Cancer Registrar	68,000
143,500	Medical Internship Unit	143,500
2,080,500	Faith Hospital and Little Cayman	2,080,500
1,000,000	Cayman Molecular Biology Lab	1,000,000
750,000	MH Inpatient	750,000
12,809,500	Total	12,809,500

11 Donations

Prior Year	Composition	YTD
10,200	Other	37,721
10,200	Total	37,721

12 Personnel Cost

Prior Year	Composition	YTD	Budget	Variance
44,050,329	Salary and Wages	49,720,012	45,778,128	(3,941,884)
-	Staff Honorarium	1,560,000	-	(1,560,000)
5,846,376	Personnel Costs - Pension Contributions	6,193,895	6,371,004	177,109
320,652	Other Personnel Costs - Salary and Allowances	546,672	2,517,222	1,970,550
2,331,376	Overtime	2,090,828	1,500,948	(589,880)
1,989,828	Allowance	1,732,234	2,237,238	505,004
1,932,233	Overseas Medical & Health care	2,628,877	2,761,776	132,899
7,171,167	Movement in Health Care Liability	7,824,000	-	(7,824,000)
608,056	Personnel Costs - Other	430,734	343,674	(87,060)
64,250,016	Total	72,727,252	61,509,990	(11,217,262)

12 (A) Total Employee Headcount

Prior Year	June	May	April
1,273 Total Employees	1308	1308	1308

13 Supplies and Materials

Prior Year	Composition	YTD	Budget	Variance
<u>Direct Cost of Sales</u>				
11,857,704	Drugs	9,761,646	4,577,722	(5,183,924)
95,817	Corona Virus Expenditure	55,553	100,000	44,447
419,987	Medical/Health Supplies	702,965	1,745,438	1,042,472
2,245,176	Laboratory Supplies	1,384,849	1,327,300	(57,549)
843,277	Prosthesis	234,053	313,600	79,547
260,976	Dental Supplies	268,311	280,000	11,689
61,850	Allergy Testing	(8,674)	75,000	83,674
6,966	Dialysis Supplies	-	197,500	197,500
14,952	Optical Supplies	4,774	45,500	40,726
102,665	Primary Health Vaccines	29,485	150,000	120,515
641,914	OR Supplies (in 2010/11 under OPEX)	12,736	33,500	20,764
79,903	Physiotherapy Supplies	53,388	26,250	(27,138)
6,262	Hearing Aids	-	4,500	4,500
23,914	Optical Implants	3,744	4,000	256
22,394	Radiology Supplies	32,255	21,250	(11,005)
16,683,757	Direct Cost of Sales & Materials	12,535,086	8,901,560	(3,633,526)
<u>Other Cost of Sales Materials</u>				
127,452	Cleaning Materials	228,799	322,450	93,651
154,053	Food/Dietary Supplies	249,417	189,100	(60,317)
141,044	Oxygen	158,190	102,400	(55,790)
36,797	Medical Instruments	63,320	72,650	9,330
30,188	Linen	461	103,000	102,539
50,189	Office Supplies - Consumables	25,739	71,050	45,311
49,503	Vehicle Fuel & Oil	30,000	92,500	62,500
-	Labels	1,016	38,675	37,659
43,794	Paper & Printing Consumables	16,894	42,550	25,656
61	Postal Supplies	-	-	-
-	Disaster Preparedness	-	18,000	18,000
196	Miscellaneous Supplies	2,145	11,800	9,655
12,642	Training Materials	14,637	5,875	(8,762)
4,600	Staff Uniforms	16,195	81,000	64,805
115	Soaps & Detergents	194	8,725	8,531
126	Utensils	-	7,000	7,000
-	Canteen Supplies	-	2,000	2,000
(1,135)	Hygiene/Sanitary Supplies	(911)	4,000	4,911
661,013	Other Cost of Sales & Materials	806,097	1,172,775	366,678
17,344,769	Total Supplies and Materials	13,341,182	10,074,335	(3,266,847)

14 Utilities

Prior Year	Composition	YTD	Budget	Variance
1,538,459	Electricity	1,296,470	1,429,000	132,530
51,009	Gas	51,168	64,000	12,832
143,365	Water	221,847	181,200	(40,647)
471,648	Telephone Allowances/Charges	278,245	234,300	(43,945)
1,140	Facsimilie Charges	675	3,300	2,625
35,781.67	Cable Television	879	4,000	3,121
52,159	Dat Com Lines	13,848	-	(13,848)
2,293,561		1,863,131	1,915,800	52,669

15 Other Operating Expenses

Prior Year	Composition	YTD	Budget	Variance
-	Expensed (Attractive) Assets	66,621	31,750	(34,871)
201,755	Advertising	239,132	224,750	(14,382)
53,037	Bank Charges	59,246	63,800	4,554
19,894	Exchange Rate Net Gain/Loss	27	-	(27)
859,904	Freight & Shipping	771,234	702,125	(69,109)
32,285	Mail / Courier Service	16,889	125,750	108,861
86,297	Janitorial Services	87,238	65,000	(22,238)
39,166	Maintenance - Hospital & Dental Equipment	210,233	75,150	(135,083)
171,095	Maintenance - Buildings	684,457	239,709	(444,748)
-	Service Contracts - Buildings	53,530	75,250	21,720
-	Painting Supplies	13,188	7,500	(5,688)
117,154	Oxygen Cylinder Rentals	14,622	25,500	10,878
134,344	Maintenance/Repair - Other Equipment	270,743	58,575	(212,168)
86,925	Maintenance - Vehicle & Equipment	75,378	76,000	622
178,084	Service Contracts - Medical Equipment	82,193	207,590	125,396
103,596	Service Contracts - Others	21,193	9,068	(12,126)
-	Plumbing Supplies	1,216	4,000	2,784
-	Tools - Facilities	438	2,500	2,062
-	Tools - Biomedical	(187)	17,500	17,687
90,432	Spare Parts - Medical Equipment	375	-	(375)
-	Pest Control Services	2,975	5,500	2,525
88,333	Strata Fees Lemon Grove	7,700	15,000	7,300
82,464	Landscaping Expenditure (H.S.A)	39,681	32,500	(7,181)
546,216	Overseas Lab Tests	812,335	468,300	(344,035)
116,670	Public Health - Special Projects	111,750	87,500	(24,250)
291,269	Public Relations & Publicity	478,064	178,900	(299,164)
-	Miscellaneous	933	13,000	12,067
4,978	Garbage Collection Fees	1,638	850	
9,221	Vehicle Licensing/ Inspection	2,201	5,500	3,299
43,472	Service Contracts - Other Equipment	28,262	37,450	9,188
36,346	Maintenance	2,494	-	(2,494)
-	Hazardous Materials - Disposal	242	10,250	10,008
-	Overseas Medical	32,352	45,000	12,648
-	Fire Protectin Equipment mainte	2,400	-	(2,400)
-	Incinerated Waste	18,386	28,000	9,614
-	Miscellaneous	5,548	57,425	51,877
-	Trust Expenses (Org 97	1,107	-	(1,107)
1,063,026	Lease of Sites/Bldg	5,241	-	(5,241)
16,958	Lease of Equipment	6,460	12,250	5,790
149,888	Lease of Medical Equipment	98,680	103,253	4,574
379,989	Common Area Management	893,824	-	(893,824)
-	Invoice Price variance Account - Organization	(1,650)	-	1,650
-	Suspense Account	(184)	-	184
238,296	Other Supplies / Adjustments	68,054	175,575	107,521
5,241,094	TOTAL	5,286,257	3,287,769	(1,962,830)

16 IT Expenses

Prior Year	Composition	YTD	Budget	Variance
-	Computer & Communication Supplies	3,896	59,500	55,604
34,675	Computer Software Maintenance	5,064	81,100	76,036
1,578,941	Software Licensing Fees	946,939	185,750	(761,189)
-	Computer Hardware Maintenance	49,460	74,500	25,040
-	Server & Network Support	-	4,000	4,000
293,257	Application Services	177,921	591,000	413,079
1,906,873		1,183,280	1,070,850	(112,430)

17 Depreciation

Prior Year	Composition	YTD	Budget	Variance
1,349,197	Depreciation - Buildings	2,151,967	1,100,000	(1,051,967)
155,098	Depreciation - Vehicles	178,340	45,000	(133,340)
91,173	Depreciation - Furniture & Fittings	83,775	60,000	(23,775)
196,981	Depreciation - Computer HardVare	281,914	250,000	(31,914)
36,931	Depreciation - Computer Software	52,388	80,000	27,612
18,189	Depreciation - Office Equipment	8,279	7,500	(779)
688,433	Depreciation - Other Plant Assets	1,055,561	800,000	(255,561)
199,750	Depreciation - Other Assets	156,938	200,000	43,062
662,717	Depreciation Rights-of-use Assets	586,447	-	(586,447)
3,398,469	Total	4,555,607	2,542,500	(2,013,107)

Financial Performance Ratio

	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
LIQUIDITY							
Current Ratio	5.3	5.4	4.5	4.8	4.5	4.6	4.6
Quick Ratio	4.6	4.7	3.9	4.2	3.8	3.9	4.0
Days cash on hand	147.9	313.8	106.7	104.5	103.7	102.0	106.2
Net Working Capital Ratios	4.3	4.4	3.5	3.8	3.5	3.6	3.6
Accounts Receivable Turnover	3.36	1.41	1.47	1.58	1.56	1.52	1.55
Ave. Collection period. (Days)	9	12	24	38.47	23.95	23.95	39.17
Inventory Turnover	0.25	0.19	0.22	0.19	0.08	0.16	0.08
Liabilities Turnover	6.87	0.38	0.39	0.37	0.23	0.33	0.28
Average Payments (Days)	40	80	79	83.12	134.69	91.86	109.34
FINANCIAL LEVERAGE							
Debt Ratio	1.17	1.15	1.21	0.94	1.06	1.06	1.07
Debt to Capitalization same as below	(6.98)	(7.51)	(5.81)	16.30	(18.22)	(16.91)	(15.60)
Debt to Equity Ratio (debt service cover)	(6.98)	(7.51)	(5.81)	16.30	(18.22)	(16.91)	(15.60)
PROFITABILITY RATIO							
Return on Assets	-1%	0%	0%	0%	-1%	0%	0%
Operating Margin	-16%	-7%	-7%	-4%	-13%	-6%	1%
Return on Equity/ROI	6%	3%	2%	-5%	15%	7%	-1%

Summarized Financial Performance

	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
OPERATING STATEMENT							
Net Revenue	15,815	17,520	17,616	17,314	15,918	17,694	18,011
Operating Expense	18,355	18,736	18,781	17,961	18,049	18,842	17,805
Net Surplus/Deficit	(2,540)	(1,216)	(1,165)	(646)	(2,131)	(1,148)	206
BALANCE SHEET							
Assets	244,203	248,663	242,621	239,766	246,151	245,690	245,443
Liabilities	285,030	286,886	293,026	225,904	260,446	261,133	262,256
Net Worth	(40,827)	(38,224)	(50,404)	13,862	(14,295)	(15,443)	(16,813)
CASH FLOWS							
Operating activities, net	(27,862)	(13,729)	16,187	64,336	9,371	7,593	7,834
Investing activities, net	(10,183)	(10,023)	(1,027)	(1,563)	(1,563)	(1,563)	(2,161)
Financing activities, net	-	-	-	-	-	-	-
Cash Net change	(38,045)	(23,752)	15,160	62,773	7,808	6,030	5,673

