

FINANCIAL REPORTING OF THE CAYMAN ISLANDS GOVERNMENT



OCTOBER 2025



**To help the public
service spend wisely**

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KEY FACTS



39

Audits completed of public body 2024 financial statements (of 46).



38

Unqualified audit opinions issued for 2024 financial statements.



7

Audits of public bodies' 2024 financial statements incomplete or not started (Total public body audits backlogged is 16).



\$35 million

Combined surplus in 2024 (SAGCs – 4 million; MPOs – \$31 million).



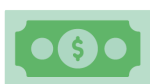
7

Number of audited entities with operating deficits in 2024 (SAGCs – 5; MPOs – 2).



\$1 billion

Total 2024 revenue audited (44 per cent of \$2.3 billion).



81%

SAGC revenue from fees and charges.



9

SAGCs heavily reliant on government funding (more than 50%).



\$986 million

Total 2024 expenditure audited (70 per cent of \$1.4 billion).



336

Number of adjustments made to financial statements after audit submission.



\$150 million

Total value of adjustments made to financial statements.



\$334 million

Total cash balances held by core government entities at December 2024.



163

Significant issues identified and reported.



10

Annual Reports for 2024 tabled in Parliament by mid-September 2025.

GLOSSARY

Audit opinion	<p>This is the overall conclusion of the Auditor General on the financial statements (in common with an independent auditor governed by the International Standards on Auditing). It can be one of four different types that distinguish the level of reliance that readers can place on it:</p> <ul style="list-style-type: none">• Clean or unqualified opinion (technical term: unmodified) – the information contained within the financial statements can be relied on.• Qualified – a portion of the financial statements cannot be relied on, but the reader can rely on the rest.• Adverse – the financial statements contain such significant deficiencies and errors that they should be considered unreliable and untrustworthy for the user.• Disclaimer – the auditor was not provided with sufficient information to conduct an audit (in essence, this is not an opinion).
Coercive revenue	<p>Coercive revenues are based on the Government's inherent powers to charge those within its jurisdiction or revenues earned by the core governments entities using the state's coercive power, for which no direct service exchange occurs.</p>
Contingent liability	<p>This refers to a possible obligation that may arise in the future, depending on the outcome of a specific or uncertain event.</p>
Core government	<p>This refers to Parliament, the Cabinet, Ministries, Portfolios, independent Offices and includes the equity investment in statutory authorities and government companies. Ministries, Portfolios and independent Offices are referred to as "core government entities" in this report.</p>
Depreciation and amortisation	<p>Depreciation is the mechanism used to allocate the cost of a tangible asset (e.g. equipment and buildings) over the asset's estimated useful life. Amortisation is the process of allocating the cost of an intangible asset (e.g. computer software) over the asset's estimated useful life. The costs of capitalised tangible and intangible assets are allocated as expenses to each period through the depreciation and amortisation process.</p>
Emphasis of matter paragraph	<p>This is a paragraph included in the auditor's report that refers to a matter appropriately presented or disclosed in the financial statements that, in the auditor's judgment, is of such importance that it is fundamental to users' understanding of the financial statements.</p>
Entire public sector	<p>The core government, along with all Statutory Authorities and Government Companies, comprises the Entire Public Sector (EPS).</p>
Executive transactions	<p>These are financial transactions under the direct legal responsibility of ministers, administered by core government entities on behalf of ministers (in contrast with entity transactions, which are under the direct legal responsibility of the heads of</p>

public entities, e.g., Chief Officers or Chief Executive Officers). They include coercive revenues, transfer payments, executive assets and debts (and related financing expenses). Examples of executive assets include infrastructure, heritage assets and other assets that benefit the entire country, in contrast to assets specifically designed for the use of public entities to deliver services (e.g. a hospital building). Other kinds of executive transactions are defined separately.

Heritage assets	Heritage assets need to be preserved for future generations. A heritage asset is deemed to be significant for its historic, artistic, scientific or cultural interest. Examples of heritage assets include listed buildings, ancient monuments, significant maritime wreck areas and conservation areas.
ISA 260 report	International Standard on Auditing 260 - Communication with Those Charged with Governance Report. An ISA 260 report is a communication document that external auditors are required to provide to those charged with governance. For SAGCs, this is typically the audit committee or board of directors, and for core government entities, it's the chief officer.
Operating surplus/(deficit)	An operating surplus or deficit shows whether an organisation earned more money than it spent (surplus) or spent more than it earned (deficit) from its day-to-day operations during a specific period.
Other matter paragraph	This is a paragraph in the auditor's report referring to a matter other than those presented or disclosed in the financial statements that, in the auditor's judgment, is relevant to users' understanding of the audit, the auditor's responsibilities or the auditor's report.
Overall surplus/(deficit)	An overall surplus or deficit shows whether an organisation's total income exceeded its total expenses (surplus) or its total expenses exceeded its total income (deficit) across all activities. This includes income and expenditure related to day-to-day operations, as well as one-off items such as asset sales or major investments, and other income and expenditures resulting from changes in the valuations of post-retirement healthcare, pensions, and other revalued assets.
Public bodies	A public body is any one of the entities responsible for separate financial accountability and reporting in the Cayman Islands Government (i.e. a ministry, portfolio, independent office, statutory authority or government company).
Statutory authorities and government companies	Any entity owned by the Government that is not part of the core government is considered a statutory authority or government company. Statutory authorities are created by specific acts (e.g. the Water Authority was created under the <i>Water Authority Act</i>). Government companies are organised under the <i>Companies Act</i> (i.e., similar to any company operating and present in the Cayman Islands, such as the Cayman Islands Stock Exchange Ltd).

ABBREVIATIONS

AOA – Auditors Oversight Authority
CAA – Civil Aviation Authority
CAL – Cayman Airways Limited
CAYS – Children and Youth Services Foundation
CIAA – Cayman Islands Airports Authority
CIDB – Cayman Islands Development Bank
CIMA – Cayman Islands Monetary Authority
CINAA – Cayman Islands National Attractions Authority
CINICO – Cayman Islands National Insurance Company
CIP – Cayman Islands Parliament
CISX – Cayman Islands Stock Exchange Ltd
CNCF – Cayman National Cultural Foundation
CO – Cabinet Office
CPO – Central Procurement Office
CTC – Cayman Turtle Conservation and Education Centre Limited
EPS – Entire Public Sector
HSA – Health Services Authority
IAS – International Accounting Standards
IFRS – International Financial Reporting Standards
IPSAS – International Public Sector Accounting Standards
ISA – International Standards on Auditing
IT – Information Technology
MACI – Maritime Authority of the Cayman Islands
MBCL – Ministry of Border Control, Labour and Culture
MDAL – Ministry of District Administration and Lands
MFED – Ministry of Finance and Economic Development
MFSC – Ministry of Financial Services and Commerce
MHA – Ministry of Home Affairs
MHW – Ministry of Health and Wellness

MIISD – Ministry of Investment, Innovation and Social Development
MOE – Ministry of Education
MPAHITD – Ministry of Planning, Agriculture, Housing, Infrastructure, Transport and Development
MPOs – Ministries, Portfolios and Offices
MSCR – Ministry of Sustainability and Climate Resiliency
MTP – Ministry of Tourism and Ports
MYSH – Ministry of Youth, Sports and Heritage
NDC – National Drug Council
NGCI – National Gallery of the Cayman Islands
NHDT – National Housing Development Trust
NRA – National Roads Authority
OAG – Office of the Auditor General
OCP – Office of the Commissioner of Police
ODPP – Office of the Director of Public Prosecutions
OMB – Office of the Ombudsman
PAA – *Public Authorities Act (2020 Revision)*
PAC – Public Accounts Committee
PACI – Port Authority of the Cayman Islands
PLA – Portfolio of Legal Affairs
PMFA – *Public Management and Finance Act (2020 Revision)*
PoCS – Portfolio of the Civil Service
PPC – Public Procurement Committee
PSPB – Public Service Pensions Board
SAGCs – Statutory Authorities and Government Companies
SIAHDC – Sister Islands Affordable Housing Development Corporation
SIF – Segregated Insurance Fund
SOC – Service Organisation Controls
UCCI – University College of the Cayman Islands
URCO – Utilities Regulation and Competition Office
WACI – Water Authority of the Cayman Islands

EXECUTIVE SUMMARY

This report provides a summary of the audits conducted on the 2024 financial statements of public bodies. It provides an overview of the financial performance and financial position of Statutory Authorities and Government Companies (SAGCs) and Ministries, Portfolios, and Offices (core government entities). The report summarises the financial results, key audit matters and significant internal control deficiencies found across public bodies on the 2024 audits. It also and presents a comprehensive picture of the audit status for the five years from 2020 to 2024 and outlines new and revised accounting standards that will impact future periods..

Of the 46 public bodies required to be audited in 2024, my Office has completed audits of 39 (85 per cent). Of these audits, we completed 36 (78 per cent) by the statutory deadline of 30 April 2025 and a further three by 10 September 2025, the cut-off date for finalising this report. Seven audits for the 2024 financial year remain either incomplete or have not been started due to backlogs from previous years. In total, 16 audits of public sector bodies and four audits of the Entire Public Sector (EPS) are backlogged.

My Office audited almost \$2 billion of the \$3.7 billion worth of financial performance transactions in 2024. This includes \$1 billion of revenue and \$986 million of expenditure across the 39 public bodies whose audits were completed. We have not yet audited the budgeted revenue of \$264 million and expenditure of \$270 million from the seven public bodies whose audits for 2024 have not been completed. It is worth noting that this report does not cover in detail the executive transactions that are reported in the consolidated financial statements for the EPS. These transactions are estimated to amount to at least \$1 billion in coercive revenue and at least \$194 million in executive expenditure. This is based on the unaudited 2024 EPS financial statements.

The audits of the EPS financial statements for 2021 to 2024 have yet to be completed. The Auditor General issued adverse opinions for the last four EPS audits, completed from 2016–17 to 2020, because of material omissions totalling billions of dollars which includes approximately \$2.3 billion relating to the post-retirement health care liability and various other issues. This means that the consolidated EPS financial statements are unreliable for decision-making purposes.

The report's findings largely focus on the 39 public bodies whose audits for 2024 were completed. It also provides a summary of the current backlogged audits, along with some details on the previous backlogged audits that have been completed since the last General Report was published in October 2024.

Of the 21 SAGCs audited, 15 recorded operating surpluses, one broke even and five recorded operating deficits (or losses).¹ Of the 15 SAGCs that recorded surpluses, eight recorded significant operating surpluses, i.e., those valued at more than 10 per cent of their operating expenses. Of these, the Cayman Islands Monetary Authority (CIMA) recorded the largest operating surplus of \$8.6 million followed by the SIF, at \$6.9 million, and the Civil Aviation Authority (CAA), at \$3.3 million.

The Public Service Pension Board (PSPB) was the only SAGC that recorded a significant operating deficit exceeding 10 per cent of its operating expenses. The PSPB recorded an operating deficit of almost \$6.0 million on its administration of the public sector pension plans. However, the pension plans are performing well and are in a positive position. The Health Services Authority (HSA) recorded the largest operating deficit, of almost \$12.4 million despite having received \$25.6 million in government funding and earned \$179 million from other sources, and this is concerning. The operating deficit raises concerns about the financial management, adequacy of funding, and operational efficiency of the HSA.

The actual financial performance of SAGCs varied significantly from what had been budgeted. For 2024, seven SAGCs budgeted to make a surplus, three to break even and 10 to make a deficit.² With 15 making a surplus, this indicates that most SAGCs performed better than had been budgeted, but seven performed worse than had been budgeted.

In 2024, all 26 SAGCs generated total revenue of over \$606 million, up 40 per cent from \$434 million in 2020. Most of this revenue – \$493 million or 81 per cent – came from fees and charges, while government funding accounted for almost \$114 million (19 per cent). Nine SAGCs rely on government funding for more than 50 per cent of their revenue. Among them, three SAGCs – the Auditors Oversight Authority (AOA), the National Drug Council (NDC) and the Children and Youth Services Foundation (CAYS) – depend on government support for over 90 per cent of their funding. This means that they are entirely reliant on continued government assistance to sustain their operations.

SAGC expenditure grew substantially between 2020 and 2024. Total SAGC expenditure increased by 47 per cent over this five-year period, rising from \$421 million to \$617 million, with personnel costs increasing by 38 per cent, to almost \$293 million in 2024, and expenditure on supplies and consumables increasing by 54 per cent, to \$267 million.

¹ There are 26 SAGCs in total. As at 10 September 2025, 21 had been audited, in 2024, and five audits were outstanding.

² The Segregated Insurance Fund (SIF) does not have an output agreement with the Government setting out its budget.

Most SAGCs maintain healthy short-term financial positions, meaning they have sufficient current assets, such as cash and short-term deposits, to meet their short-term obligations, including paying suppliers. All SAGCs, except CIMA, have a current ratio of 1.00 or more. As at 31 December 2024, SAGCs collectively reported over \$1.9 billion in current assets against current liabilities of just over \$270 million. It is important to note that the \$1.9 billion includes \$1.4 billion of investments held by PSPB in the pension funds.

Three SAGCs – Cayman Airways Limited (CAL), Cayman Islands Airports Authority (CIAA), and Cayman Turtle Conservation and Education Centre Limited (CTC) – indicated through the budget that they had \$70 million in government-guaranteed debt as of 2024. The combined debt of the three SAGCs had increased from \$67 million in 2023 (an increase of 5 per cent).³

The most serious long-term financial challenge facing SAGCs is related to post-retirement healthcare obligations. These unfunded liabilities represent a significant financial burden that will require future government support or service reductions, and their unpredictable nature severely hampers effective financial planning and budget preparation.

Eleven SAGCs had healthcare obligations totalling \$394 million in 2024, a eight per cent increase from \$364 million in 2020. However, these figures mask extreme volatility across SAGCs and within years, which creates uncertainty and challenges for budgeting and financial planning. Many of the SAGCs experienced fluctuations over the five years from 2020 to 2024. For example, the healthcare obligations of the Water Authority of the Cayman Islands (WACI) increased by 82 per cent over the period, while the Utility Regulation and Competition Office's (URCO) obligations declined by 55 per cent. The HSA's healthcare obligations increased by 6 per cent over the five-year period, but fluctuated significantly year-on-year. The HSA's obligations declined each year between 2020 and 2022 (from \$209 million to \$150 million), increased significantly in 2023 to \$236 million, and then declined again to \$221 million in 2024.

CORE GOVERNMENT ENTITIES' FINANCIAL PERFORMANCE AND POSITION

Core government entities demonstrated strong overall financial performance, achieving a combined operating surplus of over \$31 million in 2024, a significant increase from the \$11 million in 2020. Of the 18 core government entities audited, 11 recorded a surplus, five broke even and two recorded a deficit.⁴

³ The figures reported are unaudited. The audits of CAL, the CIAA and the CTC are backlogged.

⁴ There are 20 core government entities. As at 10 September 2025, 18 audits were audited in 2024 and 2 audits were outstanding.

Actual financial performance varied significantly from the budgeted amount. For 2024, five core government entities had budgeted to make a surplus, and the remaining 13 had budgeted to break even. Most performed better than had been budgeted for.

Of the 11 core government entities recording surpluses, three recorded significant surpluses valued at more than 10 per cent of their expenses. The Ministry of Border Control, Labour and Culture recorded the largest surplus at \$16.4 million, the Ministry of Investment, Innovation and Social Development made a surplus of almost \$6.6 million, and the Portfolio of the Civil Service made a surplus of almost \$4.4 million. Two entities – the Ministry of Home Affairs (MHA) and the Ministry of Youth, Sports and Heritage (MYSH) – recorded small deficits. The MHA budgeted to break even, and the MYSH budgeted for a surplus.

Total revenue for core government entities increased by 44 per cent over five years, from over \$466 million in 2020 to over \$670 million in 2024. Around 91 per cent of this revenue was from Cabinet appropriations, and the remaining 9 per cent was from other sources.

The total expenditure of core government entities increased by 41 per cent over the five-year period, from \$453 million in 2020 to \$639 million in 2024. The Ministry of Education (MOE) spent more than any other core government entity each year, with \$145 million in 2024, accounting for 23 per cent of total core government entities' expenditure. The top five core government entities collectively spent \$360 million, representing 56 per cent of all core government entity expenditure. It is worth noting that there were 16 core government entities in 2020 and 20 in 2024.

Personnel costs are the biggest cost driver or component for core government entities, accounting for around 68 per cent of total annual expenditure. Between 2020 and 2024, personnel costs increased by 36 per cent, to \$432 million.

Core government entities maintain exceptionally strong liquidity positions, meaning they have sufficient current assets, such as cash and short-term deposits, to meet their short-term obligations, including paying suppliers. As at 31 December 2024, entities had almost \$543 million in current assets, including \$334 million in cash, compared to almost \$138 million in current liabilities. The MOE had the largest net working-capital position (current assets minus current liabilities) of \$176 million. The next three entities had combined current assets of over \$137 million.

SIGNIFICANT FINDINGS FROM THE AUDITS OF PUBLIC BODIES

As at 10 September 2025, ISA 260 reports to those charged with governance were finalised and issued for 32 public bodies. At the same date, a further seven reports had been issued to public bodies, but either management had yet to respond or the reports were still being finalised. In total, these 39 reports

identified 163 findings. This indicates that a considerable number of significant internal control deficiencies require immediate attention and corrective action from management across the public sector. We categorised these findings into five areas: financial management, non-compliance with acts and regulations, information technology, governance and value for money.

Financial management is the most critical area of concern. We identified and reported 72 audit findings on financial management, accounting for 44 per cent of all issues identified. These deficiencies affect basic controls such as bank reconciliations, general ledger reviews and revenue management, indicating fundamental weaknesses in financial oversight across many public bodies.

