



The Cayman Islands Government

The Government Minute

**Government's response to the
Report of the Standing Public Accounts Committee (PAC) of the Cayman Islands Parliament
On the Report of The Auditor General: "Financial Reporting of the Cayman Islands Government
General Report 31 December 2022 (October 2023)".**

Government Minute
Report of the Public Accounts Committee (PAC) on
Financial Reporting of the Cayman Islands Government General Report
31 December 2022 (October 2023)

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1.0 Background

Section 97(6) of the Parliament Standing Orders, 2025 requires that a Government Minute be laid on the Table of the House within three months of the laying of the report of the Public Accounts Committee (PAC) and of the report of the Auditor General to which it relates.

2.0 Introduction

This Government Minute is the formal written response of the Government to the Report of the Standing Public Accounts Committee on:

The Report of the Office of the Auditor General:
“Financial Reporting of the Cayman Islands Government General Report 31 December 2022 (October 2023)”.

which was tabled in Parliament on 24th July 2024.

Responses are structured to directly address each PAC recommendation, state the Government's acceptance or rejection of PAC's recommendations, provide details on the specific actions taken or to be taken, and provide realistic and reasonable timelines for implementation, where appropriate.

3.0 Government response to the Committee

The Government has carefully considered the Committee's report and provides its responses accordingly.

PAC Recommendation 1

Responsible Officer: Cabinet Secretary

The Committee recommends that the Government make and enact a policy decision regarding Section 47 (3) of the Public Authorities Act (2020 Revision) by end of Q4 2024. The Committee wishes to draw the Governments' attention to the Auditor General's concerns in paragraph 24 of the Report.

The Government accepts in principle the Committee's recommendation.

Recommendation Status: In Progress.

Government Response:

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The Government has engaged consultants to review the Public Authorities Act to support Government's broader effort to strengthen governance frameworks across Statutory Authorities and Government Companies. Recommendations will duly consider recent audit findings. The engagement commenced in Q1 of 2026. It is anticipated that the review will continue in Q3 of 2026.

PAC Recommendation 2

Responsible Officer: Financial Secretary

The Committee recommends that the Government place the post-retirement healthcare liability on the face of the balance sheet rather than in a note, in order to meet international reporting standards, for accuracy and transparency, and to support the Entire Public Sector in moving away from an adverse audit opinion.

The Government does not accept the Committee's recommendation.

Recommendation Status: Not Implemented.

Government Response:

Following consultation with the Minister of Finance, the Government does not accept the recommendation. However, it is considering other modernisations, such as replacing the International Public Sector Accounting Standards (IPSAS) with alternative accounting standards.