Monthly Financial Position

	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
Current Assets							
Cash & Cash Equivalents	32,080	10,581	26,905	21,362	20,747	20,087	32,056
Short-term investments	32,357	42,357	27,840	28,772	29,007	28,845	18,896
Prepaid Expense	1,431	1,163	628	815	728	808	706
Accounts Receivable (Net)	46,972	59,139	54,471	47,539	48,599	51,086	49,264
Cabinet Receivables (Net)	3,824	5,959	3,824	14,683	14,683	14,683	14,683
Other Receivables	1,047	1,290	1,315	1,041	761	1,181	1,178
Advances to Supplier	1,221	2,016	1,770	142	352	419	336
Inventories	17,043	17,207	16,520	15,014	21,369	19,016	19,048
Total	135,975	139,711	133,273	129,368	136,246	136,126	136,168
Non Current Assets							
Property Plant & Equipment	161,412	162,896	164,664	167,091	167,088	167,507	168,071
Accumulated Depreciation	(55,949)	(56,612)	(57,886)	(59,241)	(59,635)	(60,296)	(60,954)
Right-of-use Assets	7,057	7,057	7,057	5,900	5,900	5,900	5,900
Accumulated Depreciation Right-of-use Assets	(4,292)	(4,390)	(4,488)	(3,351)	(3,449)	(3,546)	(3,742)
Total	108,229	108,951	109,348	110,398	109,904	109,565	109,275
Total Assets	244,203	248,663	242,621	239,766	246,151	245,690	245,443
Current Liabilities							
Trade payables	7,513	8,346	8,272	3,974	372	350	314
Stale dated payables	125	125	125	1,157	1,157	1,157	1,157
Accruals	1,101	774	4,592	3,455	10,459	9,852	10,042
Other Creditors	16,581	16,741	16,444	17,322	17,458	17,593	17,164
Provision - legal	250	21	292	312	333	354	396
Operating Lease Rental	38	38	191	839	742	549	549
Total	25,607	26,043	29,916	27,059	30,521	29,854	29,622
Non-current Liabilities							
Unfunded Defined Healthcare cost	250,258	251,593	253,714	195,580	226,605	227,909	229,213
Unfunded Defined Benefit Obligation	6,284	6,368	6,513	1,328	1,382	1,432	1,483
Other non current liabilities	2,882	2,882	2,882	1,938	1,938	1,938	1,938
Total	259,423	260,843	263,110	198,846	229,925	231,279	232,634
Total Liabilities	285,030	286,886	293,026	225,904	260,446	261,133	262,256
Net Assets	(40,827)	(38,224)	(50,404)	13,862	(14,295)	(15,443)	(16,813)
Net Worth							
Surplus/(Deficit)	(7,698)	2,603	(1,630)	(3,415)	(2,355)	(3,503)	(4,873)
Assets Revaluation	42,801	42,801	42,801	42,801	42,801	42,801	42,801
Contributed capital B/F	141,983	141,983	133,666	141,983	141,983	141,983	141,983
Accumulated Surplus/(Deficit)- B/F	(217,913)	(225,611)	(225,241)	(167,507)	(196,724)	(196,724)	(196,724)
Total	(40,827)	(38,224)	(50,404)	13,862	(14,295)	(15,443)	(16,813)

Financial Performance

	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
GROSS PATIENT REVENUE							
Routine Care (Room & Board)	891	913	1,027	1,015	908	989	1,093
Inpatient Ancillary	5,859	6,209	6,416	6,082	5,287	6,488	6,318
Total Inpatient Revenue	6,750	7,122	7,443	7,098	6,195	7,477	7,412
Outpatient Ancillary	7,080	8,483	8,472	8,490	7,976	8,538	8,758
Clinics	595	704	695	644	658	709	762
Total Outpatient Revenue	7,675	9,187	9,167	9,135	8,635	9,247	9,520
Total	14,425	16,309	16,610	16,232	14,829	16,724	16,932
REVENUE DEDUCTION							
Contractual Adjustments	1,030	1,194	1,363	1,296	1,257	1,410	1,278
Total	1,030	1,194	1,363	1,296	1,257	1,410	1,278
Net Patient Revenue	13,395	15,115	15,247	14,936	13,572	15,314	15,654
OTHER REVENUE							
Non-Patient Fee Output	2,135	2,135	2,135	2,135	2,135	2,135	2,135
Property Rental	7	10	10	10	12	2	10
Concession Income	63	63	63	63	63	63	69
Miscellaneous Sales	3	12	1	5	2	1	18
Other Receipts	212	186	155	134	135	179	125
Donations	-	-	6	32	-	-	-
Total Other Revenue	2,420	2,405	2,369	2,378	2,347	2,379	2,357
Total Net Revenue	15,815	17,520	17,616	17,314	15,918	17,694	18,011
EXPENSES							
Personnel Cost	13,867	12,185	11,449	11,421	13,023	12,320	12,109
Supplies & Materials	4,079	3,193	3,618	2,856	1,680	3,040	1,511
Utilities	356	343	287	219	316	316	324
Other Operating Expenses	(2,952)	646	1,088	1,257	830	845	1,413
IT Cost	425	358	108	92	173	197	197
Insurance	178	158	297	227	228	227	227
Impairment of Inventory	97	1	-	10	7	25	99
Travel & Subsistence	50	45	59	40	31	59	67
Legal & Professional Fees	578	228	238	212	161	193	237
Training	18		53	34	18	39	45
Reference Materials	-	-	12	2	1		
Bad Debt	820	820	820	820	820	820	820
Depreciation	838	760	752	769	759	759	756
Total Expenses	18,355	18,736	18,781	17,961	18,049	18,842	17,805
Net Income/(Deficit)	(2,540)	(1,216)	(1,165)	(646)	(2,131)	(1,148)	206

Monthly Financial Performance – Revenues by Cost Centre

Center	Center Name	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	2025 YTD Actual	2025 Budget Full	2025 BUDGET Prorated	2024 YTD	PY chan
3216	Medical Ward Unit	605,799	579,638	595,067	570,318	607,212	616,192	3,574,225	4,017,955	4,017,954.66	3,626,876.64	-1%
3219	Surgical Ward	425,640	469,239	440,443	385,804	423,161	480,705	2,624,993	3,389,424	3,389,424.41	2,571,596.48	2%
3230	Physiotherapy	662,945	489,557	495,090	646,370	358,204	456,176	3,108,342	1,690,089	1,690,089.49	3,320,597.57	-6%
3234	Radiology	1,308,840	1,260,548	1,437,489	1,330,992	1,470,264	1,361,021	8,169,154	7,264,933	7,264,932.53	9,228,515.31	-11%
3220	Operating Theatre	1,632,585	1,941,994	1,438,425	1,302,922	1,850,450	1,991,634	10,158,010	8,335,605	8,335,605.13	10,696,811.03	-5%
3288	Pharmaceutical Dispensary - Smith Roac	1,128,547	1,001,268	1,046,756	1,091,255	1,488,870	1,151,622	6,908,318	3,670,004	3,670,003.78	5,666,001.63	22%
3241	Mental Health Ward	198,520	173,021	178,412	185,089	174,636	183,140	1,092,817	2,977,467	2,977,467.37	868,435.69	26%
3228	Pharmacy	1,316,225	1,314,971	1,380,340	1,029,684	1,153,295	976,531	7,171,047	5,952,686	5,952,685.98	7,525,463.93	-5%
3218	Paediatric Ward	87,796	112,212	82,499	80,196	69,947	83,834	516,484	1,109,618	1,109,618.31	627,626.26	-18%
4101	Faith Hospital	1,043,884	1,137,330	1,077,534	944,080	1,114,006	1,107,366	6,424,200	6,835,320	6,835,320.19	5,471,072.58	17%
3269	Cardiology	412,605	463,686	440,003	263,676	452,278	450,005	2,482,253	1,508,176	1,508,175.75	1,782,770.07	39%
3225	Mental Health - OPD	228,618	202,753	166,145	207,838	226,170	200,399	1,231,924	946,004	946,004.09	1,132,060.45	9%
3255	Specialist Clinic	477,828	474,054	487,163	450,071	470,092	531,681	2,890,888	1,907,653	1,907,652.59	2,789,423.23	4%
3217	Maternity Ward	278,478	301,837	270,105	258,041	235,389	393,432	1,737,282	2,039,560	2,039,560.32	2,010,170.59	-14%
3262	Ambulatory Surgery &	153,341	183,970	153,740	118,041	192,041	189,965	991,099	662,348	662,348.17	1,413,214.54	-30%
3246	Bodden Town Health C	179,948	169,658	150,282	150,525	171,979	143,819	966,212	849,863	849,863.41	873,114.34	11%
3268	Women's Health	193,990	202,256	167,752	175,042	189,918	209,783	1,138,741	870,052	870,052.04	1,136,776.20	0%
3245	West Bay Health Centre	255,224	273,456	243,653	272,319	260,303	263,038	1,567,994	1,751,579	1,751,578.60	1,559,451.94	1%
9999	Default	297	(273)	166	356	185	36	768	-	-	1,452.67	-47%
3291	Adolescent Mental Health	47,800	48,889	51,349	57,384	63,768	71,319	340,510	600,000	600,000.00	245,901.06	38%
3264	EYE CLINIC	69,620	108,470	128,296	151,237	159,642	156,769	774,033	402,633	402,633.31	561,637.63	38%
3289	CIH Outpatient Department	483,533	469,792	486,569	433,787	490,668	520,146	2,884,494	1,200,189	1,200,189.02	2,789,068.50	3%
3247	East End Health Centre	63,852	55,325	57,282	48,160	49,659	46,509	320,786	303,866	303,866.15	324,513.42	-1%
3292	Molecular Biology	53,154	61,701	50,218	81,431	78,403	90,353	415,261	1,331,627	1,331,626.85	129,782.73	220%
3212	Medical Records	3,095	2,786	3,937	3,088	4,227	3,645	20,778	14,358	14,358.09	18,459.11	13%
3248	North Side Health Centre	52,099	47,876	52,718	48,290	56,003	52,611	309,597	416,458	416,457.65	266,558.68	16%
3260	Overseas Medical	990	-	-	495	495	495	2,475	-	-	865.00	186%
3250	Prison Health Centre	487	890	733	361	504	481	3,456	126,425	126,424.50	5,429.66	-36%
3284	Respiratory Therapy	116,316	190,800	178,884	192,941	182,688	135,080	996,709	446,092	446,092.26	537,312.30	85%
3274 and 3276	Dental	329,575	334,875	308,969	310,707	331,456	345,128	1,960,709	1,621,067	1,621,067.30	1,802,745.50	0%
3233	Histo / Cyto	53,751	75,776	52,115	35,071	40,831	47,387	304,931	241,424	241,424.34	286,669.00	6%
3227	Ambulance Services	110,021	100,291	92,769	98,091	98,380	90,329	589,881	2,311,622	2,311,622.01	553,057.08	7%
3279	Neonatal Intensive Care	111,510	157,618	238,591	221,789	115,219	286,596	1,131,323	773,694	773,693.75	1,369,191.45	-17%
3226	Dialysis-Outpatient	435,599	477,711	468,144	433,539	456,823	427,493	2,699,310	2,757,699	2,757,698.82	2,894,908.37	-7%
3231	Forensics Science	92,153	98,984	193,924	79,664	92,845	103,726	661,297	341,571	341,571.33	712,901.34	-7%
3221	Accident & Emergency	998,257	966,768	973,351	907,733	974,207	961,050	5,781,366	4,830,276	4,830,276.45	5,508,928.63	5%
3253	Public Health Servic	85,007	89,935	85,648	76,823	93,162	98,571	529,146	1,000,000	1,000,000.00	520,593.17	2%
3285	Sports Medicine Cent	416	5,358	9,972	2,304	6,896	15,752	40,698	132,651	132,650.74	50,115.99	-19%
3293	Executive Medicals	-	-	-	-	-	-	-	-	-	-	0%
3232	Laboratory (Pathology)	1,719,681	1,711,956	1,650,880	1,468,139	1,594,003	1,647,272	9,791,931	6,651,069	6,651,068.51	9,879,807.96	-1%
3244	George Town Health Centre	152,478	148,570	140,550	138,757	170,933	141,809	893,097	2,484,054	2,484,054.28	812,521.16	10%
3270	Oncology	126,612	107,478	97,534	100,121	97,227	89,174	618,146	661,449	661,449.01	702,673.42	-12%
3263	Intensive Care Unit	590,733	575,686	637,675	459,691	639,434	674,533	3,577,752	2,343,496	2,343,496.39	3,488,239.49	3%
425		(11)	-	-	-	-	(62)	(73)	-	-	(60.00)	0%
	Total - Cerner	16,287,852	16,588,701	16,211,173	14,812,223	16,705,870	16,796,545	97,402,363	86,770,058	86,770,058	95,763,252	2%
3201	Admin											
	HM Prison SLA	21,071	21,071	21,071	21,071	21,071	21,071	126,425	231,781	126,425	126,425	-
	Clinics	636,416	628,110	611,525	684,097	708,877	647,787	3,269,025	252,849	3,321,766	3,674,886.34	
	Total							-	252,849			
	Total	16,308,922	16,609,772	16,232,244	14,833,294	16,726,941	16,817,616	65,877,879	87,001,839	86,896,482	95,889,675.55	