Financial management deficiencies contribute to the poor quality of financial statements submitted to my Office for audit. During the 2024 audits, a total of 336 adjustments were made. The gross impact was valued at \$150 million after submission for audit, affecting the overall financial performance and position of public bodies. The net impact of the adjustments increased revenue by over \$8.6 million and expenditure by over \$9 million, resulting in an overall surplus increase of \$679,000. The adjustments had a significant impact on the overall financial position, reducing asset values by over \$12 million and liabilities by over \$47 million, resulting in a combined net worth increase of approximately \$36 million.

However, these overall changes mask significant variations in the quality of the financial statements submitted by public bodies. For example, the HSA made a total of 40 adjustments after the audit began, amounting to \$63 million. These adjustments worsened the HSA's financial performance, increasing its operating deficit by around \$7 million and reducing its net worth by the same amount, weakening its financial position. The Cabinet Office made 22 adjustments after its financial statements had been submitted for audit. Overall, the adjustments increased the surplus by \$222,000, improving its financial performance. However, the adjustments worsened its financial position, decreasing assets by nearly \$111,000 and increasing liabilities by \$260,000. These, combined with other equity adjustments, contributed to an overall reduction in net worth of \$593,000.

Non-compliance with acts and regulations remains a significant area of concern, with 71 findings related to this issue (44 per cent of the total). Violations of the *Procurement Act* by 20 public bodies accounted for 80 per cent of all compliance breaches. Among the most concerning violations were direct awards that did not meet statutory requirements (20 incidents across 11 public bodies), missing approvals from procurement committees (13 incidents across six public bodies) and failures to publish contract awards (eleven incidents across six public bodies). Additionally, the MOE spent \$2 million on "emergency" campus refurbishment. The need for upgrades had been known for several years. This represents a clear misuse of emergency procurement provisions.

AUDIT STATUS

Most (45 of 46) public bodies submitted their 2024 financial statements for audit by the statutory deadline of 28 February 2025. The National Housing Development Trust did not submit its financial statements.

As reported earlier, 39 audits of public bodies' 2024 financial statements were complete as at September 2025. Unqualified (clean) audit opinions were issued for 38 of these: 20 for SAGCs and 18 for core government entities. A qualified audit opinion was issued for the Maritime Authority of the Cayman Islands (MACI) due to issues with revenue completeness.

The audit opinions for 13 public bodies included "emphasis of matter" or "other matter" paragraphs, which are intended to draw attention to certain issues. These paragraphs were included for several issues. The audit opinions of nine core government entities and one SAGC draw attention to the *Supplementary Appropriation Bill 2024* not being tabled by the required 31 March 2025 deadline. This procedural failure represents a significant breakdown in parliamentary process and undermines Parliament's constitutional role in authorising government expenditure, thereby weakening democratic accountability mechanisms. The audit opinions of two SAGCs – the CIMA and the CAA – included "emphasis of matter" paragraphs because they had not complied with section 47 of the *Public Authorities Act*.

Most public bodies received unqualified audit opinions. This indicates that the financial statements generally present a fair view of the financial performance and position of public bodies. However, these opinions were issued after adjustments were made to the financial statements. It is also worth noting that significant control weaknesses and non-compliance issues were identified affecting various public bodies, including those that received unqualified opinions.

The timeliness of submitting annual reports to my office for review remains a concern. Of the 46 public bodies, 10 did not submit their 2024 annual reports to my office by the statutory deadline of 28 February 2025.

Public bodies are expected to submit their annual reports, including audited financial statements, to Parliament within five months of the end of the year (i.e., 31 May each year). Of the 36 audits for 2024 that had been completed by 31 May 2025, only 10 annual reports had been tabled in Parliament by mid-September 2025. As at 10 September 2025, for the five-year period from 2020 to 2024, a total of 52 annual reports had yet to be tabled in Parliament. This represents a fundamental breakdown in the accountability process, limiting transparency.

BACKLOGGED AUDITS

As at September 2025, a total of 20 audits were backlogged across multiple years. These include 16 audits for seven public bodies and four EPS audits. There are eight audits for 2024 (including the EPS audit), five for 2023, three for 2022, three for 2021, and one for 2020. The Ministry of Health's audits for all five years are backlogged. The audit backlog situation has worsened significantly over the years, creating increasing accountability gaps and reducing the relevance of audit findings for management decision-making.

Since the publication of the 2023 General Report, six audits of public bodies that had been backlogged have been completed:⁵ the Ministry of Health, Environment, Culture, Housing's 2019 (MHECH) audit, the CIAA's 2020 audit, CTC's 2022 audit, CAL's 2023 audit, MACI's 2023 audit and the 2023 audit of the Ministry of Planning, Lands, Agriculture, Housing, Transport, Infrastructure and Development (MPAHITD). A qualified audit opinion was issued to MACI on its 2023 financial statements. Moreover, significant adjustments, in terms of numbers and value, were made during the audits of the backlogged financial statements of some of these public bodies.

The EPS consolidated financial statements remain backlogged. The most recently audited EPS financial statements for 2020 received an adverse audit opinion. This means that the EPS financial statements are outdated and unreliable for decision-making purposes. Some of the major unresolved issues include unaudited \$2.3 billion in unrecorded post-retirement healthcare liabilities (which would nearly eliminate the entire unaudited \$2.5 billion net worth if properly recorded) and unaudited \$416 million in road network valuations. In addition, management (government) is unable to provide assurances on the completeness and accuracy of over \$1 billion in coercive revenue (representing approximately 70 per cent of total EPS revenue). The EPS financial statements do not properly consolidate the financial statements of public bodies, partly because audits of multiple entities are backlogged.

My Office looks forward to continuing our work with the Government and individual public bodies as they continue to improve financial reporting and accountability for the use of public funds.

⁵ *Financial Reporting of the Cayman Islands Government: General Report 31 December 2023*, Office of the Auditor General, November 2024.

INTRODUCTION

1. Section 61 of the *Public Management and Finance Act (2020 Revision)* (PMFA) requires me to present to Parliament the results of all audits conducted and any significant matters I would like to bring to the attention of Parliament. The PMFA reporting and accountability framework requires public bodies to prepare and present financial statements and annual reports to Office of the Auditor General (“OAG” or “my Office”) for audit. The annual reports and financial statements are essential documents that enable Parliament and the residents of the Cayman Islands to hold the Government and individual public bodies accountable for their use of public money.
2. In 2024, there were 46 public bodies to audit. These comprised 20 Ministries, Portfolios, and Offices (MPOs or core government entities), and 26 Statutory Authorities and Government Companies (SAGCs). They did not include my Office, which is independently audited. The 46 public bodies and the OAG are consolidated into the financial statements of the Entire Public Sector (EPS).⁶ My Office performs 40 of these 46 audits and audits the consolidated financial statements for the EPS. Three private sector firms (Baker Tilly, Grant Thornton and KPMG) conduct the remaining six audits. These outsourced audits are subject to a final quality review by the OAG as well as my review and final sign-off.
3. Overall, we completed audits of the 2024 financial statements of 39 public bodies by the cut-off date for finalising this report (10 September 2025). We have not started the audits of four public bodies’ 2024 financial statements because audits from previous years were still outstanding.⁷ The audits of the three remaining public bodies’ 2024 financial statements were ongoing on the same date.
4. This report summarises the financial results and audit findings for 39 public bodies. It also summarises the status of all audits. The appendices in the report include information for all 46 public bodies. For seven of the public bodies (five SAGCs and two ministries) with backlogged audits, the information reported in the appendices is based on approved budget information, as their 2024 audits have not yet been completed. This has been included to allow a comparative analysis. It is worth noting, however, that budgeted figures are often not a true reflection of the actual financial results; therefore, some of the commentary in the **Financial Results in 2024** and **Key Audit Matters for 2024** sections of the report does not cover the seven backlogged audits. Overall, these seven

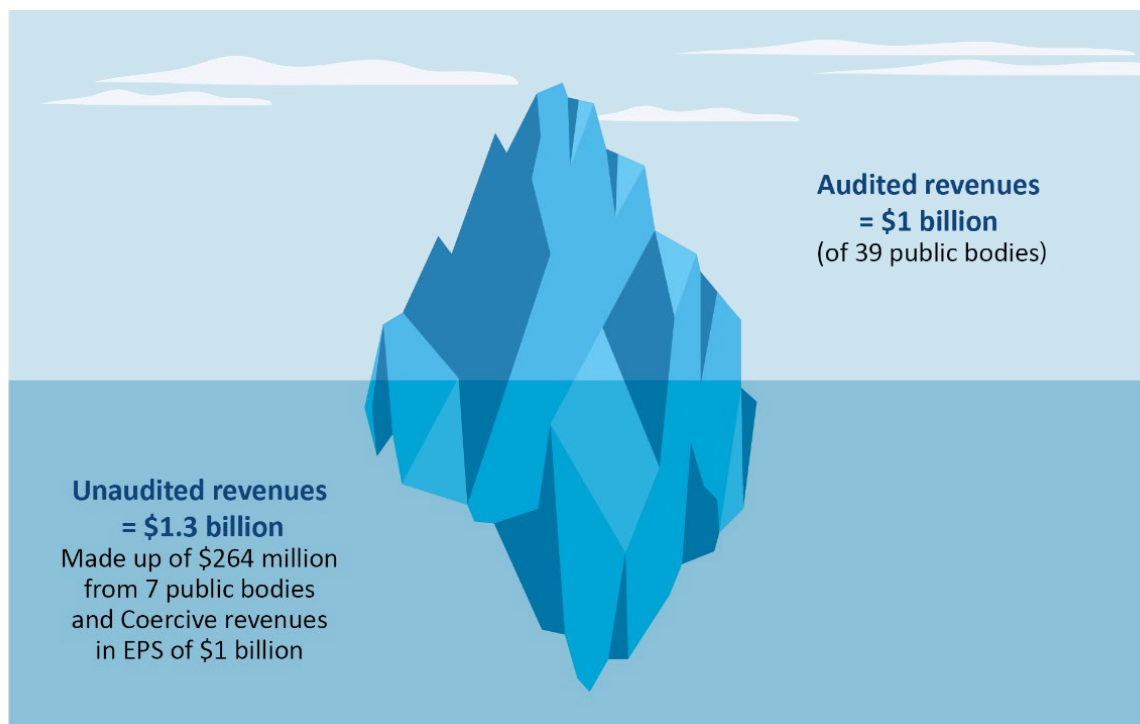
⁶ The 46 public bodies exclude the OAG.

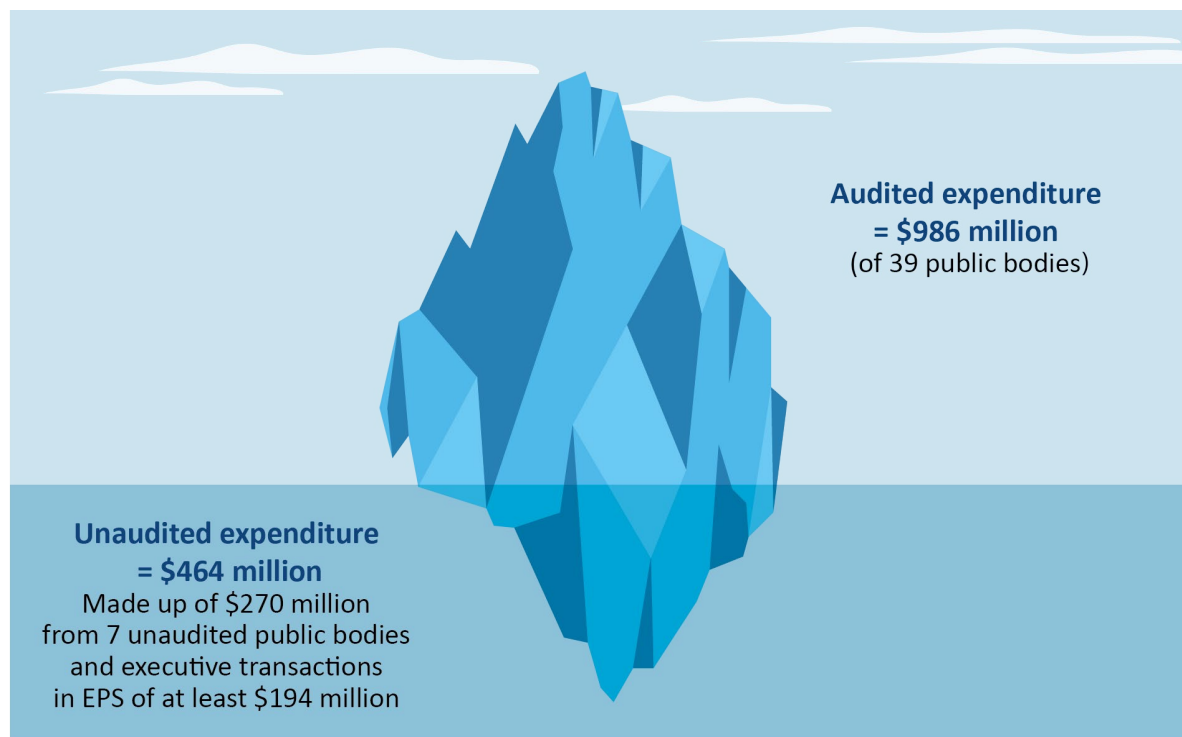
⁷ We have not started the audits of the Ministry of Health and Wellness (MHW), Cayman Islands Airports Authority (CIAA), Cayman Turtle Conservation and Education Centre Limited (CTC) and the National Housing Development Trust (NHDT). The audits of the Cayman Islands Nation Museum (CINM), Cayman Airways Limited (CAL) and the Ministry of Planning, Agriculture, Housing, Infrastructure, Transport and Development (MPAHITD) are on-going.

backlogged public bodies accounted for over \$264 million in revenue (21 per cent of total public bodies' revenue) and almost \$270 million in expenditure (21 per cent of total expenditure) in 2024.

5. The financial information and audit findings in the report do not include consolidated financial statements for the EPS the 2024. In addition to consolidating the financial results of the 46 public bodies, the EPS financial statements include the executive transactions of the Government. Executive transactions encompass all coercive revenues, expenditures such as transfer payments, as well as assets and liabilities. Based on the draft 2024 EPS financial statements submitted for audit, executive transactions are significant. The unaudited 2024 EPS financial statements report over \$1 billion in coercive revenue and at least \$194 million in executive expenditure, including transfer payments, grants to non-government organisations and other executive expenses.
6. This report focuses on public bodies' transactions in 2024 that had been audited as at 10 September 2025. However, it also provides some high-level analysis of all 46 public bodies, that is, SAGCs and core government entities, using budget information where necessary. Exhibit 1 shows the value of entity revenue and expenditure audited and covered by this report compared with the value of revenue and expenditure of the EPS for 2024. It shows that of the total reported (entity and executive) revenue in 2024 of \$2.3 billion, we have audited \$1.0 billion, which accounts for 43 per cent. It also shows that of the total reported expenditure (entity and executive) in 2024, which is approximately \$1.4 billion, we have audited \$986 million, accounting for 70 per cent.

Exhibit 1: Revenue and expenditure covered by this report compared with total revenue and expenditure, 2024





Source: OAG analysis of audited and unaudited (including EPS) financial statements for 2024.

7. Public bodies are required to prepare and present annual reports to accompany their financial statements. Annual reports provide readers with data and analysis on the financial performance of public bodies during the respective financial periods.
8. As part of the audit process, I communicate with those persons charged with governance at the respective public bodies by issuing a Management Letter, also known as an International Standard on Auditing (ISA) 260 report. These reports include summaries of adjustments made to the financial statements during the audit, as well as other errors identified that have not been corrected. These reports also include details of significant internal control deficiencies identified during the audit, including instances of non-compliance with applicable acts, regulations and policies. We publish these reports on the OAG website each year around 31 October. Reports completed later than that date are published on the OAG website when they are finalised.
9. For the core government entities, these reports are submitted to the respective chief officers. Additionally, my Office presents these reports to the Government's Audit and Risk Assurance Committee (ARAC), which was established in September 2019. The ARAC provides the Deputy Governor with independent and objective advice on governance, risk management, internal control, financial management, reporting and internal audit for the core government.

10. For SAGCs, the boards of directors (boards) are charged with governance. Therefore, the OAG issues the ISA 260 reports to the SAGC boards. The Cabinet appoints the board members to oversee strategic direction, manage the performance of SAGCs and provide a layer of accountability to Parliament. All SAGC boards, except that of the Utilities Regulation and Competition Office (URCO), include non-voting representatives from the ministry under which the entity falls. Several SAGC boards also have representatives from the Ministry of Finance and Economic Development (MFED).
11. I am pleased to present this report to Parliament summarising the outcomes and status of my Office's financial audits of public bodies for the year ending 31 December 2024. The report provides a position statement as at 10 September 2025 and includes:
- a summary of 39 public bodies' financial results in 2024;
 - a summary of key audit matters that arose from the audits of the 2024 financial statements and that I want to highlight; and
 - an update on the status of audits and financial reporting as at 10 September 2025.
12. I want to thank the staff of all public bodies, especially the finance teams, for their efforts. It is commendable that 38 of the 39 audits completed received unqualified opinions (i.e. clean audit opinions), as detailed in Appendix E. I would like to thank my team at the OAG and our contracted auditors, Baker Tilly, Grant Thornton, and KPMG, for their commitment and efforts in supporting my Office.

FINANCIAL RESULTS IN 2024

13. This chapter provides an overview of the financial performance of 39 public bodies audited in 2024. It includes information on key elements of financial performance and financial position. Financial performance refers to a public body's revenues, expenses and surplus or deficit. Financial position refers to a public body's assets, liabilities and equity as at a specific point in time (i.e. at 31 December 2024 in this case). For the purposes of this report, I comment on surpluses and deficits, revenue, expenditure, debt, post-retirement healthcare liabilities, and current assets and liabilities. I report on the financial performance of SAGCs and core government entities (MPOs) separately.
14. As stated in the **Introduction** section, the audits of seven public bodies' 2024 financial statements had not been completed or started as at 10 September 2025. Exhibit 2 provides a summary of public bodies' total estimated revenue and expenditure in 2024 (audited and budgeted) and the values and percentages that were audited and unaudited as at 10 September 2025. I discuss the status of the backlogged audits in the **Status of Audits and Financial Reporting** section of this report.