Capital Expenditure – Status Q2 2025

Project	Year to Date Spent 2025	Current Status
A&E Renovation (continuation from 2022)	398,362.30	Complete
Bodden Town EMS (outfitting of EMS Station)	43,165.00	Complete
A&E New Triage and Registration	47,587.60	Complete
Faith Hospital Morgue Roof Replacement	68,037.00	Complete
Renovation of Paediatrics Waiting Room at Pt	15,923.00	Complete
District Health Centre upgrades/expansion	-	Project Complete (2024)
Hospital Bed Replacement	-	Project Complete (2024)
Relocation of Forensics & EMS	-	Project Complete (2024)
Exterior Building Repainting of the Faith Hospit	-	Project Complete (2024)
Renovation of Medical Records	-	Project Complete (2024)
Hospital Perimeter Fencing Replacement	-	Project on Hold (2025)
Radiology/Blood Bank SRMC (additional amou	-	Project on Hold (2025)
Plumbing system replacement	101,340.00	Cancel Project (2025)
Emergency Water Storage Tanks	55,423.14	Cancel Project (2025)
Replacement of Generator at the Faith Hospit	-	Cancel Project (2025)
Atrium upgrade	212,478.00	Project Ongoing
Relocation expansion of ACU	1,736,597.67	Project Ongoing
Morgue & Forensic Lab	33,489.96	Project Ongoing
Relocate Finance to Citrus Grove	138,695.64	Project Ongoing
Ward expansion 11 beds	96,813.00	Project Ongoing
Chemotherapy Expansion	37,140.00	Project Ongoing
New Endoscopy SuiteNew Endoscopy Suite	56,564.00	Project Ongoing
Dental Lab Expansion	25,770.00	Project Ongoing
Relocation of Physio	32,255.00	Project Ongoing
EMS Ambulance Cover	6,732.87	Project Ongoing
Patient Specimen Collection Area	14,000.00	Project Ongoing
Total	3,120,374.18	

Financial Performance
for the period ending Feb 2022

FYForecast
Current YID Actual FYBudget Variance

GROSS PATIENT REVENUE			
Routine Care (Room & Board)	11,888,902	11,979,539	(90,637)
Inpatient Ancillary	73,603,272	62,530,523	11,072,749
Total Inpatient Revenue	85,492,174	74,510,062	10,982,112
Outpatient Ancillary	101,436,234	86,506,683	14,929,552
Clinics	8,343,523	5,390,672	2,952,851
Total Outpatient Revenue	109,779,757	91,897,354	17,882,403
Total	195,271,931	166,407,416	28,864,515
REVENUE DEDUCTION			
Contractual Adjustments	15,595,985	11,226,165	(4,369,820)
Total	15,595,985	11,226,165	(4,369,820)
Net Patient Revenue	179,675,946	155,181,252	24,494,694
OTHER REVENUE			
Government Programmes (non-episodic)	25,619,000	25,619,000	0
Property Rental	109,422	96,000	13,422
Concession Income	750,000	750,000	-
Miscellaneous Sales	76,621	151,830	(75,209)
Other Receipts	1,827,722	367,491	1,460,231
Donations	75,443	500,000	(424,557)
Total Other Revenue	28,470,708	27,484,321	973,887
Total Net Revenue	208,146,653	182,665,573	25,468,581
EXPENSES			
Personnel Cost	142,334,504	127,017,369	(15,317,135)
Supplies & Materials	26,682,364	20,148,669	(6,533,695)
Utilities	3,726,262	3,831,600	105,338
Other Operating Expenses	10,572,515	6,575,537	(3,996,978)
Information Technology Costs	2,366,559	2,141,700	(224,859)
Insurance	2,729,472	1,728,770	(1,000,702)
Impairment of Inventory	286,828	400,000	113,172
Travel & Subsistence	583,428	613,362	29,934
Legal & Professional Fees	2,464,227	2,814,745	350,518
Training	374,179	394,598	20,419
Reference Materials	29,517	73,358	43,842
Doubtful Debt	13,613,328	11,840,864	(1,772,464)
Depreciation	9,111,215	5,085,000	(4,026,215)
Total Expenses	214,874,399	182,665,573	(32,208,826)
Net Income/(Deficit)	(6,727,745)	0	(6,740,245)

OWNERSHIP AGREEMENT

**BETWEEN THE
CAYMAN ISLANDS GOVERNMENT**

AND

HEALTH SERVICES AUTHORITY

**FOR THE 2024 FINANCIAL YEAR ENDING 31 DECEMBER 2024
AND THE 2025 FINANCIAL YEAR ENDING 31 DECEMBER 2025**

PREPARED IN ACCORDANCE WITH SECTION 50 OF THE PUBLIC MANAGEMENT AND FINANCE ACT
(2020 REVISION)

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1. Purpose
2. Nature and Scope of Activities
3. Strategic Goals and Objectives
4. Ownership Performance Targets
5. Summarised Forecast Financial Statements
6. Other Financial Information

Agreement

APPENDIX: Forecast Financial Statements

1. PURPOSE

This Ownership Agreement documents the ownership performance the Cabinet and the Board of the Health Services Authority (HSA) have agreed the Health Services Authority will seek to achieve during the 2024 and 2025 financial years.

The purpose of the document is to ensure the ownership performance expectations for the financial years are clearly specified and agreed by both parties.

2. NATURE AND SCOPE OF ACTIVITIES

This section outlines the nature and scope of activities within which the Health Services Authority is to operate during the financial years.

GENERAL NATURE OF ACTIVITIES

The **Health Services Authority** is responsible for the provision and administration of health care services in the Cayman Islands.

SCOPE OF ACTIVITIES

The **Health Services Authority** provides primary and secondary levels of healthcare services, and public health functions for the residents of the Cayman Islands in accordance with the National Strategic Plan for Health as agreed with the Ministry of Health.

The Health Services Authority provides patient care through the 127-beds at the Cayman Islands Hospital, and the 18-beds at the Faith Hospital on Cayman Brac. Primary Health care is offered at district health centres in Grand Cayman and a health centre in Little Cayman. This care is supplemented with dental and eye care services on site at the Health Service Complex in Grand Cayman.

As the nation's principal health care facility, the Cayman Islands Hospital in George Town provides a full range of inpatient and outpatient medical and specialist services.

Specialist services are available in the fields of: surgery, gynaecology and obstetrics, paediatrics, internal medicine, dermatology, anaesthesiology, public health, orthopaedics, psychiatry, cardiology, gastroenterology, radiology, neurology, ophthalmology, ear, nose and throat, periodontology, reconstructive surgery, faciomaxillary surgery, and urology.

Residents and visitors can turn to the Faith Hospital in Cayman Brac and the Little Cayman Clinic in Little Cayman for their health care needs when on those Islands. The 18-beds hospital at Faith Hospital in Cayman Brac serves both islands and provides primary, secondary and emergency care. It features a modern inpatient unit, as well as an operating theatre, maternity, accident and emergency department, outpatient clinics and a public health department.

The Health Services Authority also provides a full range of dental and ophthalmologic services.

The Little Cayman Clinic is complete with waiting and triage areas, a treatment room, doctors' office, and a dental office. A resident registered nurse is on call around-the-clock.

The Health Services Authority through the Public Health Department is responsible for public health programmes through a purchase agreement with the Ministry of Health and Wellness. A team of public health nurses, a public health surveillance officer, a health promotion officer, a genetics counsellor, a nutritionist, and administrative staff provide this service under the direction of the Medical Officer of Health.

Public Health services include:

- Health advice and vaccines for international travellers.
- Health assessment, including vision and hearing tests for children.
- Nutrition and dietary counselling.
- Child growth and development monitoring.
- Health Promotion.
- Communicable disease screening; and disease prevention and control programmes, including immunization.

CUSTOMERS AND LOCATION OF ACTIVITIES

The services provided by the **Health Services Authority** are provided to all members of the community and visitors. It serves as the primary source of healthcare services to groups of people entitled to healthcare by the Cayman Islands' Government. This includes civil servants and their dependants, public office pensioners and their dependents, school age children, seamen and veterans, indigents and prisoners and mental ill patients.

3. STRATEGIC OWNERSHIP GOALS

The key strategic goals and objectives for the Health Services Authority for the 2024 and 2025 financial years are as follows:

1. Improve the patient and staff experience:

Implement measurable and sustainable goals to ensure the HSA remains the premiere healthcare provider in the Cayman Islands through patient and staff satisfaction and loyalty.

2. Expand HSA's clinical capabilities and optimize core services

Evaluate and enhance clinical services to meet changing population growth and demographics of the Cayman Islands to increase the HSA's market share, revenue and patient outcomes.

3. Talent Attraction and Retention

Invest and focus on recruitment processes and engagement of employees.

4. Develop and expand current infrastructure

Expand current facilities to meet current needs and projected growth in patient volumes while being environmentally responsible.

5. Leverage Technology to improve access to and delivery of care

Invest in technology to promote efficiency in all areas of the HSA environment.

4. OWNERSHIP PERFORMANCE TARGETS

The ownership performance targets (as specified in schedule 5 to the Public Management and Finance Act (2020 Revision), as amended for the Health Services Authority for the 2024 and 2025 financial years are as follows:

	2024 1 Jan to 31 Dec 2024 \$000's	2025 1 Jan to 31 Dec 2025 \$000's	2023 12-Month Forecast \$000's
REVENUE FROM CABINET	46,272	46,282	56,943
REVENUE FROM MINISTRIES, PORTFOLIOS, STATUTORY AUTHORITIES AND GOVERNMENT COMPANIES	65,125	68,381	62,023
REVENUE FROM OTHERS	60,355	65,863	46,400
OPERATING EXPENSES	172,414	180,619	175,001
OPERATING SURPLUS/DEFICIT	(662)	(93)	(9,635)
NET WORTH	32,711	32,804	32,049
CASH FLOWS FROM OPERATING ACTIVITIES	13,214	13,233	2,839
CASH FLOWS FROM INVESTING ACTIVITIES	(10,085)	(10,895)	(4,902)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-	-
CHANGE IN CASH BALANCES	3,129	2,338	(2,063)

FINANCIAL PERFORMANCE RATIO	2024 1 Jan to 31 Dec 2024	2025 1 Jan to 31 Dec 2025	2023 12-Month Forecast
CURRENT ASSETS : CURRENT LIABILITIES	9.18:1	17.46:1	1.00:1
TOTAL ASSETS : TOTAL LIABILITIES	1.17:1	1.16:1	1.18:1

MAINTENANCE OF CAPABILITY

	2024 1 Jan to 31 Dec 2024	2025 1 Jan to 31 Dec 2025	2023 12-Month Forecast
HUMAN CAPITAL MEASURES			
TOTAL FULL TIME EQUIVALENT STAFF EMPLOYED	1,125	1,175	1,100
STAFF TURNOVER (%)			
MANAGERS	9	9	8
PROFESSIONAL AND TECHNICAL STAFF	9	9	8
CLERICAL AND LABOURER STAFF	10	10	10
AVERAGE LENGTH OF SERVICE (CURRENT POSITION)			
MANAGERS	15	18	14
PROFESSIONAL AND TECHNICAL STAFF	9	9	8
CLERICAL AND LABOURER STAFF	9	9	9
CHANGES TO PERSONNEL MANAGEMENT SYSTEM	None	None	None

	2024 1 Jan to 31 Dec 2024 \$000's	2025 1 Jan to 31 Dec 2025 \$000's	2023 12-Month Forecast \$000's
PHYSICAL CAPITAL MEASURES			
VALUE OF TOTAL ASSETS	185,937	198,334	169,927
ASSET REPLACEMENTS : TOTAL ASSETS	5%	5%	9%
BOOK VALUE OF ASSETS : COST OF THOSE ASSETS	70%	68%	73%
DEPRECIATION : CASH FLOW ON ASSET PURCHASES	84%	87%	52%
CHANGES TO ASSET MANAGEMENT POLICIES	None	None	None

	2024 1 Jan to 31 Dec 2024 \$000's	2025 1 Jan to 31 Dec 2025 \$000's	2023 12-Month Forecast \$000's
MAJOR NEW CAPITAL EXPENDITURE PROJECTS			
Mental Health Facility Expansion	8,000	2,000	-
Medical Equipment Upgrade and replacement (including 50 new hospital beds)	3,500	3,500	-
Faith Hospital Improvements	2,000	2,000	2,000
IT Systems Upgrade	2,000	2,000	2,000
Camera System and Vehicle Upgrade	85	85	-
Resurfacing of back car park, hospital repainting, A&E renovations, and other construction projects	-	-	6,417
Ward expansion 11 beds	-	-	6,417
Relocation expansion of ACU	-	-	5,000
Radiology/ Blood Bank SRMC	-	-	2,700
Acquisition of Education Department Property	-	-	2,485
Plumbing system replacement	-	-	2,000
Hospital Bed Replacement (50 beds in 2023)	-	-	1,500
TOTAL	15,585	9,585	26,102

RISK MANAGEMENT

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Lightning strike to generator rendering systems inoperable with no reliable back-up power support for critical patient care and operational functions.		•Lightening suppressant system installed. •Automatic safety switch in place which detects any system anomaly and initiates safety mode which protects the generator •Frequent rounds and checks by Security Guards and Maintenance Supervisor to ensure system is fully operational and carry out manual inspections to detect any anomalies •Redundant generator in place that powers lifesaving medical equipment	
Potential for catastrophic impact and continuity of operations from fire in the back-up generator room.		•Fire alarm system in place to detect and alert to any fire •Fire suppression system in place to immediately control the fire until fire units arrive on scene •Infrastructure is compartmentalised to protect critical systems and contain fire within the compartment •Active fire wardens in place to carry out safety checks •Main generator is in a different location	
Potential for vicarious liability exposure for claims made against underinsured privileged physicians.		•Levels of minimum med-mal insurance levels instituted. •Evidence of med mal insurance submitted annually prior to the renewal of privileges. •Medical Director's office to automate insurance laps notification in real time	

RISK MANAGEMENT (CONTINUED)

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Strategic			
Potential for the inappropriate and unsolicited release of confidential material to the public.		•Staff trained and sensitized annually on Data Protection Act •Third party gap analysis and vulnerability penetration testing completed •Organisation-wide policies in place to protect and govern release of information •Media relations policy in place •All Board and Staff sign a confidentiality agreement. •Persons violating confidentiality and data protection policy will be handled according to HR policy •Robust IT Policies implemented to promote data retention and prevent loss.	
Contracts supplied which could leave the organisation exposed to consultants/vendors benefit/financial gain.		All contracts are vetted by Legal Counsel.	
Potential loss of revenue (loss of market share) from increased competition from private healthcare providers in the community.		•Annual strategic review undertaken as part of the budget and strategic planning process to identify opportunities for new services based on data and market analysis. •Periodic review undertaken to identify opportunities and implement measures to improve quality of services and patient experiences •Focus is placed on measures that will reduce waiting list and waiting time	

RISK MANAGEMENT (CONTINUED)

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Financial			
Potential for cost overrun on Contracted Good and Services		•Purchase Orders required for each payment •All requests for payments on contracts appropriately supported and recorded •Verification of the budget against all IRs prior to payment, by the HSA's Decision Support and Transaction Manager. •Legal penalties incorporated in open contracts. •Negotiation of fixed cost contracts where possible. •Implement Oracle Fusion with three-way matching capability	
Potential of cost overrun for professional services and large-scale projects.		•Change order approval at the senior management level. •Contract negotiation •Legal review of contracts. •Establishment of project management office.	
Potential for unauthorized access to system for payroll and allowances.	Procurement of PDS Vista in progress	•Only HR, DSTM and Payroll Officer have access to payroll info in IRIS. •Files saved in Finance directory - only CFO, DCFO, FC, DSTM and Payroll Officer have access to this directory. •New robust HR system currently being implemented.	
Potential Overpayment of final monies upon exit	Procurement of PDS Vista in progress	•HR guidelines in place for checks and balances •Another HR Officer reviews amounts input.	

RISK MANAGEMENT (CONTINUED)

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Financial			
Potential for the alteration of leave forms once approved, allowing for financial advantage through employees promoting an inaccurate recording of leave.	Procurement of PDS Vista in progress	Accrued leave balances are electronically reconciled every 6 months.	
Potential for the non-declaration of leave taken thus being entitled for false allowance.	Procurement of PDS Vista in progress	Accrued leave balances are electronically reconciled every 6 months.	
Potential for the recording of false overtime entries to benefit in payroll and allowances.	Procurement of PDS Vista in progress	•Overtime policy requires preapproval of OT by senior manager. •Monthly reporting and monitoring of overtime.	
Potential for the procurement of goods or services for personal use		•All items procured require an IR, signed by relevant Section Manager and Senior Manager. •IR must be submitted to Procurement Department for review and PO creation, along with all relevant supporting documents. •Automated system checks for PO integrity •Procurement team then send final package to Finance for payment.	
Potential use of Procurement for favourable treatment of suppliers for personal gain		•Purchase Orders required for each payment •All requests for payments appropriately supported and recorded •Verification of the budget against all IRs prior to payment, by the HSA's Decision Support and Transaction Manager	

RISK MANAGEMENT (CONTINUED)

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Financial			
Potential for unnecessary or excessive purchasing in return for gifts/kickbacks		Donations and Gift Register and Policy in place.	
Potential overcharging or provision of false accounts by suppliers		Procurement Policy in place to ensure comparative quotes which are reviewed by Procurement Committee and PPC.	
Potential Manipulation of accounts payable vendor master file		•All relevant support for a payment is put together by relevant cost centre manager. •Procurement team gather all relevant KYC on vendor if not already provided by requesting cost centre. •Continued implementation of Oracle Fusion	
Potential for the payment of fictitious invoices by accounts payable		Robust approval process with segregation of duties and various levels of checks performed.	
Potential for the collusion with suppliers in providing false invoices or invoices that overcharge the organisation by accounts payable.		Procurement Policy which reflects current best practices. Procurement processes follow regulatory guidelines, including open tender process for larger items which allows for some element of transparency. For smaller purchases - 2 to 3 quotes are required prior to purchases going through the Procurement process (Procurement committee review, contract creation, IR creation, PO creation, and budget review) prior to being paid for. Multiple approval levels in place for material contracts.	

RISK MANAGEMENT (CONTINUED)

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Financial			
Cost of doing business is not reflected in our Charge Master	Charge Master Review	•Continuous review of charge master to ensure alignment with standard health insurance fees •Payment policy has been updated and monitor for compliance. •A collector/counsellor is available to assess need and encourage patients to pay at the point of service. •Close collaboration with the NAU continues to provide patients with the necessary financial assistance they need to access services •Assessment and revision of Cabinet outputs periodically	

RISK MANAGEMENT (CONTINUED)

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Operational			
Potential loss of supplies due to fire in Materials Management and Pharmacy Stores	Regular mandatory fire training and fire drills	•Smoke detectors are functional •Flammable items are separated and stored in safety cabinets. •Daily rounds by Fire wardens - Quarterly Inspections and Risk Assessments by Health and Safety Officer •Independent Assessments •Fire suppression system installed	
Identified space issues in switchboard room.	Switch Board relocated.	Risk mitigated.	
Retention Challenges	•Implementation of Just Culture program in progress •Acquiring JCI Accreditation	•Staff survey completed to get feedback to ascertain staff issues and factors affecting morale. •Whistleblowing policy implemented and staff sensitized in staff meetings and onboarding. •Formal complaints process with staff sensitized •Staff meetings and onboarding. •Created section Managers WhatsApp group to communicate changes real time •Staff Wellness program •HR open house •Staff sensitization of relevant policies affecting work life •Select Staff allowed to work remotely	

RISK MANAGEMENT (CONTINUED)

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Operational			
Lack of audible warning device in EMS office and lack of portable fire extinguisher in the EMS department. The office has only one exit	•EMS room to be expanded •Fire alarm panel will be upgraded to include alert for EMS	Extinguisher provided.	
Potential improper recruitment practices	Electronic HR system being procured.	•Clear recruitment policies and procedures •Clear interviewing and selection guidelines •Disclosure Form •Recruitment manager in post	
Potential for the Inappropriate use of vehicles		•Policy for the use and maintenance of vehicles •Use of logbook to sign out and return vehicles	
Potential for the use of patient information for personal gain or influence		•Organisations policies, procedures •Privileging guidelines are in place •Monitoring of privileged physicians by MD, DMD	
Potential for bias in referral recommendations for gain/advantage with overseas medical entities	Appeals Referral Committee reviews no approvals.	Medical Director and Deputy Medical Director approve referrals.	
Potential loss of key staff in single incumbent positions due to retirement, resignation, lack of trained personnel on island and difficulty in recruiting and retaining professionals		•Development and ongoing review of recruitment and retention strategies •Development of succession plan •Funding of succession plan •Cross training of staff in these positions	900K

RISK MANAGEMENT (CONTINUED)

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Operational			
Potential Security breach of IT system		•Intrusion detection assessment •Periodic audit of active directory •Scheduled audits of IT system usage logs •Security software •Ongoing training on phishing •Hired Security Information Officer •Cyber Insurance •Close collaboration with CIG's CISO	45K
Security of Staff and Facilities		•Installation of additional CCTV cameras •Access control and maintenance of alarms on exits •Issuing of ID cards to all staff •Installation of gate to rear parking lot	50K
Potential for business interruption due to natural, internal, or external disaster		Backup of critical data on site- IT to investigate and implement.	