Exhibit 2: Summary of audited and unaudited entity revenue and expenditure for 2024

	SAGC		MPO		Total Revenue	Total Expenses
	Revenue	Expenses	Revenue	Expenses		
Audited	449,222,791	453,917,615	563,030,000	531,745,000	1,012,252,791	985,662,615
Unaudited	157,115,312	162,646,879	107,221,142	107,209,412	264,336,454	269,856,291
Total	606,338,103	616,564,494	670,251,142	638,954,412	1,276,589,245	1,255,518,906
Percentage Audited	74%	74%	84%	83%	79%	79%
Percentage Unaudited	26%	26%	16%	17%	21%	21%

Source: OAG analysis of audited and unaudited financial statements for 2024.

15. Appendices A and B provide financial performance trend information for the five years from 2020 to 2024 for all 46 SAGCs and for core government entities, respectively. As stated earlier, approved budget information is used for the seven public bodies (five SAGCs and two ministries) with backlogged audits. This is to allow comparative analysis, as their 2024 audits have not yet been completed.

FINANCIAL PERFORMANCE AND POSITION OF STATUTORY AUTHORITIES AND GOVERNMENT COMPANIES

16. In this section, I comment on some key aspects of the financial performance of the SAGCs. These include surpluses and deficits, sources of revenue, expenditure, reliance on government revenue, debt levels and post-retirement healthcare obligations. Exhibits 37 to 42 in Appendix A provide further details on the financial performance trend of the 26 SAGCs for the five-year period from 2020 to 2024.

SURPLUSES AND DEFICITS

17. The *Public Authorities Act (2020 Revision)* (PAA) mandates that SAGCs manage their operations in a responsible financial manner, operate as profitable and efficient businesses, and either contribute to the Government's revenue or at least break even.⁸ We comment on the actual financial performance of 21 audited SAGCs in 2024, compared to the budgets, later in this section of the report.

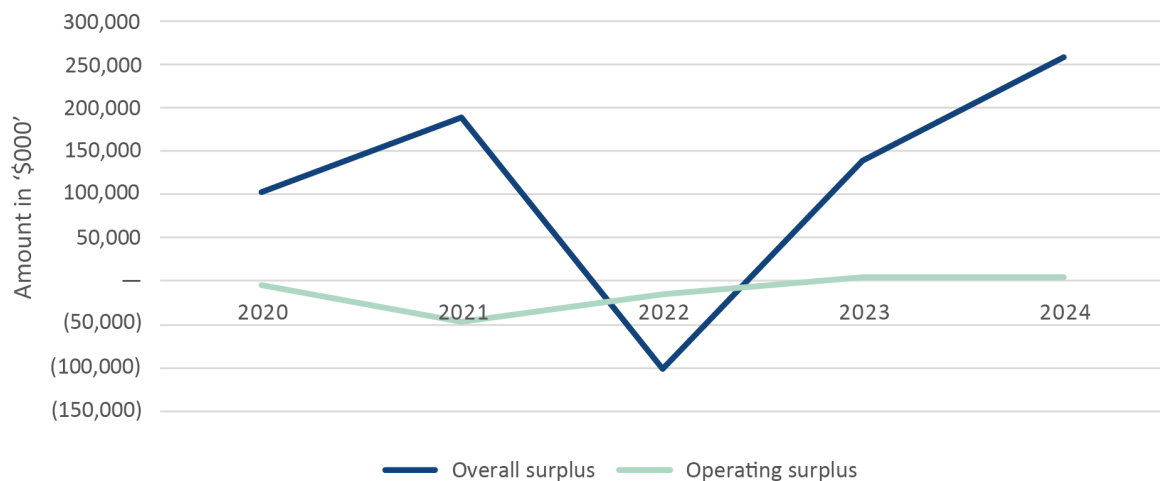
COMBINED SURPLUSES AND DEFICITS BETWEEN 2020 AND 2024

18. The analysis and findings in this section relate to all 26 SAGCs. The analysis is based on audit information or, where the audit has not been completed or started, budget information.
19. Over the five years from 2020 to 2024, the combined financial performance of all SAGCs fluctuated. Exhibit 3 shows that the combined overall surplus/(deficit) fluctuated year-on-year. The overall surplus or deficit includes the direct operating results of the SAGCs, as well as other non-operating expenses and revenues that affect their final equity position. For example, post-retirement healthcare obligations can fluctuate significantly from year to year. The overall surplus/(deficit) fluctuated from a surplus of \$103 million in 2020 to a deficit of \$101 million in 2022, and to a surplus of \$257 million in 2024.
20. Exhibit 3 also shows that SAGCs made a combined operating surplus in two years and a combined operating deficit in the three years during the COVID-19 pandemic. Operating surplus or deficit refers to the difference between the income and expenditure from day-to-day operations only. The net surplus from all SAGCs (net of all the operating surpluses and deficits reported by SAGCs) increased from a deficit of \$4.8 million in 2020 to a surplus of \$3.8 million in 2024.⁹

⁸ Section 7(2) of the PAA.

⁹ This analysis includes the budgeted surpluses or deficits for the CIAA for the financial years 2021, 2022, 2023 and 2024. It also includes the budgeted surplus for the Cayman Islands National Museum for 2024 and the budgeted deficits for the NHDT for 2022 and 2023, the CTC for 2024 and Cayman Airways Limited (CAL) for 2024.

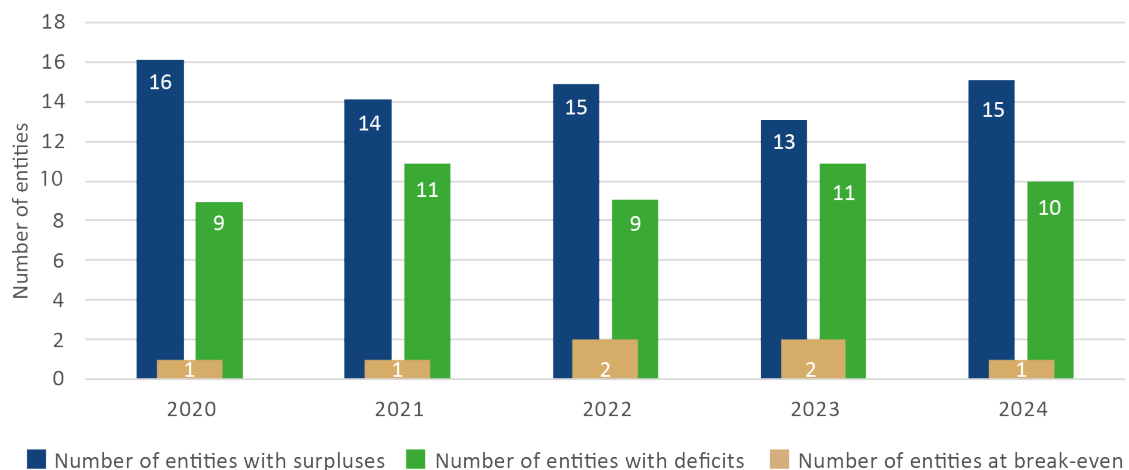
Exhibit 3: Combined overall and operating surplus/(deficits) of all SAGCs, 2020–2024



Source: OAG analysis of the financial statements and budgets for the respective public bodies.

21. The financial performance of SAGCs over the five years considered reveals a mixed picture. Between 2020 and 2024, eight (of 26) SAGCs consistently recorded or budgeted for annual overall surpluses, and three consistently recorded or budgeted for overall deficits. The remaining 15 SAGCs recorded mixed financial performance. Over the same period, eight (of 26) SAGCs consistently reported or budgeted for annual operating surpluses. In terms of administering the pension funds, the Public Service Pensions Board (PSPB) consistently recorded an operating deficit. It is worth noting that the pension funds reported a positive financial performance. Exhibit 4 shows the number of SAGCs with annual operating surpluses or deficits over the last five years.

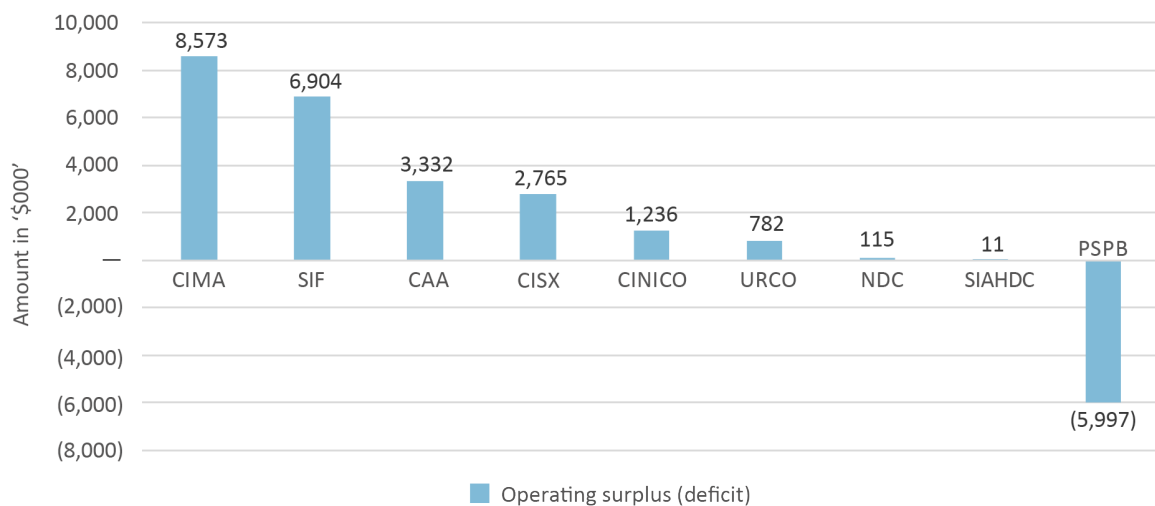
Exhibit 4: Number of SAGCs with operating surplus/deficit or at break-even, 2020–2024



Source: OAG analysis of the financial statements and budgets for the respective public bodies.

22. As at September 2025, five SAGC audits for 2024 had not yet been started or were ongoing. Among these five audits, the budgeted financial performance varied. Three SAGCs budgeted for overall deficits in 2024, ranging from \$3 million to almost \$13 million; while two SAGCs budgeted for overall surpluses in 2024, ranging from around \$4,000 to over \$20 million. All reported or budgeted for overall deficits between 2020 and 2023. Surpluses and deficits in the financial year 2024.
23. In this section, we focus on the 21 SAGCs whose audits were completed as at 10 September 2025. For the 2024 financial performance, we have included only operating income and expenses, as they directly relate to day-to-day core business operations. As stated earlier, overall surpluses and deficits include non-operational items that are not directly within the control of public bodies and can vary from year to year, distorting financial performance.
24. In 2024, 15 (of 21 audited) SAGCs recorded operating surpluses; one broke even, and five reported operating deficits. Annual operating surpluses in 2024 ranged from approximately \$10,000 to nearly \$8.6 million, and deficits from approximately \$53,000 to nearly \$12.5 million.
25. Of the 15 SAGCs reporting operating surpluses, most have done so consistently over the five years. Four SAGCs – Cayman Islands Monetary Authority (CIMA), Segregated Insurance Fund (SIF), Civil Aviation Authority (CAA), and Cayman Stock Exchange (CISX) - have consistently made an operating surplus of over \$1 million in each of the last five years.
26. Our analysis identified eight SAGCs with significant operating surpluses and deficits for the 2024 financial year. We defined 'significant' as 10 per cent or more of operating expenditure. Exhibit 5 shows that eight SAGCs made significant operating surpluses, and one SAGC made a significant operating deficit. The following reported operating surpluses: SIF, CISX, CINICO, CAA, SIAHDC, CIMA, NDC and URCO. CIMA reported the largest operating surplus, at nearly \$8.6 million. Simultaneously, CIMA recorded an overall surplus of \$12.7 million, which includes other comprehensive income, including unrealised gains unrelated to its day-to-day operations. It is worth noting that the Health Services Authority (HSA) made an operating deficit of \$12.4 million. However, this was less than 10 per cent of its operating expenditure. We discuss HSA later in the report.

Exhibit 5: SAGCs with significant (more than 10 per cent of operating expenditure) operating surpluses and deficits, 2024



Source: OAG analysis of the financial statements for the respective public bodies.

27. The Public Service Pensions Board (PSPB) generated an overall surplus of over \$200 million in 2024 when the pension plans, investments and operating activities are considered together. It is worth noting that a positive financial performance was reported for public sector pension plans. However, the PSPB is the only SAGC that reported an operating deficit that was more than 10 per cent of its operating expenditure in 2024 (of almost \$6 million). The PSPB also reported operating losses in each of the previous four years. This is because the PSPB does not have significant operating revenue streams to pay for its day-to-day operating expenses.

ACTUAL FINANCIAL PERFORMANCE IN 2024 COMPARED WITH BUDGETS

28. As stated earlier, SAGCs are required to at least break even. Of the 21 audited SAGCs, we compared the financial performance of 20 in 2024 with their approved budgets for that year. SIF does not have an output agreement with the Government that sets out its agreed budget, and so we were unable to make this comparison for it. Our analysis revealed that the actual financial performance of 12 of the 20 SAGCs differed from the budget. Exhibit 39 in Appendix A provides detailed information for each SAGC. The exhibit shows the following:

- Seven SAGCs budgeted to make a surplus. Of these, six actually recorded a surplus and one recorded a deficit. The Health Services Authority (HSA) budgeted for a surplus of \$662,000 in 2024 but reported an operating deficit of \$12.4 million. The HSA reported a total overall gain of \$20.1 million. However, this includes unrealised gains of \$32.6 million from the remeasurement of defined pension benefits and defined healthcare benefits. The HSA reported that the 2024

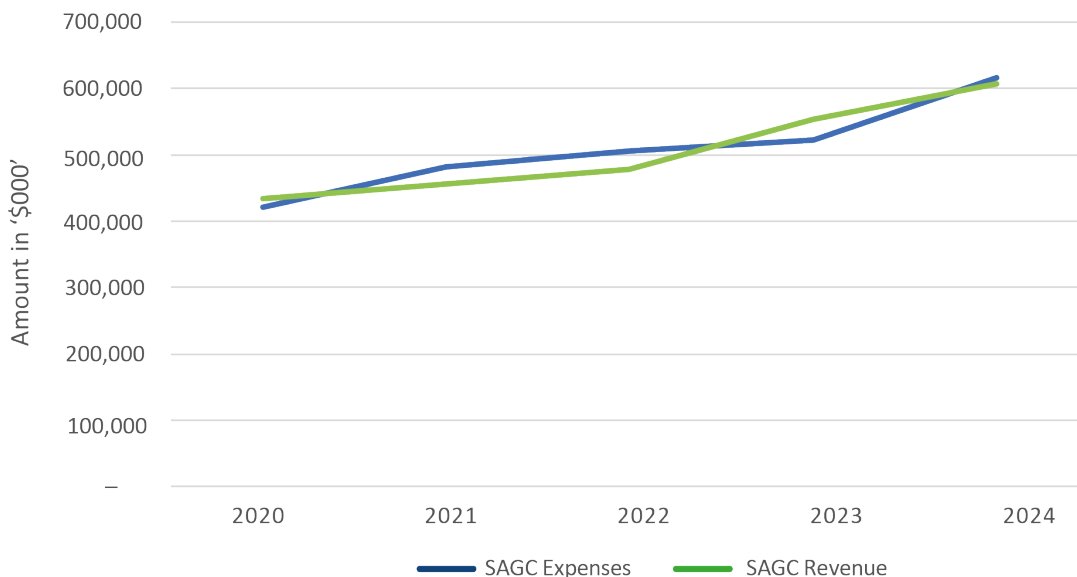
operating loss resulted from operating expenses, such as personnel costs, exceeding the budget. The HSA also reported operating deficits in the previous two years.

- The University College of the Cayman Islands (UCCI) and PSPB budgeted to break even but actually made losses of over \$597,000 and \$6 million, respectively. However, NDC, which also budgeted to break even, made a surplus of over \$115,000.
- Ten SAGCs budgeted for deficits in 2024. Of these SAGCs, only two actually recorded deficits (the Children and Youth Services Foundation (CAYS) and the National Gallery of the Cayman Islands (NGCI)). The financial performance of the remaining eight SAGCs in 2024 was better than had been budgeted for: one broke even (the Auditors Oversight Authority (AOA)) and seven recorded surpluses (the Cayman Islands Development Bank (CIDB), the Cayman Islands National Attractions Authority (CINAA), the Cayman National Cultural Foundation (CNCF), the National Roads Authority (NRA), Port Authority of the Cayman Islands (PACI), the Sister Islands Affordable Housing Development Corporation (SIAHDC) and URCO).

REVENUE AND EXPENDITURE

29. From 2020 to 2024, total revenue and expenditure for all 26 SAGCs increased. Exhibit 6 shows the trend over the five-year period. It shows that total revenue and expenditure increased over the five-year period, while the combined surpluses or deficits varied.