RISK MANAGEMENT (CONTINUED)

KEY RISKS FACED BY MINISTRY/PORTFOLIO	CHANGE IN STATUS FROM 2023	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
Clinical			
Potential for patient safety, quality of care issues, understaffing and staff burnout due to the difficulty in recruiting experienced nursing staff.		•Transition to practice programme instituted for new RNs •Variety of recruitment methods are being used to attract nurses, including agencies	
Potential for delays in transporting patients from Faith Hospital to CIH		•Evacuation plan with Cayman Airways •MOU with RCIPS for use of helicopter	
Potential for patient falls in the inpatient and outpatient setting.		•Fall risk assessment for each patient •Use of fall prevention interventions •Regular rounding by nurses •Quarterly monitoring of in-patient fall rates	
Potential for unauthorised entry to the Maternity Unit		•Buzzer on entry •CCTV at door entry •Totguard system in place	
Potential for patient burns from use of certain modalities in Physiotherapy.	Ongoing training and Preventative maintenance of equipment	Protocols and procedures are in place. Laser policy and protocols implemented	
Patient falls during rehab or transfers in physiotherapy.	Ongoing training and Preventative maintenance of equipment	Protocols and procedures are in place.	
Potential for inadequate Blood Supply with poor patient outcome	Ongoing marketing and blood drives to recruit new donors.	•Contracts are in place for blood and products •Organised schedule for recruiting blood donors is in place •Additional donors recruited •Change in blood donor policy	
Inadequate funding for the replacement of aging clinical equipment		•Replace equipment according to schedule •Equipment is being replaced as scheduled	

5. SUMMARISED FORECAST FINANCIAL STATEMENTS

A full set of forecast financial statements for the Health Services Authority is provided in the Appendix to this Ownership Agreement.

	2024 1 Jan to 31 Dec 2024 \$000's	2025 1 Jan to 31 Dec 2025 \$000's	2023 12-Month Forecast \$000's
OPERATING STATEMENT			
REVENUE	173,076	180,771	165,365
OPERATING EXPENSES	172,414	180,619	175,001
NET SURPLUS/(DEFICIT)	662	93	(9,635)

	2024 1 Jan to 31 Dec 2024 \$000's	2025 1 Jan to 31 Dec 2025 \$000's	2023 12-Month Forecast \$000's
BALANCE SHEET			
ASSETS	224,825	232,034	214,823
LIABILITIES	192,113	199,230	182,773
NET WORTH	32,711	32,804	32,049

	2024 1 Jan to 31 Dec 2024 \$000's	2025 1 Jan to 31 Dec 2025 \$000's	2023 12-Month Forecast \$000's
STATEMENT OF CASH FLOW			
CASH FLOWS FROM OPERATING ACTIVITIES	13,214	13,233	2,839
CASH FLOWS FROM INVESTING ACTIVITIES	(10,085)	(10,895)	(4,902)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-	-

6. OTHER FINANCIAL INFORMATION

Detailed below is information about specific financial transactions required to be included in the Ownership Agreement by the Public Management and Finance Act (2020 Revision).

TRANSACTION	2024 1 Jan to 31 Dec 2024 \$000's	2025 1 Jan to 31 Dec 2025 \$000's
EQUITY INVESTMENTS INTO HEALTH SERVICES AUTHORITY	-	-
CAPITAL WITHDRAWALS FROM HEALTH SERVICES AUTHORITY	-	-
DIVIDEND OR PROFIT DISTRIBUTIONS TO BE MADE BY HEALTH SERVICES AUTHORITY	-	-
GOVERNMENT LOANS TO BE MADE TO HEALTH SERVICES AUTHORITY	-	-
GOVERNMENT GUARANTEES TO BE ISSUED IN RELATION TO HEALTH SERVICES AUTHORITY	-	-
RELATED PARTY PAYMENTS (NON-REMUNERATION) MADE TO KEY MANAGEMENT PERSONNEL ²⁷	-	-
REMUNERATION ²⁸ PAYMENTS MADE TO KEY MANAGEMENT PERSONNEL	3,734	3,812
REMUNERATION PAYMENTS MADE TO SENIOR MANAGEMENT	2,591	2,639

DESCRIPTION	2024 1 Jan to 31 Dec 2024	2025 1 Jan to 31 Dec 2025
NUMBER OF KEY MANAGEMENT PERSONNEL (BOARD)	11	11
NUMBER OF KEY SENIOR MANAGEMENT (MD)	11	11

²⁷ Key Management Personnel as defined by International Public Accounting Standards No 20, e.g. Minister, Member and Senior Management Team

²⁸ Remuneration as defined by International Public Accounting Standards No 20 Par 34(a)

AGREEMENT

Scope of this Agreement

In signing this document, the Health Services Authority undertakes to seek to achieve the performance specified in sections 2 to 6 to the best of its ability; and

The Cabinet agrees to the performance specified in sections 2 to 5 and the financial transactions specified in section 6.

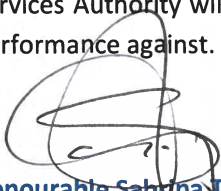
Procedures for Changing this Ownership Agreement

Changes to this Ownership Agreement may be made during the financial years only with the express and explicit agreement of both parties to the Agreement. Changes will be made in the following way:

- If either party wishes to change the specification of performance contained in this Ownership Agreement, they must notify the other in writing describing the changes that they wish to make.
- The other party will take no more than 15 working days to consider the proposed amendments, or such other time as the two parties may agree.
- The other party will respond to the other about the proposed amendments and negotiate appropriate changes that are agreeable to both parties.
- The parties will sign the amended Ownership Agreement.
- The amended Ownership Agreement will be attached to and form part of this Agreement.

Agreement

We jointly agree this Ownership Agreement accurately documents the ownership performance the Health Services Authority will seek to achieve for the 2024 and 2025 financial years and that the Cabinet will monitor performance against.



Honourable Sabrina Turner, MP
Minister for Health and Wellness

On behalf of Cabinet



Chairperson of the Board
Health Services Authority

31 December 2023

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APPENDIX

FORECAST FINANCIAL STATEMENTS

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HEALTH SERVICES AUTHORITY

STATEMENT OF RESPONSIBILITY FOR FORECAST FINANCIAL STATEMENTS FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

These forecast financial statements have been prepared in accordance with the provisions of the Public Management and Finance Act (2020 Revision).

The Board accepts responsibility for the accuracy and integrity of the financial information in these financial statements.

To the best of our knowledge the statements are:

- a. Complete and reliable.
- b. Fairly reflect the forecast financial position as of 31 December 2024 and 31 December 2025 and performance for the Health Services Authority for the financial years ending 31 December 2024 and 31 December 2025; and
- c. Comply with generally accepted accounting practice.

Chairperson of the Board

Cayman Islands Health Services Authority

31 December 2023

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HEALTH SERVICES AUTHORITY
STATEMENT OF ACCOUNTING POLICIES
FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The principal accounting policies adopted by the Health Authority are as follows:

(a) Basis of accounting

The financial statements of the Health Authority are prepared on an accrual basis under the historical cost convention except for: (1) the revaluation of land and buildings [see (d) below] and (2) employee benefits [see note 12 and note 13 below]. The financial statements are presented in Cayman Islands Dollars (CI\$) and are prepared on the accrual basis of accounting, unless otherwise stated. The statements are rounded to the nearest dollar except otherwise stated.

Changes in accounting policies

When presentation or reclassification 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.

(b) Use of estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the year. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year of the revision and future years, where applicable.

(c) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Health Authority recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Health Authority's business model for managing them. In order for a financial asset to be classified and measured at amortised cost or fair value through the OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. All debt instruments are classified as "Hold to collect and sell" and recognized at fair value through the OCI. The debt instruments were previously classified as available for sale under IAS 39. Accounts receivables are measured at the transaction price determined under IFRS 15

HEALTH SERVICES AUTHORITY

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

(c) Financial instruments

(i) Financial assets (continued)

Cash and Cash Equivalents classified as loans and receivables under IAS 39 have been reclassified to amortized cost at the adoption date of the standard.

The Health Authority's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Health Authority commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through the OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through the OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

All debt instruments are subsequently measured at fair value with gains and losses arising due to change in the fair value recognized in the OCI. Interest income and foreign change gains and losses are recognized in profit or loss in the same manner as for financial assets measured at amortised cost.

Derecognition

The Health Authority has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Health Authority has transferred substantially all the risks and rewards of the asset, or (b) the Health Authority has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

On derecognition, cumulative gains or losses previously recognized in OCI are reclassified from OCI to profit or loss.

Impairment of financial assets

The Health Authority recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Health Authority expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

HEALTH SERVICES AUTHORITY

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

(c) Financial instruments

(i) Financial assets (continued)

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For accounts receivables, the Health Authority applies a general approach in calculating ECLs. For debt instruments at fair value through OCI, the Health Authority applies the low credit risk simplification. At every reporting date, the Health Authority evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Health Authority reassesses the credit rating of the debt instrument. In addition, the Health Authority considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Financial liabilities comprise accounts payable and accrued expenses.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

(iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

HEALTH SERVICES AUTHORITY

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

(d) Fixed assets and depreciation

Land and buildings held for use in the supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the statement of financial position date.

Any revaluation increase arising on the revaluation of such land and buildings is recognized in the Statement of Changes in Equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the statement of comprehensive income, in which case the increase is credited to the statement of comprehensive income to the extent of the decrease previously charged.

A decrease in the carrying amount arising on the revaluation of such land and buildings is charged to the statement of comprehensive income to the extent that it exceeds the balance, if any, held in the properties revaluation reserve relating to a previous revaluation of that asset.

Depreciation on revalued buildings is charged to statement of comprehensive income. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings (deficit). No transfer is made from the revaluation reserve to retained earnings (deficit) except when an asset is derecognised.

Properties in the course of construction for the main healthcare business, administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Health Authority's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Medical equipment and other fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged to recognize the consumption of an asset, other than land and properties under construction, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

HEALTH SERVICES AUTHORITY
STATEMENT OF ACCOUNTING POLICIES (CONTINUED)
FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

(d) Fixed assets and depreciation (continued)

Depreciation is charged to the statement of comprehensive income on a straight-line basis based on the following periods estimated to write off the cost of the assets over their expected useful lives:

Buildings	up to 60 years
Medical equipment	8 – 20 years
Other fixed assets	3 – 20 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, were shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of fixed asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of comprehensive income.