Exhibit 6: SAGCs – total revenue and expenditure, 2020–2024



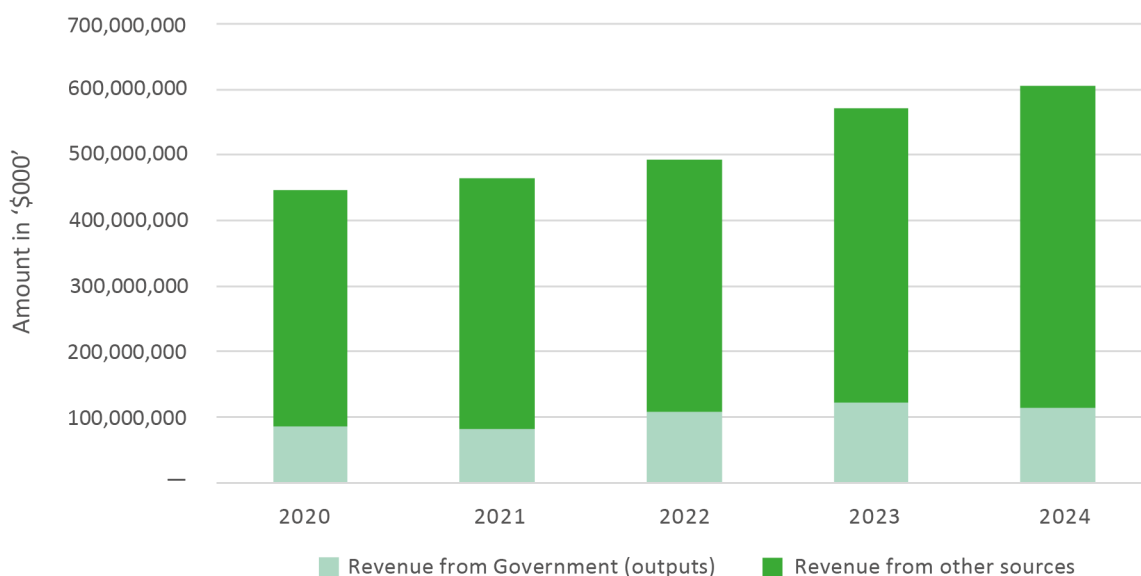
Source: OAG analysis of the financial statements for the respective public bodies.

Note: This exhibit includes all 26 SAGCs. It utilises budget information for those SAGCs whose financial statements are not audited.

REVENUE FROM THE GOVERNMENT AND FEES AND CHARGES

30. SAGCs receive revenue from two primary sources, Government and fees and charges. SAGCs provide services to the public on behalf of the Government as agreed in their respective ownership and purchase agreements. The Government provides output funding for the delivery of these services. SAGCs also generate revenue from other sources, such as issuing fees and charges directly to the public.
31. Total revenue for all 26 SAGCs increased by almost \$172 million (40 per cent), from over \$434 million in 2020 to over \$606 million in 2024. Most of this revenue – \$493 million or 81 per cent – came from fees and charges, while government funding accounted for almost \$114 million (19 per cent). Combined revenue from the Government (output revenue) increased between 2021 and 2023 and declined in 2024 (by \$9.9 million). The majority of SAGC revenue is from other sources. Revenue from other sources, specifically fees and charges for the services provided, increased steadily from 2020 to 2024 to nearly \$493 million, a 37 per cent rise. Exhibit 7 shows total revenue by source over the past five years.
32. Total revenue varied by SAGC, ranging from almost \$55,000 for the SIAHDC to almost \$205 million for the HSA. Exhibit 41 in Appendix A provides details of SAGC's revenue by source for 2024.

Exhibit 7: SAGCs – total revenue by source, 2020–2024



Source: OAG analysis of the respective public bodies' financial statements.

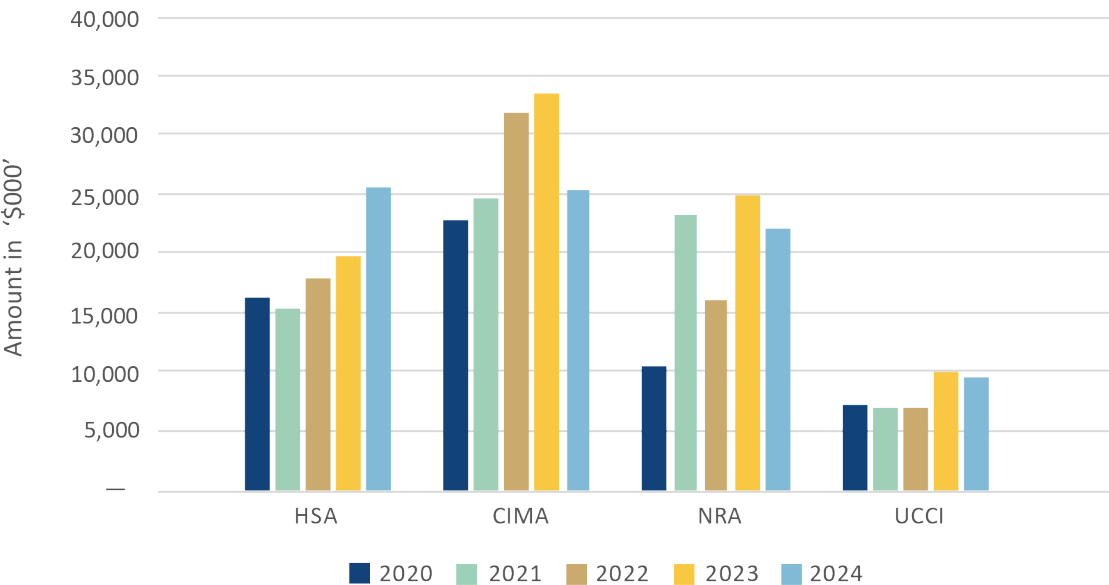
Note: This exhibit includes all 26 SAGCs. It utilises budget information for those SAGCs whose financial statements are not audited.

33. In 2024, the top four audited SAGCs accounted for the majority of output funding, billing a total of \$82 million, which represents 88 per cent of total audited SAGC output funding. The remaining \$12 million, or 12 per cent, was billed collectively by the other 11 audited SAGCs, which received output funding. The following SAGCs received the largest amounts of government output funding in 2024:

- The HSA received the most, at \$25.6 million, representing 27 per cent of the total. In addition to this output funding, the HSA earned \$179 million from various other sources. However, as previously reported, the HSA incurred an operating loss of \$12.4 million in 2024.
- CIMA billed the second-highest amount, at \$25.3 million (27 per cent of the total). As reported earlier, CIMA reported an operating surplus of \$8.6 million in 2024.
- The NRA billed \$22.1 million (24 per cent).
- The UCCI billed \$9.4 million (10 per cent).

34. Exhibit 8 shows which SAGCs billed the most output revenue from 2020 to 2024. Over these five years, the NRA’s output funding more than doubled, from \$10.5 million to over \$22 million, and the HSA’s output funding increased by 58 per cent, from \$16 million to over \$25.6 million.

Exhibit 8: Top SAGCs billers of output revenue, 2024

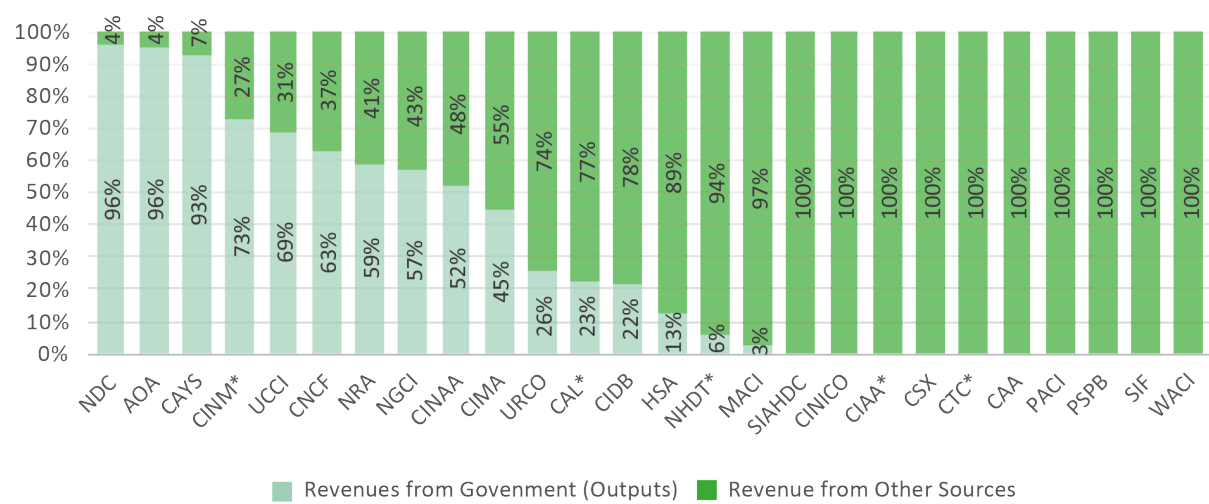


Source: OAG review of the respective public bodies' financial statements.

35. The percentages of SAGC revenue received from the Government and from fees and charges vary considerably. Exhibit 9 shows the percentage of revenue by source for each of the 26 SAGCs in 2024. It shows that 10 SAGCs did not receive any output funding from the Government, although some of

them (e.g. CAL and the CTC) received government funding in the form of equity injections.¹⁰ Of the 26 SAGCs, nine rely on more than 50 per cent of government revenue. Three SAGCs – the AOA, the NDC and CAYS – rely on government revenue for more than 90 per cent of their funding. Without this revenue, they would not be able to sustain their operations. It is essential to note that there is no correlation between the level of government funding and the financial performance of public bodies, that is, in terms of whether they operate at a surplus or a deficit.

Exhibit 9: SAGCs – percentage of revenue by source, 2024



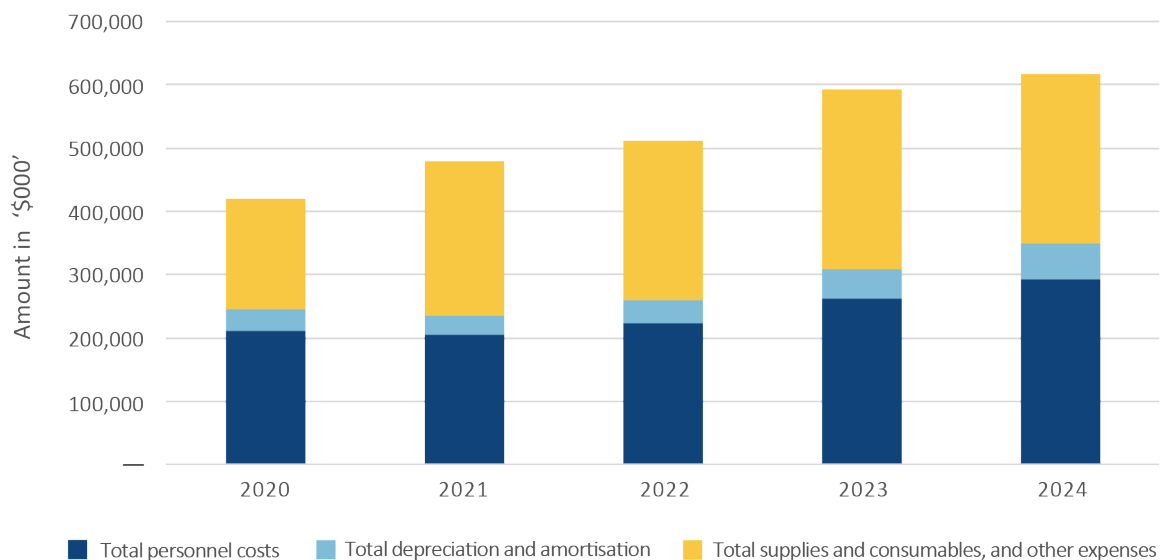
Source: OAG analysis of the respective public bodies' financial statements.
 Note: *Budget amounts have been used where audited financial statements are unavailable.

EXPENDITURE

36. Over the same period, total expenditure for the 26 SAGCs increased by 47 per cent, from \$421 million in 2020 to over \$616 million in 2024. Exhibit 10 shows the total expenditure for each of the five years, along with a breakdown by personnel costs, spending on supplies and consumables, and depreciation.

10 The audits of the 2024 financial statements for CAL and the CTC were incomplete or had not been started, respectively, as at 10 September 2025.

Exhibit 10: SAGCs – total expenditure by source, 2020–2024



Source: OAG analysis of the respective public bodies' financial statements.

37. Over the five years, expenditure on supplies and consumables for the 26 SAGCs increased by 54 per cent, to over \$267 million. Personnel costs, including salaries and public servant benefits, increased by 38 per cent, to almost \$293 million.

FINANCIAL POSITION

38. The financial position of SAGCs is based on their assets and liabilities. Assets and liabilities are either non-current or current as follows:

- Non-current assets are long-term or fixed assets. These include property, plants and equipment, which includes buildings such as hospitals. They may also include long-term investments.
- Non-current liabilities need to be repaid in the long term. These include post-retirement staff obligations such as pensions and healthcare. They may also include borrowing or long-term debt.
- Current assets include cash, short-term investments and amounts due to be received in the short term.
- Current liabilities include amounts owed and due to be repaid in the short term.

39. We discuss the long-term liabilities (debt and post-retirement healthcare obligations) and current assets and liabilities of SAGCs below.

SAGCS HAVE SIGNIFICANT LONG-TERM LIABILITIES

40. Some SAGCs have long-term debt (loans or borrowing), and some have post-retirement healthcare obligations for their staff. These will need to be repaid in the longer term.

THREE STATUTORY AUTHORITIES AND GOVERNMENT COMPANIES HAVE LONG-TERM DEBT

41. The total debt of SAGCs increased by \$3 million, or 5 per cent, from almost \$67 million at the end of 2023 to nearly \$70 million in 2024. The Government continues to provide a guarantee for this debt. However, this debt is held by three SAGCs: CAL, the CIAA and the CTC. The audits of these three SAGCs were incomplete as of September 2025, and so we could not confirm these balances.
42. The most significant of these loans relates to the CIAA. The CIAA disclosed in its draft 2022 financial statements (unaudited) that it had entered into a finalised agreement with the Cayman Islands Government Treasury for a loan facility of up to \$50 million. This had been disbursed to the Authority as at 31 December 2022. The loan term is 15 years. The CIAA disclosed that it began loan repayments in 2024.
43. We noted that the CTC planned to secure a new loan during the 2024 financial year. However, the 2024 audit has not begun; therefore, we are unable to confirm whether this occurred.
44. The CIDB fully repaid its credit facility to a local financial institution in December 2023 and had no long-term debt in 2024.

THE VALUE OF POST-RETIREMENT HEALTHCARE LIABILITIES INCREASED SIGNIFICANTLY, AND SOME SAGCS HAVE SIGNIFICANT HEALTHCARE LIABILITIES

45. During the 2016–17 fiscal period, the Government decided that all SAGCs that had employees who were deemed eligible to receive post-retirement healthcare benefits should reflect this obligation in their respective financial statements. Employees of SAGCs were required to meet specific conditions to qualify for these benefits. They had to have been employed by the central government before being transferred to a SAGC, have worked for at least 10 years in public service, and have retired from public service. At the time, 10 SAGCs had eligible employees.
46. Exhibit 11 shows the obligations based on actuarial valuations recorded in the five years from 2020 to 2024 for the 11 SAGCs with eligible employees. It shows that the total post-retirement healthcare obligation for the 11 SAGCs increased by 8 per cent, from \$364 million in 2020 to \$394 million in 2024. However, we noted an overall decrease (4 per cent) in the post-retirement healthcare obligation between 2023 and 2024. The obligations for three SAGCs changed by more than 50 per cent over the five years. The obligations for the Water Authority of the Cayman Islands (WACI) and the CIDB increased by 82 per cent and 100 per cent, respectively. URCO's obligations declined by 55 per cent over the same period. WACI's significant increase is attributable to the change in

healthcare program provider. For CIDB, the post-retirement program only commenced in 2023. For URCO, there was a 50 per cent reduction in members, from two to one, and the impact of changes in the discount rate.

Exhibit 11: SAGCs – post-retirement healthcare obligations in millions, 2020–2024

SAGC	2020	2021	2022	2023	2024	Percentage 5-year change	Percentage change 2023-2024
CIAA*	17,574	22,003	23,308	24,839	23,819	36%	-4%
CIMA	11,293	10,398	8,082	9,074	8,555	-24%	-6%
CAA	3,755	4,604	3,119	3,039	4,160	11%	37%
CIDB	—	—	—	1,034	1,112	100%	8%
HSA	209,820	192,306	150,490	236,138	221,389	6%	-6%
MACI	5,600	6,372	4,243	7,000	4,770	-15%	-32%
NRA	29,772	28,129	24,178	26,911	25,728	-14%	-4%
PACI	52,389	51,446	35,889	39,445	45,376	-13%	15%
PSPB	1,364	1,263	1,221	1,313	1,230	-10%	-6%
WACI	31,617	52,693	49,801	59,625	57,506	82%	-4%
URCO	1,008	984	755	511	455	-55%	-11%
Total	364,192	370,468	301,086	408,929	394,100	8%	-4%

Source: OAG analysis of the respective public bodies' financial statements.

Note: The exhibit includes only those SAGCs that have post-retirement healthcare obligations.

*Budget figures have been used for the CIAA for the years 2021–2024.

47. Six of the 11 SAGCs with eligible employees showed a decrease in obligations over the five-year period, with the exceptions being CAA, CIAA, HSA, WACI and the CIDB, which showed increases. The overall decrease in 2024 was primarily due to a higher discount rate being applied to liabilities, reflecting an increase in market yields on high-quality corporate bonds. The 37 per cent increase in CAA's obligation was caused by the addition of a new retiree benefits programme for defined contribution members. The 15 per cent increase in PACI's post-retirement healthcare obligation between 2023 and 2024 was largely the result of two main factors: the addition of 26 new participants in 2024 and an update to data on claims cost assumptions.

48. These fluctuations have impacted the financial performance and positions of some SAGCs. For example, over the five-year period, the HSA's obligations varied significantly, ranging from above \$200 million in 2020 to \$150 million in 2022, then increasing to \$236 million in 2023, and finally decreasing to \$221 million in 2024. In addition, the HSA reported a remeasurement gain of

\$28 million in 2024, along with remeasurement losses and gains of \$77 million and \$51 million in 2023 and 2022, respectively.

49. These changes are based on the year-end valuations performed by independent actuaries. The actuarial valuations of the defined benefit obligations for all SAGCs are conducted annually by Mercer (Canada) Limited, an independent firm of actuaries. However, we observed an inconsistent trend across all SAGCs. Exhibit 12 shows that there is no pattern in the growth of the defined benefit healthcare obligations of the 11 SAGCs. For example, four SAGCs – the CIMA, the HSA, the NRA and the PSPB – showed a similar pattern, with decreases in their obligations for 2021 and 2022, followed by increases in 2023 and further reductions in 2024. Meanwhile, the CIAA experienced annual increases up to 2023, followed by a decrease in 2024. The remaining five SAGCs exhibited varied valuation results.

Exhibit 12: SAGCs – post-retirement healthcare obligations trends between 2020 and 2024

SAGC	2020 Amount in '000'	2021 change	2022 change	2023 change	2024 change
CIAA*	17,574	↑	↑	↑	↓
CIMA	11,293	↓	↓	↑	↓
CAA	3,755	↑	↓	↓	↑
CIDB	—	—	—	1,034	↑
HSA	209,820	↓	↓	↑	↓
MACI	5,600	↑	↓	↑	↓
NRA	29,772	↓	↓	↑	↓
PACI	52,389	↓	↓	↑	↑
PSPB	1,364	↓	↓	↑	↓
WACI	24,365	↑	↓	↑	↓
URCO	1,008	↓	↓	↓	↓
Total	356,940	↑	↓	↑	↓

Source: OAG analysis of the respective public bodies' financial statements.

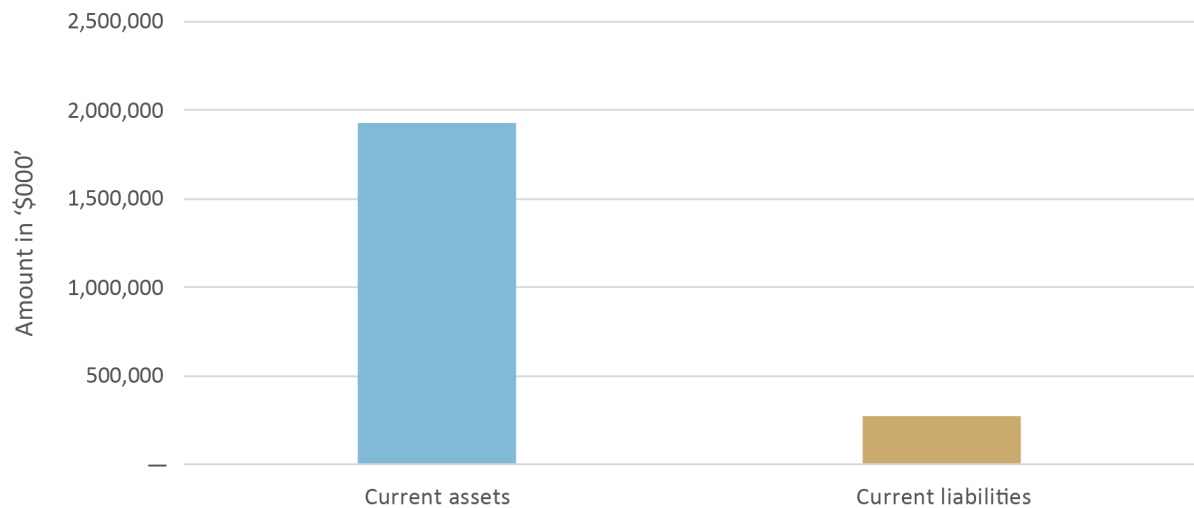
Note: *Budget figures have been used for the CIAA for the years 2021–2024.

50. Exhibit 12 also shows variation within years. In 2021, the variation was mixed, with obligations increasing for five SAGCs, while decreasing for six SAGCs. In 2022, the obligations decreased for nine SAGCs and increased for two SAGCs. In 2023, the obligations increased for nine SAGCs and decreased for two SAGCs. In 2024, the obligations decreased for nine SAGCs and increased for three SAGCs.

CURRENT ASSETS EXCEED CURRENT LIABILITIES

51. Exhibit 13 shows that SAGCs held combined current assets of over \$1.9 billion and had current liabilities of over \$270 million as at December 2024. It is important to note that the \$1.9 billion includes \$1.4 billion of investments held by PSPB in the pension funds. When the pension plan investments are excluded, the current assets amount to \$594 million.

Exhibit 13: SAGCs – total current assets and current liabilities, December 2024



Source: OAG analysis of the respective public bodies' financial statements.

52. A current ratio of 1.00 (1:1) means that the amount of current assets held (cash and easily liquidated assets like accounts receivable and inventory) is the same as the amount of current obligations. Therefore, a current ratio of above 1.00 indicates a favourable asset position; conversely, a current ratio of less than 1.00 indicates a shortfall in assets needed to meet current obligations. All, bar one, SAGCs had a positive current ratio in 2024; CIMA's current ratio in 2024 was 0.98.

FINANCIAL PERFORMANCE AND POSITION OF MINISTRIES, PORTFOLIOS AND OFFICES (CORE GOVERNMENT ENTITIES)

53. This section presents comments on some key aspects of the financial performance of MPOs (core government entities) for 2024. These include surpluses and deficits, sources of revenue, expenses,

current assets and liabilities. Exhibits 43 to 46 in Appendix B provide more detailed information on the financial performance trend for each of the 20 core government entities for the five years from 2020 to 2024.

54. As reported earlier, as at 10 September 2025, we had completed the audits of 18 of the 20 core government entities' 2024 financial statements.¹¹

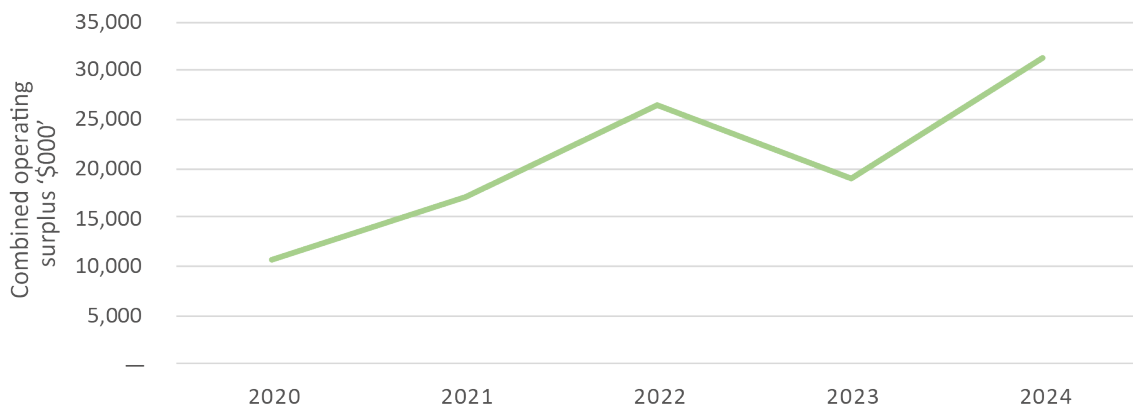
SURPLUSES AND DEFICITS

55. Core government entities typically budget to break even in their budget statements. However, actual results often deviate from that expectation. We compare the actual financial performance of core government entities with their budgets for 2024 later in this section.

FLUCTUATIONS IN COMBINED SURPLUSES AND DEFICITS BETWEEN 2020 AND 2024

56. The analysis and findings in this section relate to all 20 core government entities. The analysis is based on audit information or, for the two entities for which an audit has not been completed or started, budget information.
57. Over the five years from 2020 to 2024, the combined financial performance of all core government entities fluctuated. Exhibit 14 shows that, overall, core government entities reported an operating surplus in each of the five years. The combined surplus increased from \$11 million in 2020 to over \$31 million in 2024. The combined surplus dipped in 2023 to under \$21 million. It is worth noting that there were 16 core government entities in 2020 and 20 in 2024.

Exhibit 14: Combined operating surplus of all core government entities, 2020–2024



Source: OAG analysis of the financial statements and budgets for the respective public bodies.

¹¹ The 2024 audit of the Ministry of Planning, Agriculture, Housing, Infrastructure, Transport and Development (MPAHITD) was ongoing and the audit of the MHW had not been started, as audits from previous years were backlogged.

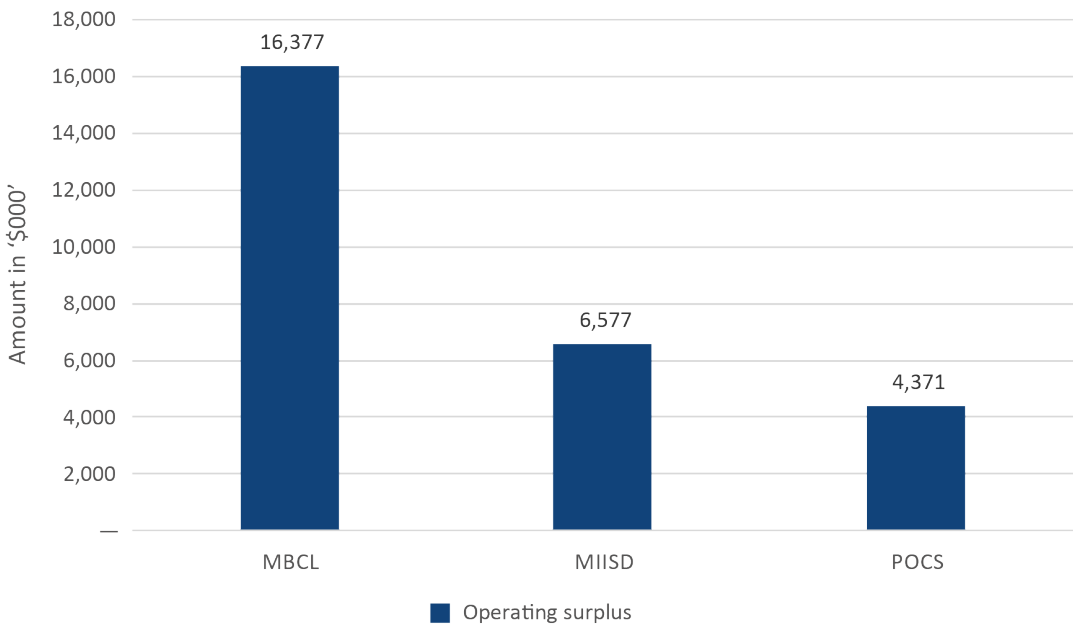
58. However, the financial performance of the core government entities over the five years was mixed. Most core government entities reported annual surpluses. However, four entities incurred deficits in some years: the Ministry of Home Affairs (MHA) in 2022, 2023 and 2024, the MPAHITD in 2021, 2022 and 2023, the Ministry of Youth, Sports and Heritage (MYSH) in 2022 and 2024 and the Office of the Commissioner of Police (OCP) in 2020 and 2021.

MIXED FINANCIAL PERFORMANCE - SURPLUSES AND DEFICITS IN 2024

59. In this section, we report on the 18 core government entities that have completed audits. As of September 2025, two audits for 2024 had not yet commenced or were still ongoing. One of the entities with an audit backlog had budgeted to make a small surplus, while the other had budgeted to break even.

60. Our analysis identified three core government entities with significant surpluses and deficits for the 2024 financial year. As reported earlier, we defined ‘significant’ as 10 per cent or more of expenditure. Exhibit 15 displays the three core government entities that generated significant surpluses in 2024.

Exhibit 15: Core government entities with significant surpluses, 2024



Source: OAG analysis of the respective public bodies' financial statements.

61. For 2024, 11 of the 18 core government entities audited reported a surplus (i.e. total revenue exceeded total expenditure), five entities broke even and two entities – the MHA and the MYSH –

reported deficits. MHA reported that its deficit was primarily due to higher-than-anticipated litigation expenses; MYSH reported that the deficit was due to higher-than-budgeted expenditures.

62. Of the 11 entities reporting surpluses, three reported significant surpluses, that is, surpluses of more than 10 per cent of operating expenditure:

- The Ministry of Border Control, Labour and Culture (MBCL) reported the largest surplus, of \$16.4 million (28 per cent of its operating expenditure). It reported in its financial statements that its surplus was the result of unbudgeted investment revenue and donations, as actual spending on personnel costs, supplies, and consumables was less than anticipated.
- The Ministry of Investment, Innovation and Social Development (MIISD) reported a surplus of almost \$6.6 million (15 per cent of its operating expenditure). The MIISD budgeted initially for a surplus of \$60,000. However, actual results showed approximately \$6.5 million of underspending in the areas of supplies and consumables, as well as personnel costs. The savings in these areas contributed to a significant surplus, as actual revenue matched the budget.
- The Portfolio of the Civil Service (PoCS) reported a surplus of almost \$4.4 million (26 per cent). PoCS originally budgeted for a profit of \$1.2 million. However, actual results showed approximately \$3.3 million of underspending in the areas of supplies and consumables, as well as personnel costs. The savings contributed to a significant profit, as actual revenue matched the budget.

ACTUAL FINANCIAL PERFORMANCE IN 2024 COMPARED WITH 2024 BUDGETS

63. As stated earlier, core government entities usually budget to break even. We compared the financial performance of 18 audited core government entities in 2024 with their agreed budgets. Our analysis revealed that the actual financial performance of nine of the 18 entities for 2024 differed from the budget. Exhibit 45 in Appendix B provides detailed information for each core government entity on the following:

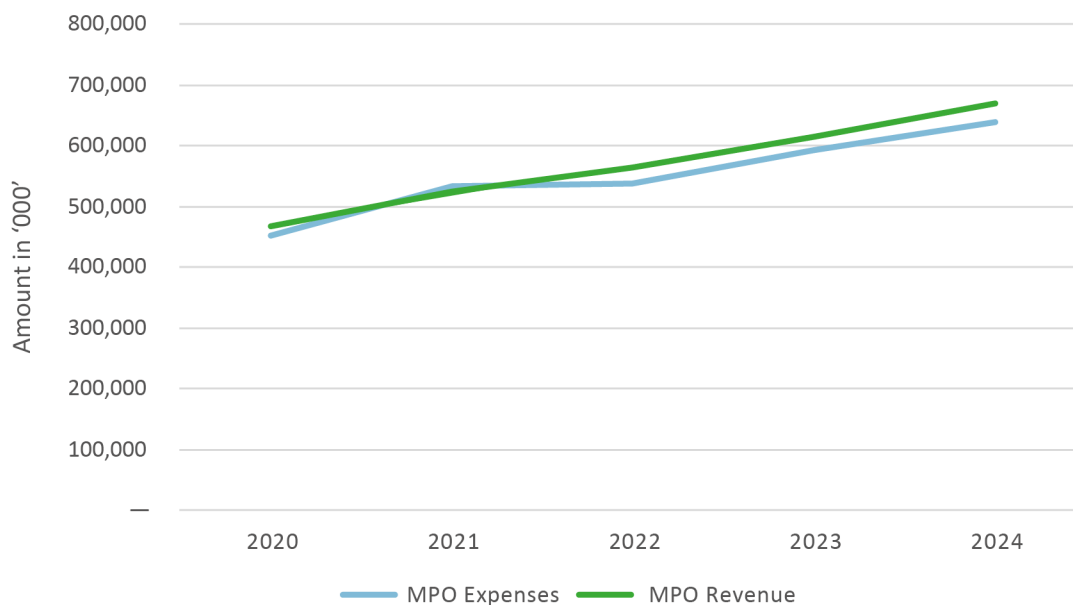
- Five core government entities budgeted to make a surplus. Of these, only four reported surpluses (i.e. the MBCL, the MIISD, the OCP and PoCS). However, all four reported higher surpluses than had been budgeted, and for three of these, the surpluses were significantly higher than had been budgeted. MBCL budgeted for a surplus of almost \$12 million and reported a surplus of \$16.4 million. MIISD budgeted for a surplus of \$60,000 and reported a surplus of nearly \$6.6 million. PoCS budgeted for a surplus of around \$1.2 million and reported a surplus of almost \$4.4 million. MYSH budgeted for a surplus of \$38,000 but reported a deficit of \$11,000.
- Thirteen core government entities budgeted to break even. Of these, five actually broke even (the Ministry of Education (MOE), MFED, the Office of the Director of Public Prosecutions (ODPP), the Office of the Ombudsman (OMB) and the Portfolio of Legal Affairs (PLA)). Seven reported surpluses (i.e. the Cabinet Office, the Cayman Islands Parliament (CIP), the Judicial Administration,

the Ministry of District Administration and Lands (MDAL), the Ministry of Financial Services and Commerce (MFSC), the Ministry of Sustainability and Climate Resiliency (MSCR) and the Ministry of Tourism and Ports (MTP). One reported a deficit (i.e. the MHA).

INCREASED REVENUES AND EXPENDITURES

64. From 2020 to 2024, total revenue and expenditure for core government entities increased. Exhibit 16 illustrates the trend over the five years.

Exhibit 16: Core government entities – total revenue and expenditure, 2020–2024

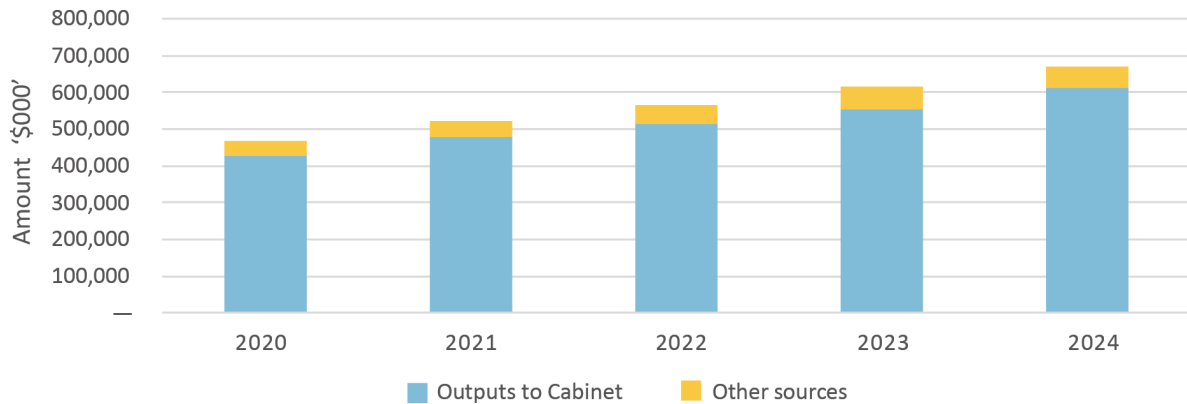


Source: OAG analysis of the financial statements for the respective public bodies.