(e) Right-of-use assets (Leases)

(a) The Health Authority assesses whether a contract is or contains a lease, at inception of the contract. The right-of-use asset and a corresponding lease liability is recognised with respect to all lease arrangements in which the Health Authority is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (defined as any monthly lease payment \$5,000 or less). For these leases, the lease payments are recognised as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the organization's incremental borrowing rate is used (US prime rate + 0.25%).

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.
- The amount expected to be payable by the lessee under residual value guarantees.
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and

HEALTH SERVICES AUTHORITY

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

(e) Right-of-use assets (Leases) (continued)

- Payments of penalties for terminating the lease if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

No such adjustments were made during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever an obligation is incurred for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the organization expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

HEALTH SERVICES AUTHORITY

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

(e) Right-of-use assets (Leases) (continued)

IAS 36 is applied to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss (see Note 19).

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

The Health Authority has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Health Authority has allocated the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(f) Impairment

The carrying amount of the Health Authority's assets other than inventory (see Note 3(j)) is reviewed at each statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

(g) Foreign currency translation

Transactions in foreign currencies are translated at the prevailing foreign exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to Cayman Islands dollars at the prevailing exchange rate at the statement of financial position date. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated to Cayman Islands dollars at the prevailing foreign currency exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the Cayman Islands dollars at the prevailing foreign exchange rates at the dates that the values were determined.

(h) Allowance for doubtful debts

Health Authority uses the allowance method to record its estimated annual expense for doubtful debts. Under the allowance method, receivables are written off against the allowance for doubtful debts (a contra asset account) when management believes that the collectability of the account is unlikely. The allowance is an amount that management believes will be adequate to cover any doubtful debts, based on an evaluation of collectability and prior doubtful debts experience.

HEALTH SERVICES AUTHORITY

STATEMENT OF ACCOUNTING POLICIES (CONTINUED)

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

(i) Inventory

Inventory is valued at the lower of net realisable value or cost, on a moving average basis. Inventory is recorded net of obsolete, slow-moving, and expired items.

(j) Revenue recognition

Revenue including government programme is recognized upon transfer of promised goods or services to customers in an amount that reflects the consideration to which the Health Authority expects to be entitled in exchange of goods or services. This core principle is delivered as per the IFRS 15 five-step model framework which are: (1) Identify the contract with a customer; (2) Identify the performance obligations in the contract; (3) Determine the transaction price; (4) Allocate the transaction price to the performance obligations in the contract; and (5) Recognize revenue when the Health Authority satisfies a performance obligation.

Other income such as donation, interest on deposits, rental and other miscellaneous income are recognized when the condition (if any) relating to a donation is met, or the agreed criteria for interest revenue has been settled or when services are provided. Grants received or receivable in recognition of specific expenses are recognized in the statement of comprehensive income in the period received.

(k) Employee benefits

The Health Authority employees and their dependants receive free medical benefits of which a portion is provided by the Health Authority within its facilities. The portion provided by the Health Authority within its facility is valued at \$8,960,406 (2021: \$7,306,875). This amount is netted against revenue as this is considered as contractual adjustments.

The Health Authority provides post-employment benefits through defined benefit and defined contribution plans.

Defined benefit plans

The Health Authority's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of plan assets. The cost of pensions and other retirement benefits earned by employees is actuarially determined using the projected unit credit method prorated on service and Management's best estimate of expected plan investment performance, salary escalation, retirement ages of employees, and mortality rates. When the calculation results in a net benefit asset, the recognised assets are limited to the total of any unrecognized past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

HEALTH SERVICES AUTHORITY

STATEMENT OF ACCOUNTING POLICIES (CONTNUED)

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

(k) Employee benefits (continued)

Defined benefit plans (continued)

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (loss). The net interest expense on the net defined benefit liability for the period is determined by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

The discount rate used to value the defined benefit obligation is based on a combination of high-quality corporate bonds, in the same currency in which the benefits are expected to be paid and with terms to maturity that, on average, match the terms of the defined benefit obligations and the long-term rate of return of plan assets.

In addition to employee pension benefits, the Health Authority also provides certain employee health care benefits to certain current and future retirees. To be eligible, employees must meet the following criteria at retirement: hired prior to 1 November 2010; complete 10 consecutive years with the Health Authority and the Government as principal employer; retire from the Health Authority at age 65 (statutory retirement age) or after age 50 (early retirement age) on the advice of the Medical Board; hired by Government and transferred to the Health Authority without a break in service.

In accordance with IAS 19, the Health Authority recognizes a liability when an employee has provided services in exchange for employee benefits to be paid in the future; and an expense when the entity consumes the economic benefit arising from service provided by an employee in exchange for employee benefits. These amounts are reported in the statements of financial position and comprehensive income, respectively. They are also presented in additional details in the notes to the financial statements.

The Health Authority presently pays its post-retirement health care obligations annually from its operating expenditure budget. The Health Authority is presently considering alternative funding arrangements which will set aside funds to meet future post-retirement health care obligations as and when they fall due.

Defined Contribution Plans

The Health Authority's obligations for contributions to employee defined contribution pension plans are recognized in the statement of comprehensive income in the periods during which services are rendered by employees.

HEALTH SERVICES AUTHORITY
STATEMENT OF ACCOUNTING POLICIES (CONTINUED)
FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

(I) Provisions

Provisions are recognised when Health Authority has a present obligation (legal or constructive) as a result of a past event, it is probable that the Health Authority will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, considering the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

HEALTH SERVICES AUTHORITY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024 AND 31 DECEMBER 2025

12-Month Forecast 2023	STATEMENT OF FINANCIAL POSITION	Notes	12-Month Budget 2024	12-Month Budget 2025
	Current Assets			
38,755,896	Cash and cash equivalents	1	41,884,417	44,222,332
-	Marketable securities and deposits		-	-
37,264,387	Trade receivables	2	37,651,049	38,919,531
1,280,066	Other receivables	2	1,280,066	1,280,066
13,985,101	Inventories	3	13,385,101	13,085,101
-	Investments	4	-	-
40,822	Prepayments	5	40,822	40,822
-	Loans	6	-	-
91,326,271	Total Current Assets		94,241,454	97,547,852
	Non-Current Assets			
-	Trade receivables	2	-	-
-	Other receivables	2	-	-
-	Inventories	3	-	-
-	Investments	4	-	-
-	Prepayments	5	-	-
-	Loans	6	-	-
-	Pension Plan Surplus	13	-	-
123,222,638	Property, plant and equipment	7	130,335,520	134,238,346
273,703	Intangible Assets	8	247,676	247,676
123,496,341	Total Non-Current Assets		130,583,196	134,486,021
214,822,612	Total Assets		224,824,650	232,033,873
	Current Liabilities			
85,337	Trade payables	9	85,337	85,337
12,381,203	Other payables and accruals	9	10,130,370	5,451,140
-	Dividends/Surplus Payable	9	-	-
-	Bank Overdraft	1	-	-
-	Unearned revenue	10	-	-
50,000	Employee entitlements	11	50,000	50,000
-	Current Portion of Borrowings	12	-	-
12,516,540	Total Current Liabilities		10,265,708	5,586,477
	Non-Current Liabilities			
-	Trade payables	9	-	-
860,833	Other payables and accruals	9	510,634	365,191
-	Dividends/Surplus Payable	9	-	-
-	Unearned revenue	10	-	-
700,000	Employee entitlements	11	700,000	700,000
7,235,000	Unfunded pension liability	13	8,205,000	9,175,000
161,461,000	Unfunded post retirement health care	14	172,432,000	183,403,000
-	Currency Issued		-	-
-	Long Term portion of Borrowings	12	-	-
170,256,833	Total Non-Current Liabilities		181,847,634	193,643,191
182,773,373	Total Liabilities		192,113,342	199,229,668
32,049,240	Net Assets		32,711,308	32,804,205
	NET WORTH			
140,805,201	Contributed capital		140,805,201	140,805,201
-	Other Reserves		-	-
42,801,302	Revaluation reserve		42,801,302	42,801,302
(151,557,262)	Accumulated surpluses/(deficits)		(150,895,194)	(150,802,297)
32,049,240	Total Net Worth		32,711,308	32,804,205

HEALTH SERVICES AUTHORITY

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

12-Month Forecast 2023	STATEMENT OF FINANCIAL PERFORMANCE	Notes	12-Month Budget 2024	12-Month Budget 2025
	Revenue			
164,135,200	Sale of goods and services	15	172,422,443	180,057,505
730,000	Investment revenue	16	153,900	153,900
500,000	Donations	17	500,000	500,000
-	Other revenue		-	-
165,365,200	Total Revenue		173,076,344	180,711,406
	Expenses			
119,386,813	Personnel costs	18	113,675,035	120,489,643
35,953,106	Supplies and consumables	19	34,396,528	35,115,683
8,139,553	Depreciation and Amortisation	7	8,498,147	9,482,175
500,000	Impairment of Inventory, property, plant and equipment		600,000	300,000
-	Finance costs & overdraft interest	20	750,000	-
-	Litigation costs	21	-	-
-	Other (Gains)/losses	22	-	-
11,021,223	Other Operating expenses		14,494,566	15,231,007
175,000,695	Total Expenses		172,414,276	180,618,509
(9,635,496)	Surplus or (Deficit) for the period		662,068	92,897

HEALTH SERVICES AUTHORITY
STATEMENT OF CASH FLOWS
FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

12-Month Forecast 2023	CASH FLOW STATEMENT	Note	12-Month Budget 2024	12-Month Budget 2025
	CASH FLOWS FROM OPERATING ACTIVITIES			
	<i>Receipts</i>			
-	Sale of goods and services to Cabinet		-	-
66,203,966	Sale of goods and services to Ministries/Portfolios		72,812,010	76,792,702
66,196,542	Sale of goods and services to Statutory Agencies and Government Companies		80,154,585	84,223,516
25,128,755	Sale of goods and services - third party		27,641,631	29,023,712
-	Interest received		-	-
500,000	Donations / Grants		-	-
-	Other receipts		-	-
	<i>Payments</i>			
(107,445,813)	Personnel costs		(115,246,203)	(123,383,746)
-	Supplies and consumables - Ministries/Portfolios		-	-
-	Supplies and consumables - Statutory Agencies and Government Companies		-	-
(26,963,016)	Supplies and consumables - third party		(28,958,733)	(29,702,035)
-	Interest paid		-	-
(20,781,465)	Other payments		(23,189,768)	(23,721,234)
2,838,969	Net cash flows from operating activities	23	13,213,521	13,232,915
	CASH FLOWS FROM INVESTING ACTIVITIES			
(15,401,551)	Purchase of property, plant and equipment		(10,085,000)	(10,895,000)
-	Proceeds from sale of property, plant and equipment		-	-
-	Purchase of investments		-	-
10,500,000	Proceeds from sale of investments		-	-
(4,901,551)	Net cash flows from investing activities		(10,085,000)	(10,895,000)
	CASH FLOWS FROM FINANCING ACTIVITIES			
-	Equity Investment from Cabinet		-	-
-	Repayment of Surplus/Dividends or Capital withdrawal		-	-
-	Borrowings		-	-
-	Repayment of Borrowings		-	-
-	Currency Issues		-	-
-	Net cash flows from financing activities		-	-
(2,062,582)	Net increase/(decrease) in cash and cash equivalents		3,128,521	2,337,915
40,818,478	Cash and cash equivalents at beginning of period		38,755,896	41,884,417
38,755,896	Cash and cash equivalents at end of period		41,884,417	44,222,332