REVENUES

65. Core government entities generate revenue by delivering goods and services on behalf of the Cabinet and collecting revenue from the resulting outputs. The revenue from the Cabinet is used to provide outputs on its behalf. This revenue is authorised through the appropriation process. The Cabinet also charges the public directly for goods and services not deemed coercive, such as fees and duties.
66. Exhibit 17 shows that, over the five years from 2020 to 2024, total revenue, including revenue from other sources from almost \$466 million to nearly \$670 million. The increased was 44 per cent. Over the same period, revenue from providing outputs to the Cabinet increased by 42 per cent.

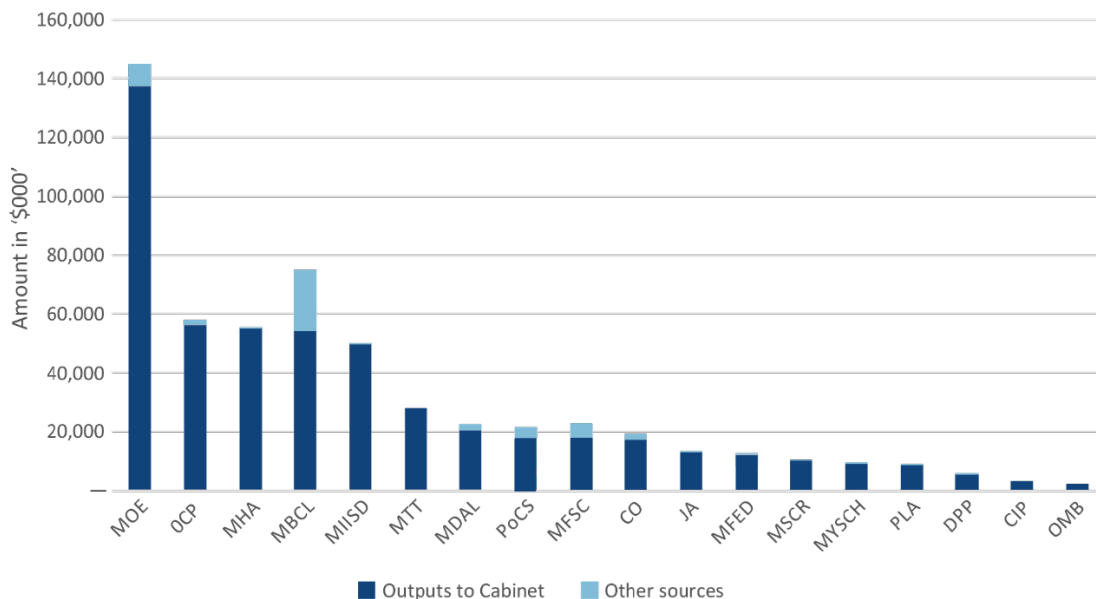
Exhibit 17: Core government entities – total revenue by source, 2020–2024



Source: OAG analysis of the respective public bodies' financial statements.

67. Although revenue increased, the source of revenue remained relatively consistent over the period. Around 90 per cent of total revenue was from outputs to the Cabinet, and the remaining 10 per cent came from other sources.
68. Exhibit 18 shows the total revenue earned and revenue by source for core government entities for 2024. Five core government entities accounted for \$384 million, or 68 per cent of the total revenue reported by audited core government entities. MOE earned the most revenue (\$145 million or 26 per cent of the total).

Exhibit 18: Core government entities – total revenue by source, 2024

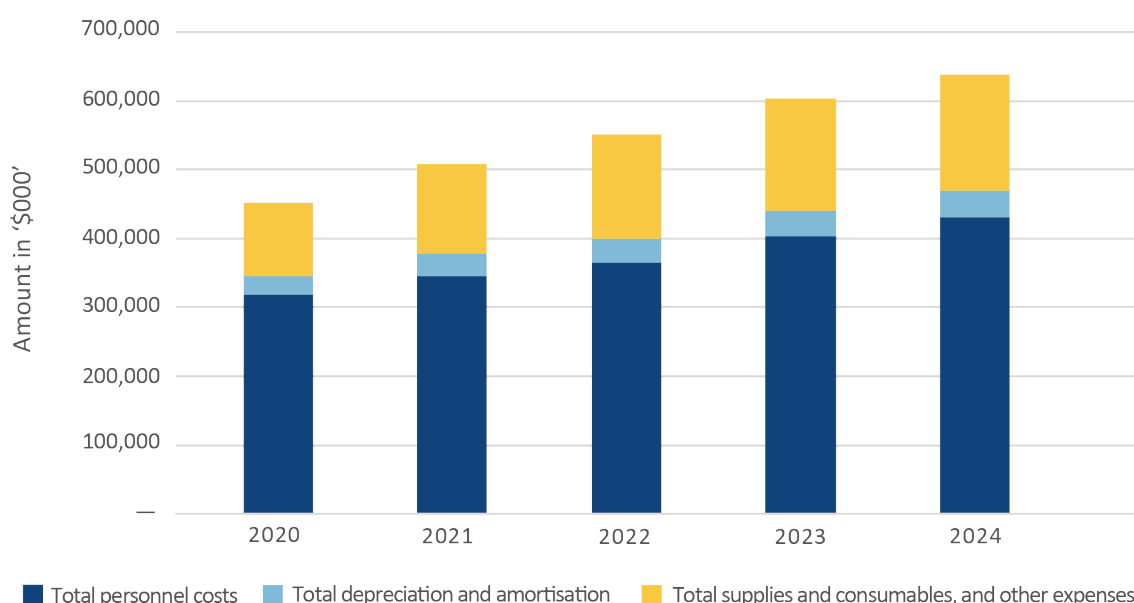


Source: OAG analysis of the respective public bodies' financial statements.

EXPENDITURES

69. Over the five years from 2020 to 2024, the total expenditure of core government entities increased by 41 per cent, from almost \$453 million to nearly \$639 million. This expenditure primarily relates to personnel costs and spending on supplies and consumables. Exhibit 19 shows the total spending for each of the five years, along with a breakdown by personnel costs, expenditure on supplies and consumables, and depreciation.

Exhibit 19: Core government entities – total expenditure by source, 2020–2024



Source: OAG analysis of the respective public bodies' financial statements.

70. Over the five years, personnel costs for the 20 core government entities increased by 36 per cent, reaching almost \$432 million in 2024. Personnel costs, including salaries and benefits for civil servants, are the largest driver of expenditure among core government entities. Spending on supplies and consumables increased by 57%.

71. The MOE spent more than any of the other core government entities in 2024, with expenditure amounting to \$145 million or 23 per cent of total core government expenditure that year. The top five spenders in 2024 were MOE, MBCL, OCP, MHA and MIISD. These entities collectively spent a combined \$360 million, or 56 per cent of the total expenditure of all core government entities.

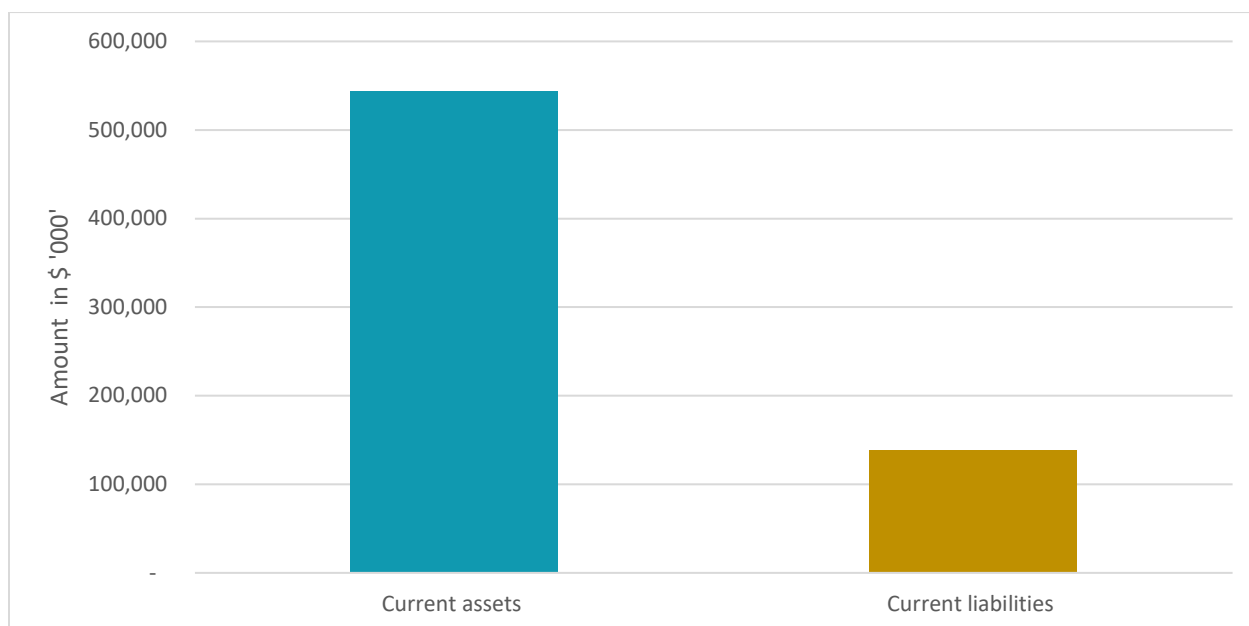
FINANCIAL POSITION

72. The financial positions of core government entities are based on their assets and liabilities.

CURRENT ASSETS EXCEED CURRENT LIABILITIES

73. Exhibit 20 shows that the 18 audited core government entities held combined current assets of \$451 million and combined current liabilities of almost \$102 million at the end of 2024.

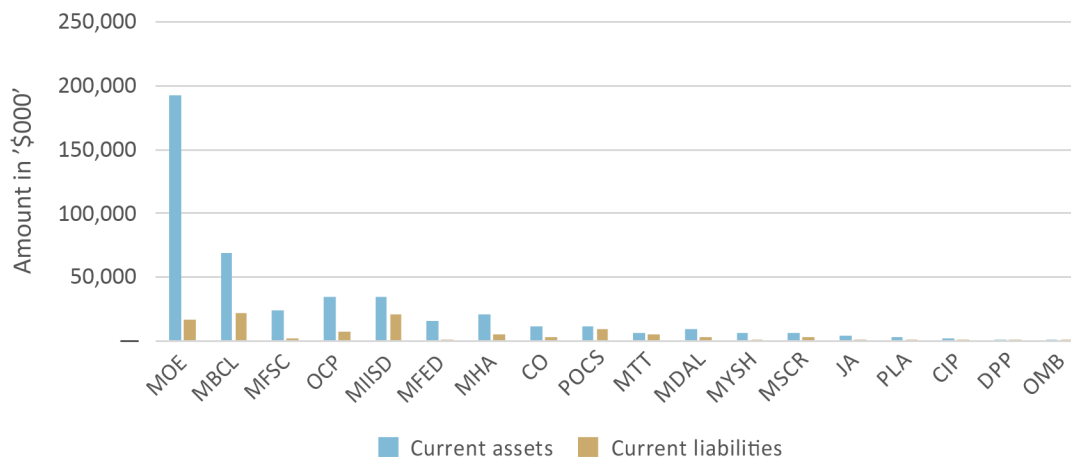
Exhibit 20: Core government entities – combined current assets and liabilities, 2024



Source: OAG analysis of the respective public bodies' financial statements.

74. However, balances varied among the entities. Exhibit 21 displays the current assets and current liabilities of each audited core government entity as of the end of 2024. The MOE had the largest net working-capital position (current assets minus current liabilities) of \$176.1 million. The following three core government entities held combined current assets of over \$139 million: the MBCL (\$69 million), the MIISD (\$34 million) and the OCP (\$34 million).

Exhibit 21: Core government entities – current assets and current liabilities, 2024



Source: OAG analysis of the respective public bodies' financial statements.

75. All audited core government entities had a positive current ratio in 2024, i.e., they have sufficient assets to meet their current obligations.
76. Based on our analysis, the MYSH reported the highest current ratio, of 17.4, for 2024. The MFSC had the second-highest current ratio, of 12.9. The MYSH's high current ratio was primarily attributed to its high cash balance of \$5.8 million, which constituted 89 per cent of its total current assets at year-end. The MFSC's cash balance constituted 88 per cent of its total current assets as at the year-end.
77. Based on our analysis of core government entities' 2024 financial positions, the majority of liabilities can be grouped into two main categories: surplus payable accounts, which account for 57 per cent of total liabilities, and accruals and other liabilities, which make up 26 per cent of total liabilities. These represent various accumulated expenses, deferred obligations and miscellaneous payables that have been incurred but not yet settled. Together, these two categories account for 83 per cent of core government entities' total liabilities.

CORE GOVERNMENT ENTITIES HAVE SIGNIFICANT CASH AND SHORT-TERM DEPOSITS

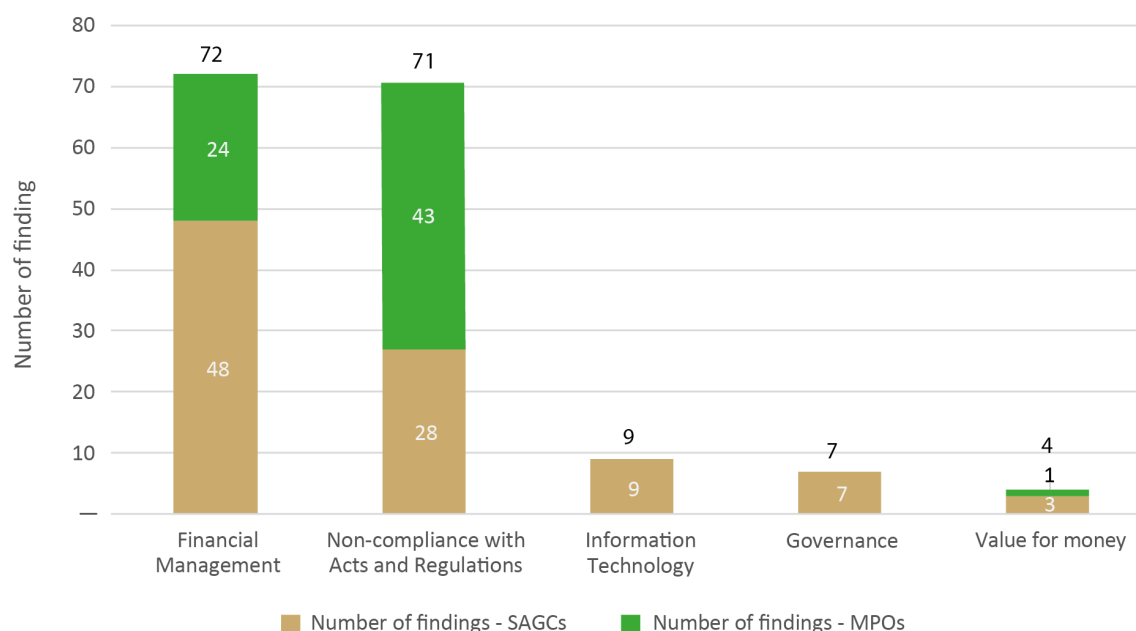
78. Core government entities had a total of \$334 million in cash as at 31 December 2024. This constituted 62 per cent of all current assets held by core government entities. The MOE had the largest cash balance, at \$129.8 million.

KEY AUDIT MATTERS FOR 2024

INTRODUCTION

79. In this chapter, I discuss some of the findings from the 2024 audits. The findings are drawn from audit opinions and ISA 260 Reports. I have reported these deficiencies to those charged with governance in the respective ISA 260 reports.
80. A summary of all internal control deficiencies is provided in Appendix C, and more detailed information can be found in the individual ISA 260 reports published on our website at <http://www.auditorgeneral.gov.ky/reports>. I typically publish these reports around 31 October each year, in accordance with the OAG's ISA 260 guidelines.
81. The audit matters outlined below pertain to issues reported for 39 of the 46 audited public bodies. Of these public bodies, we issued ISA 260 reports for 39 for management comments. As at 10 September 2025, the ISA 260 reports for seven public bodies had not been finalised; four of these are pending management responses, and the others are backlogged.
82. The 2024 audits identified a total of 163 findings across five key operational categories, revealing significant deficiencies that require immediate management attention and corrective action. The results demonstrate that financial management represents the most critical area of concern, with 72 findings in this area constituting 44 per cent of all issues identified. Non-compliance with acts and regulations emerged as the second most significant problem area, with 71 findings being recorded. Fewer but still notable deficiencies were identified in the remaining categories. Findings related to information technology (IT), governance, and value for money accounted for the remaining 20 findings.
83. The concentration of findings within financial management and regulatory compliance areas indicates fundamental weaknesses in financial oversight and adherence to statutory requirements. These results demonstrate the need to prioritise remedial measures to strengthen internal controls, enhance compliance frameworks and improve overall organisational governance. Exhibit 22 presents a detailed breakdown of audit findings by category, illustrating the distribution and relative significance of the deficiencies identified across all operational areas during this audit period. I will discuss these findings in detail in this section.

Exhibit 22: Distribution of findings from 2024 ISA 260 reports



Source: OAG analysis of the 2024 public bodies' ISA 260 reports.

THE QUALITY OF FINANCIAL STATEMENTS NEEDS TO IMPROVE

84. Financial management encompasses the systematic planning, organising, directing and controlling of an organisation's financial resources and activities to achieve operational objectives efficiently, transparently and in compliance with applicable acts and regulations. Effective financial management requires robust internal controls, accurate record-keeping, proper authorisation procedures, adequate segregation of duties and timely financial reporting that adheres to established accounting standards and statutory requirements. Poor financial controls expose organisations to fraud, misappropriation of assets and costly compliance breaches that can result in legal action and reputational damage.
85. This section of the report discusses the numbers and values of audit adjustments, significant deficiencies in financial management and lack of disclosures in financial statements. It also comments on upcoming changes to accounting standards.

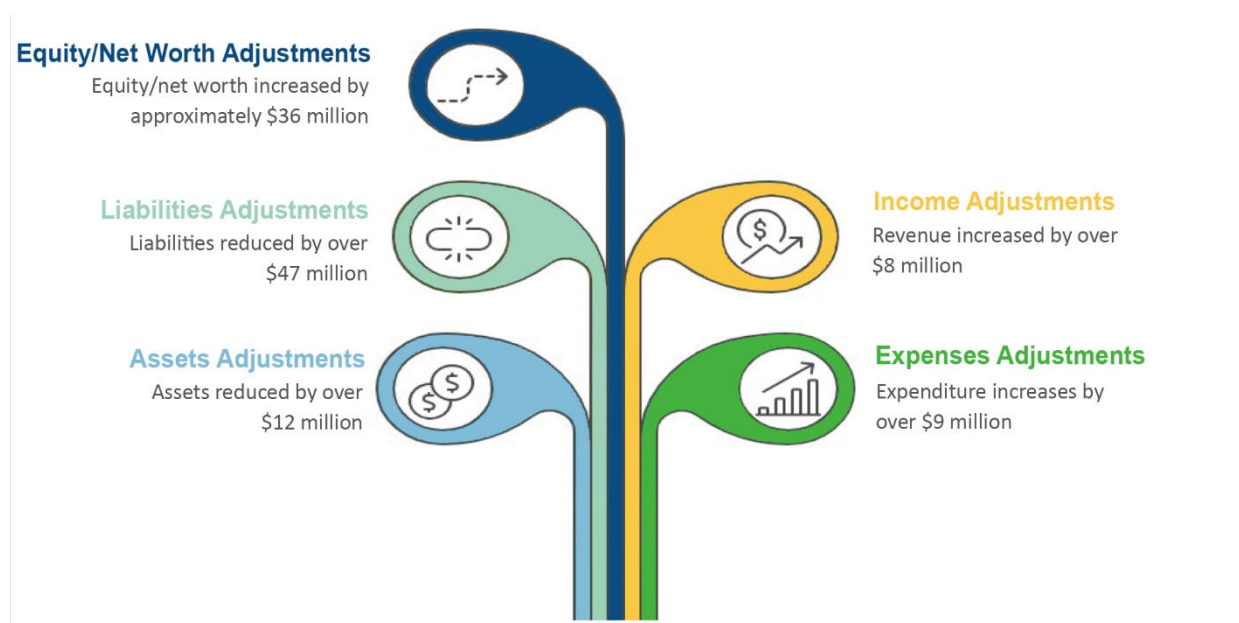
SIGNIFICANT ADJUSTMENTS STILL NEED TO BE MADE TO IMPROVE THE QUALITY OF FINANCIAL STATEMENTS SUBMITTED FOR AUDIT

86. All public bodies submitted their financial statements for audit by the statutory deadline of 28 February 2025, except the NHDT. However, the quality of the financial information submitted to my Office by these bodies needs to be improved. Specifically, a large number of adjustments were

made after the 2024 financial statements had been submitted for audit, and many of the statements lacked important information that should have been disclosed to enable transparency and ensure compliance with accounting standards. Because many of the financial statements provided to my Office by public bodies were inaccurate, there is a risk that some policy decisions made throughout the year could have been based on incorrect information. Therefore, material adjustments had to be made and disclosures provided to ensure that I could provide unqualified audit opinions.

87. A key indicator of the quality of the financial statement preparation process is the number and value of material audit differences. Well-prepared financial statements typically need minimal adjustments during the audit process.
88. Throughout the process of auditing financial statements, any material audit differences identified are communicated to public bodies. Material audit differences are errors or misstatements found during an audit that are significant enough to impact the decisions made by people who use the financial reports to make important decisions about the organisation. For 2024, public bodies were required to make over 336 adjustments (2023: 360), valued at \$150 million (2023: \$177 million), to the financial statement after the audit had commenced.¹² Exhibit 23 reflects the impact of adjustments made to the 2024 financial statements after the audits had commenced.

Exhibit 23: Total audit adjustments made to the 2024 financial statements

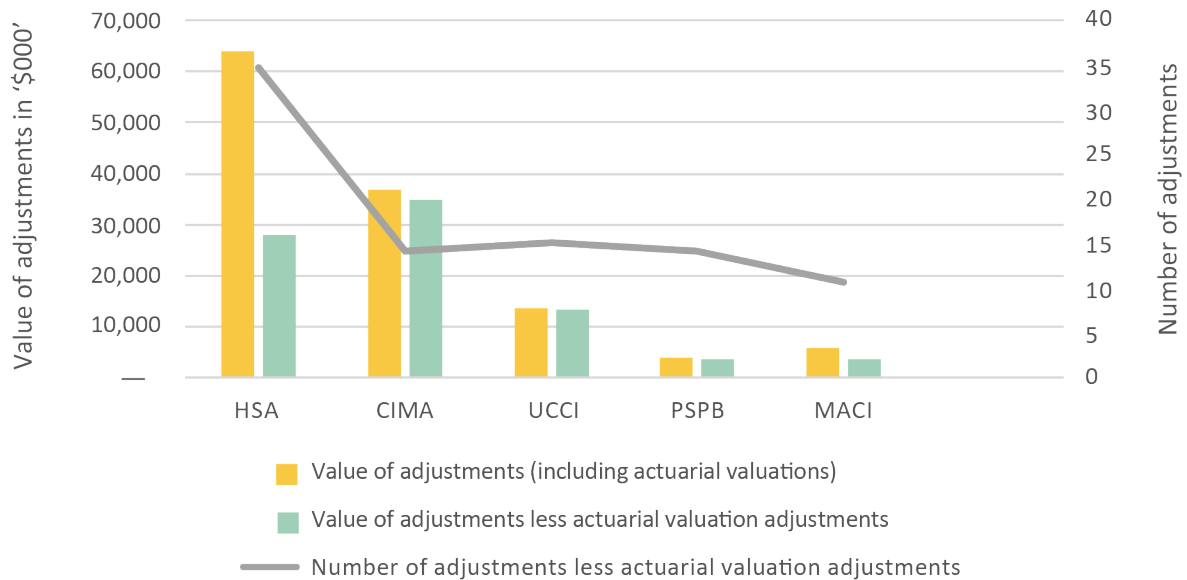


Source: OAG analysis of the 2024 public bodies' audit adjustments.

¹² This amount is the value of adjustments for 2023 as opposed to the absolute (gross) value of adjustments reported in the 2023 general report.

89. These adjustments resulted in an increase of over \$8.6 million in revenue and an increase of over \$9 million in expenditure. Consequently, the combined Government surplus decreased by \$679,000, negatively impacting the financial performance of public bodies. Additionally, these adjustments resulted in a reduction of assets by over \$12 million and a decrease in liabilities by over \$47 million. As a result, the Government's net worth increased by approximately \$36 million, improving its overall financial position. This suggests that decisions may have been made based on inaccurate financial information throughout the year.
90. For example, the 40 adjustments worth \$63 million made by the HSA resulted in an increase in expenses of over \$6.8 million and an increase in revenue of \$270,000. Consequently, this resulted in a decrease of approximately \$7 million in the HSA's overall operating surplus and a decline in its financial performance for 2024. Additionally, these adjustments reduced the HSA's assets by over \$11.7 million and liabilities by nearly \$38 million, resulting in an overall decline of almost \$33 million in its net worth, further weakening its financial position.
91. For the Cabinet Office, 22 overall adjustments were made. These adjustments resulted in a revenue increase of \$164,000 and a decrease in expenses of \$58,000. This contributed to a \$222,000 increase in the surplus, thereby improving financial performance. However, the adjustments also decreased Cabinet Office assets by nearly \$111,000 and increased Cabinet Office liabilities by \$260,000, contributing to an overall decrease in its net worth of \$593,000 and a deterioration of its financial position.
92. When conducting audits, I found that most public bodies' internal controls needed strengthening, and that accounting treatments are at times inadequate. All of this hinders the transparency of the financial reporting process.
93. It is important to emphasise that \$48 million (of the \$150 million), which relates to 11 adjustments to expenses, liabilities, assets and equity, pertains to the revaluation of pension and post-employment healthcare liabilities and expenses. These adjustments are based on actuarial valuations conducted at the end of the year. As such, valuations are typically conducted after the year-end and often after the financial statements have been submitted for audit. I reported earlier in this report on the fluctuations in healthcare obligations from 2020 to 2024 (see Exhibit 11). Independent actuarial firms continue to provide valuation reports more than two months after the end of the year, resulting in public bodies submitting incomplete financial statements for audit.
94. Exhibit 24 shows the five SAGCs with the highest value of audit adjustments passed for the 2024 financial year. These five public bodies' audit adjustments account for 83 per cent of the total value of adjustments and 30 per cent of the total number of adjustments passed. The HSA had the highest value of adjustments for 2024, at \$64.0 million, followed by CIMA, at \$37.0 million. For CIMA, \$22 million of these are adjustments relate to post audit reserve changes. A significant portion of profits are allocated to reserve accounts based on the profits earned.

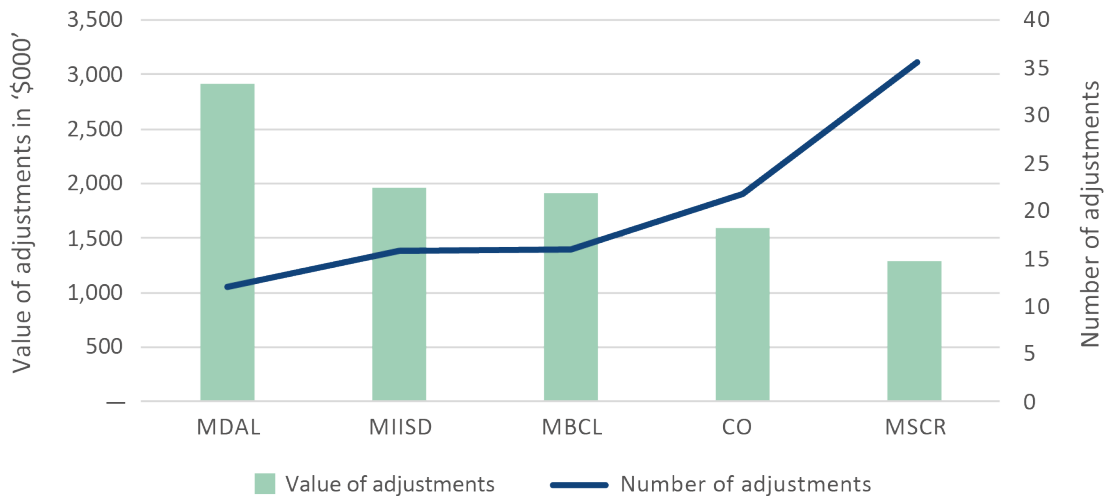
Exhibit 24: Five SAGCs with the highest value of adjustments, 2024



Source: OAG analysis of the 2024 public bodies' audit adjustments.

95. Exhibit 25 shows the core government entities with the highest value of audit adjustments passed for the 2024 financial year. These entities' audit adjustments account for 6 per cent of the total value of adjustments and 30 per cent of the total number of adjustments passed.

Exhibit 25: Core government entities with the highest value of adjustments, 2024



Source: OAG analysis of the 2024 public bodies' audit adjustments.

POOR-QUALITY FINANCIAL STATEMENTS CONTRIBUTE TO BACKLOGS

96. My Office has completed six backlogged audits since the last general report was published. The quality of financial information submitted for these backlogged audits needed to be improved significantly. This is demonstrated by the numbers and values of audit adjustments made to financial statements after they had been submitted to my office for audit. For example, the 2020 CIAA audit required 47 adjustments totalling \$31.9 million, while the 2023 MACI audit necessitated 11 audit adjustments worth \$10.5 million. In most cases, the schedules and supporting financial records were not properly prepared to reflect the balances, resulting in multiple schedule revisions and rework by my office. Exhibit 26 displays the backlog of completed audits, including the numbers and values of adjustments made.

Exhibit 26: Backlogged audits signed, and the numbers and values of adjustments made

Public body	Audit Year	Date signed	Number of adjustments	Value of adjustments
CIAA	2020	6-Aug-25	47	\$31,900,000
MACI	2023	14-Feb-25	11	\$10,484,000
MPAHITD	2023	29-Aug-25	49	\$9,856,000
MHECH	2019	19-Feb-25	49	\$6,700,000
CAL	2023	28-Oct-24	5	\$3,400,000
CTC	2022	16-Oct-24	3	\$745,000

Source: OAG analysis of the public bodies' ISA 260 reports.

THE FINANCIAL MANAGEMENT OF PUBLIC BODIES NEEDS TO IMPROVE

97. Our 2024 audits identified several financial management issues across seven key themes. Exhibit 27 summarises these themes, highlighting their frequency of occurrence, the number of public bodies affected and a description of the main issues identified. It indicates that financial control deficiencies appear in nearly one-third of all audit findings, raising significant concerns about the integrity of financial reporting in the public sector. These deficiencies are evident in critical areas, such as bank reconciliation procedures and review processes for general ledger entries.

Exhibit 27: Analysis of themes from findings related to financial management

Theme	Total	Public Bodies Affected	Percentage of Total	Description	Key Issues
Financial Controls and Processes	20	11	28%	Deficiencies in basic financial management systems and internal controls	<ul style="list-style-type: none"> • Inadequate bank reconciliation controls • Poor general ledger entry reviews • Deficiencies in budgeting processes • Lack of documented expected credit losses (ECL) processes • Quality issues with draft accounts
Revenue Management	9	5	13%	Issues with revenue recognition, collection, and allocation	<ul style="list-style-type: none"> • Inappropriate revenue recognition • Sequential gaps in financial numbers • Revenues reversed without documentation • Delays in remitting collected revenues • Inadequate receivables aging reviews
Contract and Policy Management	11	7	15%	Inadequate oversight of contracts, policies, and agreements	<ul style="list-style-type: none"> • Deficiencies in contract management • Expired/missing lease agreements • Lack of formal contract performance reviews • Missing policy documentation • Travel policy outstanding
Asset Management	8	5	11%	Problems with tracking and managing various asset categories	<ul style="list-style-type: none"> • Weakness in inventory management • Exceptions around fixed assets • Currency translation errors in inventory • Need for improved fixed asset registers
Receivables Management	6	5	8%	Problems with managing and collecting outstanding amounts	<ul style="list-style-type: none"> • Deficiencies in controls for trade receivables • Long-standing uncollected receivables • Unapplied receipts dating to 2002 • Long outstanding balances
HR and Payroll Issues	6	5	8%	Staff-related financial and operational challenges	<ul style="list-style-type: none"> • Deficiencies in time-off-in-lieu and leave policies • Night operations remuneration exceptions • Overtime cost management issues • Lack of duty allowance policy
Loan Portfolio Management	4	1	6%	Concentrated issues within loan operations	<ul style="list-style-type: none"> • High delinquency rates • Discrepancies in loan arrears tracking • Outdated internal credit reviews • Matured loans in portfolio
Other Operational Issues	8	7	11%	Various governance, audit, and operational concerns	<ul style="list-style-type: none"> • Understaffing in regulatory areas • Going concern issues • Lack of audit trail for grants • Inadequate monitoring frameworks • Late audit responses

Source: OAG analysis of the 2024 public bodies' ISA 260 reports.

ADEQUATE DISCLOSURES NEED TO BE MADE IN THE FINANCIAL STATEMENTS

98. Public bodies did not disclose enough detail about particular matters in their financial statements until my office raised these issues. Accounting standards are designed to promote transparency and enable users to understand the information presented in financial statements.
99. Public bodies need to do more to ensure adequate disclosure in their financial statements, as required by International Public Sector Accounting Standards (IPSAS) and the International Financial Reporting Standards (IFRS). Thirteen SAGCs report under IFRS, while 33 public bodies, consisting of the remaining 13 SAGCs and all core government entities, and the EPS report under IPSAS. For example, the financial statements submitted for audit often do not provide sufficient information in disclosures regarding new and upcoming accounting standards and their potential impact on the financial statements. This information is usually included only after my office has identified that it is inadequate and requests that the public bodies include the necessary information in their disclosures.

SEVERAL CHANGES IN ACCOUNTING STANDARDS ARE PLANNED

100. During the 2024 financial year, several IFRS amendments took effect, which had implications for the 13 public bodies that report under the IFRS. These amendments included those to **International Accounting Standards (IAS) 1 and 7**, as well as IFRS 16 and 7.
101. Several changes to accounting standards are planned and will take effect in the coming few years. These will have a significant impact on many public bodies. For example, four new IPSAS standards, affecting the EPS and the 33 IPSAS-reporting public bodies, took effect on 1 January 2025, while three new IPSAS standards will take effect on 1 January 2026. Appendix D details these new, revised and upcoming accounting standards. Among the latest standards that took effect in 2025, *IPSAS 43 – Leases* is likely to have the most significant impact on public bodies. IPSAS 43 introduces a right-of-use model, replacing the risks and rewards associated with the ownership model found in IPSAS 13. For lessors, IPSAS 43 largely retains the risks and rewards associated with ownership as outlined in IPSAS 13. Public bodies will need to assess and evaluate all leasing arrangements they currently have in place. The implementation of IPSAS 43 will likely lead to an increase in both the asset and liability components of leases, which would previously have been recognised as an expense in a statement of financial performance.
102. *IPSAS 45 – Property, Plant and Equipment* and *IPSAS 46 – Measurement*, both of which took effect on 1 January 2025, are likely to have a minimal impact on public bodies. Heritage assets will be part of the scope of IPSAS 45. Heritage assets are items intended to be held indefinitely and preserved for the benefit of present and future generations due to their rarity and/or significance in relation to their archaeological, architectural, agricultural, artistic, cultural, environmental, historical, natural, scientific, or technological features. This means that all entities with off-balance

sheet heritage assets will need to recognise these assets on their balance sheets. Public bodies must consider and account for all the new standards in the years ahead.