HEALTH SERVICES AUTHORITY
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

	Contributed Capital	Other Reserves	Revaluation Reserve	Accumulated Surplus/ (deficits)	Total
Balance at 31 December 2021 brought forward	140,805,201	-	42,801,302	(192,007,564)	(8,401,062)
Prior Year Adjustments					
Changes in accounting policy	-	-	-	-	-
Accounting Errors	-	-	-	-	-
Restated balance 31 December 2021	140,805,201	-	42,801,302	(192,007,564)	(8,401,062)
Changes in net worth for 2022					
Gain/(loss) on property revaluation	-	-	-	-	-
Gain/(loss) on revaluation of investments	-	-	-	54,864,000	54,864,000
Exchange differences on translating foreign operations	-	-	-	-	-
Equity Investment from Cabinet	-	-	-	-	-
Capital withdrawals by Cabinet	-	-	-	-	-
Dividends payable to Cabinet	-	-	-	-	-
Net revenue / expenses recognised directly in net worth	-	-	-	54,864,000	54,864,000
Surplus/(deficit)for the period 2022	-	-	-	(5,174,477)	(5,174,477)
Total recognised revenues and expenses for the period	-	-	-	49,689,523	49,689,523
Balance at 31 December 2022	140,805,201	-	42,801,302	(142,318,041)	41,288,461
Balance at 31 December 2022 brought forward	140,805,201	-	42,801,302	(142,318,041)	41,288,461
Prior Year Adjustments					
Changes in accounting policy	-	-	-	-	-
Accounting Errors	-	-	-	-	-
Restated balance 31 December 2022	140,805,201	-	42,801,302	(142,318,041)	41,288,461
Changes in net worth for 2023					
Gain/(loss) on property revaluation	-	-	-	-	-
Gain/(loss) on revaluation of investments	-	-	-	-	-
Exchange differences on translating foreign operations	-	-	-	-	-
Equity Investment from Cabinet	-	-	-	396,274	396,274
Capital withdrawals by Cabinet	-	-	-	-	-
Dividends payable to Cabinet	-	-	-	-	-
Net revenue / expenses recognised directly in net worth	-	-	-	396,274	396,274
Surplus/(deficit)for the period 2023	-	-	-	(9,635,496)	(9,635,496)
Total recognised revenues and expenses for the period	-	-	-	(9,239,222)	(9,239,222)
Balance at 31 December 2023 carried forward	140,805,201	-	42,801,302	(151,557,262)	32,049,240

HEALTH SERVICES AUTHORITY
STATEMENT OF CHANGES IN NET WORTH (CONTINUED)
FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

	Contributed Capital	Other Reserves	Revaluation Reserve	Accumulated Surplus/ (deficits)	Total
Balance at 31 December 2023 brought forward	140,805,201	-	42,801,302	(151,557,262)	32,049,240
Prior Year Adjustments					
Changes in accounting policy	-	-	-	-	-
Accounting Errors	-	-	-	-	-
Restated balance 31 December 2023	140,805,201	-	42,801,302	(151,557,262)	32,049,240
Changes in net worth for 2024					
Gain/(loss) on property revaluation	-	-	-	-	-
Gain/(loss) on revaluation of investments	-	-	-	-	-
Exchange differences on translating foreign operations	-	-	-	-	-
Equity Investment from Cabinet	-	-	-	-	-
Capital withdrawals by Cabinet	-	-	-	-	-
Dividends payable to Cabinet	-	-	-	-	-
Net revenue / expenses recognised directly in net worth	-	-	-	-	-
Surplus/(deficit)for the period 2024	-	-	-	662,068	662,068
Total recognised revenues and expenses for the period	-	-	-	662,068	662,068
Balance at 31 December 2024 carried forward	140,805,201	-	42,801,302	(150,895,194)	32,711,308
Balance at 31 December 2024 brought forward	140,805,201	-	42,801,302	(150,895,194)	32,711,308
Prior Year Adjustments					
Changes in accounting policy	-	-	-	-	-
Accounting Errors	-	-	-	-	-
Restated balance 31 December 2024	140,805,201	-	42,801,302	(150,895,194)	32,711,308
Changes in net worth for 2025					
Gain/(loss) on property revaluation	-	-	-	-	-
Gain/(loss) on revaluation of investments	-	-	-	-	-
Exchange differences on translating foreign operations	-	-	-	-	-
Equity Investment from Cabinet	-	-	-	-	-
Capital withdrawals by Cabinet	-	-	-	-	-
Dividends payable to Cabinet	-	-	-	-	-
Net revenue / expenses recognised directly in net worth	-	-	-	-	-
Surplus/(deficit)for the period 2025	-	-	-	92,897	92,897
Total recognised revenues and expenses for the period	-	-	-	92,897	92,897
Balance at 31 December 2025	140,805,201	-	42,801,302	(150,802,297)	32,804,205

HEALTH SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

NOTE 1: CASH AND CASH EQUIVALENTS

12-Month Forecast 2023	Description	12-Month Budget 2024	12-Month Budget 2025
-	Cash on hand	-	-
-	Cash in transit	-	-
38,755,896	CI\$ Account	41,884,417	44,222,332
-	US\$ Account	-	-
-	Bank Overdraft	-	-
-	Payroll Current Account	-	-
-	Bank Accounts held at other financial institutions	-	-
-	Short-Term Fixed Deposits	-	-
38,755,896	TOTAL	41,884,417	44,222,332

NOTE 2: TRADE AND OTHER RECEIVABLES

12-Month Forecast 2023	Trade Recivables	12-Month Budget 2024	12-Month Budget 2025
-	Sale of goods and services to Cabinet	-	-
1,546,373	Sale of goods and services to Ministries/Portfolios	2,134,917	2,134,917
-	Sale of goods and services to Statutory Agencies and Government Companies	-	-
57,545,313	Sale of goods and services - third party	56,031,818	55,771,724
1,053,438	Other	1,053,438	1,053,438
(22,880,737)	Less: provision for doubtful debts	(21,569,124)	(20,040,547)
37,264,387	Total trade receivables	37,651,049	38,919,531

12-Month Forecast 2023	Trade Recivables	12-Month Budget 2024	12-Month Budget 2025
	Current		
15,941,321	Past due 1-30 days	15,261,830	15,410,852
14,582,631	Past due 31-60 days	15,311,763	16,077,351
2,777,250	Past due 61-90 days	2,916,112	3,061,918
3,963,184	Past due 90 and above	4,161,344	4,369,411
	Non-Current		
-	Past due 1 year and above	-	-
37,264,387	Total	37,651,049	38,919,531

HEALTH SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

NOTE 2: TRADE AND OTHER RECEIVABLES (CONTINUED)

12-Month Forecast 2023	Other Receivables	12-Month Budget 2024	12-Month Budget 2025
1,280,066	Advances (salary, Official Travel, etc)	1,280,066	1,280,066
-	Dishonoured cheques	-	-
-	Interest receivable	-	-
-	Other	-	-
-	Less: provision for doubtful debts	-	-
1,280,066	Total other receivables	1,280,066	1,280,066

12-Month Forecast 2023	Other Receivables	12-Month Budget 2024	12-Month Budget 2025
	Current		
1,280,066	Past due 1-30 days	1,280,066	1,280,066
-	Past due 31-60 days	-	-
-	Past due 61-90 days	-	-
-	Past due 90 and above	-	-
	Non-Current		
-	Past due 1 year and above	-	-
1,280,066	Total	1,280,066	1,280,066

12-Month Forecast 2023	Description	12-Month Budget 2024	12-Month Budget 2025
(23,975,386)	Balance at beginning of period	(22,880,737)	(21,569,124)
(3,905,351)	Additional provisions made during the year	(3,688,387)	(3,471,423)
5,000,000	Receivables written off during the period	5,000,000	5,000,000
(22,880,737)	Balance at 31st December	(21,569,124)	(20,040,547)

HEALTH SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

NOTE 3: INVENTORIES

12-Month Forecast 2023	Description	12-Month Budget 2024	12-Month Budget 2025
	Current Inventories		
13,985,101	Inventory held for use in the provision of goods and services	13,385,101	13,085,101
-	- Inventory held for sale	-	-
-	- Inventory Other	-	-
-	- Impairment of Inventory	-	-
13,985,101	INVENTORIES - Current	13,385,101	13,085,101
	Non-Current Inventories		
-	- Inventory held for use in the provision of goods and services	-	-
-	- Inventory held for sale	-	-
-	- Inventory Other	-	-
-	- Impairment of Inventory	-	-
-	- INVENTORIES - Non-Current	-	-
13,985,101	TOTAL INVENTORIES	13,385,101	13,085,101

NOTE 5: PREPAYMENTS

12-Month Forecast 2023	Repayment	12-Month Budget 2024	12-Month Budget 2025
	Current Prepayments		
40,822	Lease deposits	40,822	40,822
40,822	Prepayments - Current	40,822	40,822
	Non-Current Prepayments		
-	- Prepayments - Non-Current	-	-
40,822	Total Prepayments	40,822	40,822

HEALTH SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

NOTE 7: PROPERTY, PLANT AND EQUIPMENT

COST OF PROPERTY, PLANT AND EQUIPMENT

	<i>Land</i>	<i>Plant and equipment</i>	<i>Buildings and Leasehold</i>	<i>Leasehold Improvements</i>	<i>Computer Hardware</i>	<i>Other assets</i>	<i>Assets under construction or development</i>	<i>Total</i>
Balance as at 1 January 2022	16,043,000	24,544,571	74,241,122	5,861,189	4,729,721	9,797,157	4,304,321	139,521,080
Additions	-	2,585,008	3,992,947	-	428,752	3,421,554	570,388	10,998,649
Disposals and Derecognition	-	(173,866)	75,958	(2,089,689)	(145,703)	7,539	-	(2,325,760)
Revaluation	-	-	-	-	-	-	-	-
Transfers	-	-	4,495,293	-	-	-	(4,495,293)	-
Balance as at 31 December 2022	16,043,000	26,955,713	82,805,321	3,771,500	5,012,770	13,226,250	379,415	148,193,969

	<i>Land</i>	<i>Plant and equipment</i>	<i>Buildings and Leasehold</i>	<i>Leasehold Improvements</i>	<i>Computer Hardware</i>	<i>Other assets</i>	<i>Assets under construction or development</i>	<i>Total</i>
Balance as at 1 January 2023	16,043,000	26,955,713	82,805,321	3,771,500	5,012,770	13,226,250	379,415	148,193,969
Additions	2,000,000	-	20,101,551	-	-	-	-	22,101,551
Disposals and Derecognition	-	-	-	(642,212)	-	-	-	(642,212)
Revaluation	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Balance as at 31 December 2023	18,043,000	26,955,713	102,906,871	3,129,288	5,012,770	13,226,250	379,415	169,653,308

	<i>Land</i>	<i>Plant and equipment</i>	<i>Buildings and Leasehold</i>	<i>Leasehold Improvements</i>	<i>Computer Hardware</i>	<i>Other assets</i>	<i>Assets under construction or development</i>	<i>Total</i>
Balance as at 1 January 2024	18,043,000	26,955,713	102,906,871	3,129,288	5,012,770	13,226,250	379,415	169,653,308
Additions	-	5,500,000	8,000,000	-	-	2,085,001	-	15,585,001
Disposals and Derecognition	-	-	-	425,009	-	-	-	425,009
Revaluation	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Balance as at 31 December 2024	18,043,000	32,455,713	110,906,871	3,554,297	5,012,770	15,311,251	379,415	185,663,318

	<i>Land</i>	<i>Plant and equipment</i>	<i>Buildings and Leasehold</i>	<i>Leasehold Improvements</i>	<i>Computer Hardware</i>	<i>Other assets</i>	<i>Assets under construction or development</i>	<i>Total</i>
Balance as at 1 January 2025	18,043,000	32,455,713	110,906,871	3,554,297	5,012,770	15,311,251	379,415	185,663,318
Additions	-	5,500,000	5,800,000	-	-	2,085,000	-	13,385,000
Disposals and Derecognition	-	-	-	(987,812)	-	-	-	(987,812)
Revaluation	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Balance as at 31 December 2025	18,043,000	37,955,713	116,706,871	2,566,484	5,012,770	17,396,251	379,415	198,060,506

HEALTH SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

NOTE 7: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES

	Land	Plant and equipment	Buildings and Leasehold	Leasehold Improvements	Computer Hardware	Other assets	Assets under construction or development	Total
Balance as at 1 January 2022	-	17,083,236	3,555,013	1,396,212	4,084,664	5,827,766	-	31,946,892
Transfers	-	-	-	-	-	-	-	-
Impairment Reserve 2022 (closing balance)	-	-	-	-	-	-	-	-
Depreciation Expense 2022	-	1,556,415	3,962,099	953,694	480,646	581,298	-	7,534,152
Eliminate on Disposal or Derecognition 2022	-	(162,955)	(40,530)	(473,899)	(113,615)	365,856	-	(425,143)
Balance as at 31 December 2022	-	18,476,696	7,476,582	1,876,007	4,451,695	6,774,920	-	39,055,900

	Land	Plant and equipment	Buildings and Leasehold	Leasehold Improvements	Computer Hardware	Other assets	Assets under construction or development	Total
Balance as at 1 January 2023	-	18,476,696	7,476,582	1,876,007	4,451,695	6,774,920	-	39,055,900
Transfers	-	-	-	-	-	-	-	-
Impairment Reserve 2023 (closing balance)	-	-	-	-	-	-	-	-
Depreciation Expense 2023	-	1,556,415	4,364,130	908,399	629,243	558,794	-	8,016,982
Eliminate on Disposal or Derecognition 2023	-	-	-	(912,257)	-	270,044	-	(642,212)
Balance as at 31 December 2023	-	20,033,111	11,840,712	1,872,150	5,080,938	7,603,759	-	46,430,670

	Land	Plant and equipment	Buildings and Leasehold	Leasehold Improvements	Computer Hardware	Other assets	Assets under construction or development	Total
Balance as at 1 January 2024	-	20,033,111	11,840,712	1,872,150	5,080,938	7,603,759	-	46,430,670
Transfers	-	-	-	-	-	-	-	-
Impairment change 2024	-	-	-	-	-	-	-	-
Depreciation Expense 2024	-	2,106,415	4,498,103	471,063	629,243	767,294	-	8,472,119
Eliminate on Disposal or Derecognition 2024	-	-	-	154,964	-	270,044	-	425,008
Balance as at 31 December 2024	-	22,139,527	16,338,815	2,498,178	5,710,181	8,641,097	-	55,327,798

	Land	Plant and equipment	Buildings and Leasehold	Leasehold Improvements	Computer Hardware	Other assets	Assets under construction or development	Total
Balance as at 1 January 2025	-	22,139,527	16,338,815	2,498,178	5,710,181	8,641,097	-	55,327,798
Transfers	-	-	-	-	-	-	-	-
Impairment change 2025	-	-	-	-	-	-	-	-
Depreciation Expense 2025	-	2,656,415	4,640,130	580,592	629,243	975,794	-	9,482,175
Eliminate on Disposal or Derecognition 2025	-	-	-	(1,257,857)	-	270,044	-	(987,813)
Balance as at 31 December 2025	-	24,795,942	20,978,945	1,820,913	6,339,425	9,886,936	-	63,822,160

Net Book value 31 December 2022	16,043,000	8,479,017	75,328,738	1,895,493	561,076	6,451,330	379,415	109,138,069
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Net Book value 31 December 2023	18,043,000	6,922,602	91,066,159	1,257,138	(68,168)	5,622,491	379,415	123,222,638
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Net Book value 31 December 2024	18,043,000	10,316,187	94,568,056	1,056,119	(697,411)	6,670,154	379,415	130,335,520
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Net Book value 31 December 2025	18,043,000	13,159,771	95,727,926	745,572	(1,326,654)	7,509,315	379,415	134,238,346
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HEALTH SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

NOTE 8: INTANGIBLE ASSETS

COST OF INTANGIBLE ASSETS

	<i>Computer Software</i>	<i>Total</i>
Balance as at 1 January 2022	5,764,209	5,764,209
Additions	149,222	149,222
Disposals and Derecognition		-
Revaluation		-
Transfers		-
Balance as at 31 December 2022	5,913,431	5,913,431

	<i>Computer Software</i>	<i>Total</i>
Balance as at 1 January 2023	5,913,431	5,913,431
Additions		-
Disposals and Derecognition		-
Revaluation		-
Transfers		-
Balance as at 31 December 2023	5,913,431	5,913,431

	<i>Computer Software</i>	<i>Total</i>
Balance as at 1 January 2024	5,913,431	5,913,431
Additions		-
Disposals and Derecognition		-
Revaluation		-
Transfers		-
Balance as at 31 December 2024	5,913,431	5,913,431

	<i>Computer Software</i>	<i>Total</i>
Balance as at 1 January 2025	5,913,431	5,913,431
Additions		-
Disposals and Derecognition		-
Revaluation		-
Transfers		-
Balance as at 31 December 2025	5,913,431	5,913,431

HEALTH SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

NOTE 8: INTANGIBLE ASSETS (CONTINUED)

ACCUMULATED DEPRECIATION AND IMPAIRMENT LOSSES

	<i>Computer Software</i>	<i>Total</i>
Balance as at 1 January 2022	5,368,560	5,368,560
Transfers		-
Impairment Reserve 2022 (closing balance)		-
Depreciation Expense 2022	148,598	148,598
Eliminate on Disposal or Derecognition		-
Balance as at 31 December 2022	5,517,158	5,517,158

	<i>Computer Software</i>	<i>Total</i>
Balance as at 1 January 2023	5,517,158	5,517,158
Transfers		-
Impairment Reserve 2023 (closing balance)		-
Depreciation Expense 2023	122,571	122,571
Eliminate on Disposal or Derecognition		-
Balance as at 31 December 2023	5,639,728	5,639,728

	<i>Computer Software</i>	<i>Total</i>
Balance as at 1 January 2024	5,639,728	5,639,728
Transfers		-
Impairment change 2024		-
Depreciation Expense 2024	26,027	26,027
Eliminate on Disposal or Derecognition		-
Balance as at 31 December 2024	5,665,756	5,665,756

	<i>Computer Software</i>	<i>Total</i>
Balance as at 1 January 2025	5,665,756	5,665,756
Transfers		-
Impairment change 2025		-
Depreciation Expense 2025		-
Eliminate on Disposal or Derecognition		-
Balance as at 31 December 2025	5,665,756	5,665,756

Net Book value 31 December 2022	396,274	396,274
Net Book value 31 December 2023	273,703	273,703
Net Book value 31 December 2024	247,676	247,676
Net Book value 31 December 2025	247,676	247,676

HEALTH SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

NOTE 9: TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

12-Month Forecast 2023	Description	12-Month Budget 2024	12-Month Budget 2025
	Current Trade payables other payables and accruals		
85,337	Creditors Third party	85,337	85,337
-	- Creditors Ministries/Portfolios	-	-
-	- Creditors other Statutory Agencies and Government Companies	-	-
-	- Payroll Deductions	-	-
558,791	Operating Lease	350,199	145,443
6,302,944	Accrued Expenses	6,802,944	4,292,944
5,519,468	Other payables	2,977,227	1,012,753
-	- Dividends/Surplus Payable	-	-
12,466,540	Trade payables other payables and accruals - Current	10,215,708	5,536,477
	Non-Current Trade payables other payables and accruals		
-	- Creditors Third party	-	-
-	- Creditors Ministries/Portfolios	-	-
-	- Creditors other Statutory Agencies and Government Companies	-	-
-	- Payroll Deductions	-	-
860,833	Operating Lease	510,634	365,191
-	- Accrued Expenses	-	-
-	- Other payables	-	-
-	- Dividends/Surplus Payable	-	-
860,833	Trade payables other payables and accruals - Non-Current	510,634	365,191
13,327,373	Total trade payables other payables and accruals	10,726,342	5,901,668

Note 11: EMPLOYEE ENTITLEMENTS

12-Month Forecast 2023	Description	12-Month Budget 2024	12-Month Budget 2025
	Current employee entitlements		
-	- Annual Leave/Comp-time	-	-
50,000	Retirement and long service leave	50,000	50,000
-	- Accrued salaries	-	-
-	- Travel	-	-
-	- Other	-	-
50,000	Total current portion	50,000	50,000
	Non-current employee entitlements		
700,000	Retirement and long service leave	700,000	700,000
-	- Other	-	-
700,000	Total non-current portion	700,000	700,000
750,000	Total employee entitlements	750,000	750,000

HEALTH SERVICES AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEARS ENDING 31 DECEMBER 2024 AND 31 DECEMBER 2025

NOTE 13: UNFUNDED PENSION LIABILITY

12-Month Forecast 2023	Description	12-Month Budget 2024	12-Month Budget 2025
	- Value of pension fund allocated asstes	-	-
(7,235,000)	Past service liability	(8,205,000)	(9,175,000)
(7,235,000)	Fund (deficiency)/Surplus	(8,205,000)	(9,175,000)

NOTE 14: UNFUNDED POST RETIREMENT HEALTH CARE

12-Month Forecast 2023	Description	12-Month Budget 2024	12-Month Budget 2025
(161,461,000)	Unfunded Defined Benefit Obligation	(172,432,000)	(183,403,000)
(161,461,000)	Total Unfunded Health Care Liability	(172,432,000)	(183,403,000)

NOTE 15A: SALE OF GOODS AND SERVICES

12-Month Forecast 2023	Revenue type	12-Month Budget 2024	12-Month Budget 2025
44,323,327	Fees and Charges	59,814,228	64,183,063
-	- General Sales	365,421	365,421
96,000	Rentals	96,000	96,000
750,000	Other Goods & Services Revenue	750,000	750,000
56,942,501	Sale of goods and services to Cabinet	46,272,254	46,282,254
62,023,372	Sale of goods and services to Other Ministries and Portfolios	65,124,540	68,380,767
164,135,200	Total sales of goods and services	172,422,443	180,057,505

12-Month Forecast 2023	<i>Fees and Charges</i>	12-Month Budget 2024	12-Month Budget 2025
44,323,327	Net Patient Revenue	59,814,228	64,183,063
44,323,327	Total Fees & Charges	59,814,228	64,183,063