103. The MFED needs to ensure that public bodies actively prepare themselves for these upcoming IPSAS and IFRS changes.

SOME PUBLIC BODIES DO NOT COMPLY WITH RELEVANT ACTS AND REGULATIONS

104. This section identifies instances where public bodies failed to comply with applicable Cayman Islands acts and regulations during 2024. Compliance with acts and regulations is fundamental to effective public administration, as it ensures the proper stewardship of public resources, maintains public trust in government institutions, upholds the rule of law and guarantees that citizens receive services in accordance with established legal frameworks and standards. Non-compliance can result in financial losses, legal exposure, operational inefficiencies and erosion of public confidence in governmental accountability.
105. Exhibit 28 summarises the breaches of acts and regulations identified, including the frequency of occurrence, the number of public bodies affected and a description of the main issues identified. It highlights non-compliance issues that present significant operational and reputational risks to the public sector. Most concerning is the widespread violation of the *Procurement Act* and *Procurement Regulations*, which account for 80 per cent of all compliance breaches and impact 20 public entities. I discuss non-compliance with the *Procurement Act* and *Procurement Regulations*, providing examples of public bodies that have breached these in the following sections.

Exhibit 28: Summary of violations related to non-compliance with acts and regulations

Act Breached	Total	Public bodies affected	Percentage of Total	Description	Key Compliance Areas
Procurement Act (2023) and Regulations (2022)	57	20	80%	Violations of procurement laws and regulations across multiple entities	<ul style="list-style-type: none"> Widespread systematic non-compliance
Public Authorities Act (2020)	5	5	7%	Violations of governance and operational requirements for public authorities	<ul style="list-style-type: none"> Governance and operational compliance issues
Public Management and Finance Act (2020)	3	3	4%	Financial management and accountability violations	<ul style="list-style-type: none"> Financial governance breaches Core financial management non-compliance
Non-compliance with Personnel Regulations (2022) - Employee acting for more than 12 months	2	2	3%	Extended acting appointments beyond regulatory limits	<ul style="list-style-type: none"> Governance and succession planning failures Acting appointment policy violations
Non-compliance with Personnel Regulations (2022)	2	2	3%	Human resources and personnel management violations	<ul style="list-style-type: none"> Staff management compliance failures HR policy and procedure breaches Personnel administration issues
Non-compliance with Public Services Pension Regulations (2017)	1	1	1%	Pension and social protection compliance issues	<ul style="list-style-type: none"> Specialised regulatory non-compliance Pension administration concerns
Utilities Regulation and Competition Act	1	1	1%	Utilities regulation compliance violation	<ul style="list-style-type: none"> Sector-specific regulatory breach Utilities sector compliance issues

Source: OAG analysis of the 2024 public bodies' ISA 260 reports.

GOODS AND SERVICES ARE NOT ALWAYS PROCURED IN LINE WITH THE *PROCUREMENT ACT* AND *PROCUREMENT REGULATIONS*

106. The *Procurement Act* and supporting *Procurement Regulations* came into force on 1 May 2018. The act was brought into force to improve public sector procurement and better demonstrate value for money. Public bodies must comply with the provisions of the *Procurement Act (2023 Revision)* in all procurement transactions. It is disappointing that 57 instances of non-compliance with the *Procurement Act* and *Procurement Regulations* were recorded for 20 public bodies, particularly since this issue persists several years after their introduction. It is also disappointing that many of these instances are recurring from previous years.

107. Exhibit 29 summarises the types of incidents related to non-compliance with the *Procurement Act* and *Procurement Regulations*. It reveals widespread violations of procurement legislation, affecting 19 public bodies, with specific breaches being identified. One of the most concerning findings is the prevalence of direct award violations, which account for 35 per cent of all procurement breaches and involve 11 public bodies. This suggests either a fundamental

misunderstanding of or a deliberate failure to follow competitive procurement principles. A direct award refers to the practice of awarding a contract to a specific vendor without conducting a competitive bidding process. Instead of soliciting bids or proposals from multiple suppliers, the procuring organisation selects and contracts directly with a single vendor.

108. Additionally, Exhibit 29 shows that procurement committee approval failures account for 23 per cent of all violations across six public bodies. This indicates significant governance breakdowns in procurement oversight mechanisms, as it suggests that public bodies are bypassing the necessary endorsements from their Entity Procurement Committee and approvals from the Public Procurement Committee (PPC). Furthermore, failures to meet publication and notice requirements, which make up 19 per cent of violations, point to serious transparency issues that undermine public accountability and hinder access to competitive markets. I discuss some of these violations next.

Exhibit 29: Summary of incidents of non-compliance with the *Procurement Act* and *Procurement Regulations*

Theme	Total	Public bodies affected	Percentage of total	Description	Key Issues
Direct award violations	20	11	35%	Improper use of direct award procedures without meeting statutory requirements	<ul style="list-style-type: none"> • Direct awards without demonstrating requirements (Procurement Regulations - Section 5) • Awards to related parties • Inadequate application of exceptional circumstances • Lack of proper justification for direct procurement
Procurement Committee approval failures	13	6	23%	Failure to obtain required approvals from Entity or Public Procurement Committees (EPC and PPC)	<ul style="list-style-type: none"> • No Entity Procurement Committee endorsement (Procurement Regulations - Section 5(3b)) • No Public Procurement Committee approval (Procurement Regulations - Section 3) • Chief Officer approval not obtained (Procurement Regulations - Section 16) • Multiple approval process bypasses
Publication and notice requirements	11	6	19%	Failure to publish awards and provide public notices as required	<ul style="list-style-type: none"> • Non-publication of awards (Procurement Regulations - Section 19(1)) • No public notice of contract awards (Procurement Regulations - Section 6(1)) • Transparency requirement breaches • Public accountability failures
Business case and documentation	6	4	11%	Inadequate preparation of business cases and supporting documentation	<ul style="list-style-type: none"> • Non-preparation of business cases (Procurement Regulations - Section 3b, 11(1)) • No evidence of opportunity assessment • Insufficient procurement justification • Documentation compliance failures
Contract management issues	4	4	7%	Problems with contract execution, validity, and management	<ul style="list-style-type: none"> • Operating on open-ended contracts • Goods/services procured using expired contracts (Procurement Regulations - Section 14(1)) • No signed contracts for regular purchases (Procurement Regulations - Section 16(6))

Theme	Total	Public bodies affected	Percentage of total	Description	Key Issues
Competitive process failures	2	2	4%	Failure to follow the required competitive procurement processes	<ul style="list-style-type: none"> • Payments made without valid contracts • No competitive procurement process (Procurement Regulations - Section 18(4)) • Contract extensions without proper procurement (Procurement Regulations - Section 4) • Competitive tendering bypasses • Process integrity compromises
Emergency provision misuse	1	1	2%	Inappropriate use of emergency procurement provisions	<ul style="list-style-type: none"> • Failure to justify emergency provision use (Procurement Regulations - Section 3) • Misapplication of exceptional circumstances • Emergency procedure abuse • Inadequate emergency justification

Source: OAG analysis of the 2024 public bodies' ISA 260 reports.

DIRECT AWARDS ARE BEING AWARDED WITHOUT ANY DEMONSTRATION THAT CONDITIONS HAVE BEEN MET

109. Section 5 of the *Procurement Regulations* outlines specific conditions that public bodies must fulfil to award contracts directly. Our audit found several instances where public bodies awarded contracts without meeting these conditions or providing evidence that they had been met. The regulations also require that direct awards are approved or endorsed by the Chief Officer, the Entity Procurement Committee or the PPC, depending on the procurement value. This did not occur in all cases. For example, CAYS purchased goods, and the ODPP, MFSC and OMB purchased services via direct awards without demonstrating that the conditions for a direct award had been met.

CONTRACTS ARE BEING AWARDED WITHOUT THE NOTICE OF THE AWARD OF PROCUREMENT BEING PUBLISHED ON THE CENTRAL PROCUREMENT OFFICE'S WEBSITE

110. Section 19 of the *Procurement Regulations* requires public bodies to publish the notice of the award of procurement on the website designated by the Central Procurement Office (CPO) within 30 days of the entry into force of the contract. Several public bodies do not do this. Examples include the following:

- The MHA awarded four contracts to suppliers without publishing the notices of the awards of procurement on the CPO's website.
- URCO did not publish a notice of the award of procurement on the CPO's website.
- The MFSC did not publish a notice of the award of procurement on the CPO's website.

GOODS AND SERVICES ARE BEING PROCURED WITHOUT THE PUBLIC PROCUREMENT COMMITTEE'S APPROVAL (PURCHASES GREATER THAN \$250,000)

111. Section (3) (b) of the *Procurement Regulations* requires an entity to submit to the PPC for approval a written business case for procurement projects valued at greater than \$250,000. However, through the 2024 audits, I noted the following:

- MACI appointed 45 surveyors and independent contractors by direct awards with a total contract value of \$2.4 million without obtaining the required endorsement of the PPC.
- The MHA purchased various goods and services valued at more than \$250,000 without evidence of prepared and approved business cases, without approval from the PPC and without publishing the contract award notices on the Government's public procurement portal (Bonfire). The contracts included those for the supply of food to the prison, awarded to three vendors and totalling \$1.2 million, as well as a fee for the preventive maintenance of masts for \$259,000. Additionally, a one-year direct award contract was endorsed by the Entity Procurement Committee. However, the total cumulative amount expected to be paid to the vendor over the years will exceed the \$250,000 threshold, and therefore, this contract should have been endorsed by the PPC.

GOODS AND SERVICES (GREATER THAN \$100,000) ARE BEING PROCURED WITHOUT TENDERING

112. The *Procurement Regulations* require that a business case be prepared for procurement projects exceeding \$100,000 in value. I noted instances where public bodies procured goods and services without tendering or without approving a business case for procurement projects valued at greater than \$100,000:

- The UCCI implemented a solar system installation project for a total of \$103,500, but no evidence was provided to confirm that the *Procurement Act* and *Procurement Regulations* had been adhered to. No advertisement, approved business case, evaluation summary, or public notice of award was provided for audit review.
- The Judicial Administration made cumulative payments totalling over \$100,000 for maintenance services rendered solely based on invoices, without written contracts in place.

GOODS AND SERVICES PROCURED UNDER EMERGENCY PROCUREMENT

113. The *Procurement Act (2023 Revision)* defines an "emergency" situation as one where a state of emergency is proclaimed under the *Emergency Powers Act (2006 Revision)*, as an exceptional circumstance that presents an immediate risk to the safety or health of an employee or member of the public, or as a situation that presents an immediate risk of serious damage to public and/or private property. The following instance of goods and services being procured under emergency procurement procedures was noted:

- The MOE undertook the refurbishment of the Old George Hicks Campus (Project B-NJGHS), costing almost \$2 million, through emergency procurement procedures. The initial approved cost for this project was \$184,000. The MOE was unable to justify the use of the emergency provision for this project, as the condition of the campus had been known to the MOE for several years, but it had failed to take timely corrective action. Therefore, the reliance on emergency procurement procedures was a result of delays in decision-making rather than a genuine emergency as defined in legislation.

TWO STATUTORY AUTHORITIES AND GOVERNMENT COMPANIES ARE NOT FULLY COMPLIANT WITH THE *PUBLIC AUTHORITIES ACT*

114. The PAA came into force on 1 June 2018 and aims to provide uniform regulation of the management and governance of public authorities. The implementation of section 47 of the PAA was delayed until June 2019.

PUBLIC AUTHORITIES ACT – REMUNERATION OF STAFF

115. The PAA sets out how SAGCs are expected to determine staff's terms and conditions and remuneration. Sections 47 (1) and (2) of the PAA require all SAGCs to use the same salary scale, as determined by the Cabinet, and all jobs to be evaluated using the same job evaluation methodology. The Cabinet has determined that this is the civil service salary scheme. The PAA requires that, after the commencement date (June 2019), where there is a difference between the terms and conditions of employment at a SAGC and the civil service, the salary grades for remuneration in the SAGC be adjusted accordingly to reduce such differences.
116. All SAGCs were required to conduct job evaluations of existing positions in their organisations, to determine whether the salary bands for these positions aligned with the salary scale determined by the Cabinet and to ensure compliance with PAA requirements. SAGCs were unable to conduct these evaluations internally, and so they engaged PoCS to perform them on their behalf.
117. Most SAGCs have implemented Section 47(1) in previous years. However, my office noted that the CAA and CIMA have still not fully complied with Section 47(1) of the PAA, as they have not adopted the revised salaries following job evaluations. Therefore, I have included this as an "emphasis of matter" paragraph in the audit opinions on their 2024 financial statements.
118. The 2021 and 2022 General Reports recommended that CIMA and CAA urgently complete the implementation of Section 47 of the PAA to ensure full compliance. The Public Accounts Committee (PAC) endorsed this recommendation in its May 2024 report, which was laid in Parliament in July 2024. At the PAC hearing in January 2025 on the 2023 General Report, the PAC took testimony from the Chief Executive Officer and the Board Chairman of CIMA. The PAC was persuaded by the testimony of the two witnesses from CIMA regarding their difficulties in implementing Section 47 (1)

of the Public Authorities Act. The PAC noted the difficulty CIMA faces with staff recruitment and retention, and emphasised the importance of CIMA being properly staffed and functioning effectively to the Cayman Islands' economy. The PAC heard that a contract had been let for a market review of pay to be undertaken. The PAC recommended that the Cayman Islands Government support the need for higher pay or market adjustments for CIMA's staff to be awarded if this consultancy report evidences that need.

SUPPLEMENTARY APPROPRIATION BILLS WERE NOT TABLED IN TIME

119. The PMFA requires a *Supplementary Appropriation Bill* to increase the budget and authorise financial transactions. The PMFA requires that this bill be introduced in Parliament by 31 March of the year following the financial year to which those transactions relate. The *Supplementary Appropriation Bill 2024* was not introduced in Parliament by 31 March 2024 as required by the PMFA. Therefore, I included emphasis of matter paragraphs in the audit opinions for 10 public bodies (see Exhibit 34 in the **"The status of audits and financial reporting"** section).

AN ASSESSMENT OF THE INFORMATION TECHNOLOGY CONTROLS OF PUBLIC BODIES IDENTIFIED SEVERAL RECURRING DEFICIENCIES

120. We have examined IT environments and applications relevant to financial reporting. Overall, of the 22 public bodies assessed, 20 were found to have IT environments that support financial reporting. The remaining two entities – CIDB and the Cayman Islands National Museum (CINM) were found to have IT environments that do not support financial reporting.

121. Risks in the IT environment introduce an additional layer of demand for oversight and management time. Where these risks are not adequately addressed, our teams have identified deficiencies that we reported to those charged with governance in individual public bodies. In the 2024 audits, we identified the following common deficiencies:

- Gaps exist in the oversight of IT in audited entities. In some instances, we found no evidence of sufficient oversight. Policies were lacking in certain IT areas. Additionally, some IT policies were outdated and had not been updated.
- Access controls refer to the groups of IT general controls that work together to prevent malicious access and the inappropriate access of legitimate users in the organisation. The structure and size of most public sector organisations mean that it is reasonable to expect management to periodically review user listings, together with information about what each user can access. We found that some organisations were not doing this consistently. We identified deficiencies in ensuring that access controls were granted and subsequently reviewed or revoked promptly.

- Assurance can be obtained from Service Organisation Control (SOC) audit reports, which are prepared within international professional audit frameworks. SOC audit reports outline any controls that the vendor requires its customers to implement on their own (usually referred to as end-user complementary controls). Management is expected to review SOC audit reports promptly to detect any deficiencies in the control environment of the services they use. Among the public bodies we examined, three SOC audit opinions were qualified, but the management of those entities had not assessed the impact of this on their IT risks. One entity was unable to demonstrate to us that the end-user complementary controls detailed in the SOC report were in operation. At least one SOC report was not received for the audit we conducted.

GOVERNANCE IN PUBLIC BODIES NEEDS TO IMPROVE

122. Governance refers to the systems, processes and structures that guide how an organisation is directed, controlled and held accountable to its stakeholders. Effective governance ensures that those in charge – such as boards, audit committees and senior management – provide appropriate oversight of operations, financial management, risk management and regulatory compliance. Good governance is essential for good organisational performance, as it establishes the “tone at the top”, offers strategic direction, ensures accountability for the stewardship of public resources and creates the framework within which all other organisational activities take place.
123. The 2024 audits identified various governance-related issues across seven public bodies (Exhibit 30). For example, we identified poor board meeting attendance, which affects quorum and decision-making, and reduces the effectiveness of oversight. We also noted the absence of Notice of Interest forms, which creates risks of a lack of transparency, ethics violations, potential conflicts of interest, integrity failures, and compliance breaches. My Office is currently conducting a comprehensive performance audit examining the effectiveness of governance practices in SAGCs, scheduled for completion in 2026. This audit will provide detailed insights into the current state of governance frameworks and practices.

Exhibit 30: Governance-related audit findings

Governance issue noted	Total violations	Number of public bodies	Percentage of Total	Description	Key Governance Issues
Board members serving without an enforced term of appointment	1	1	14%	Absence of proper appointment term limits for board members	<ul style="list-style-type: none"> • Lack of structured appointment processes • Potential for indefinite tenure • Governance continuity risks • Accountability framework weaknesses
Inadequately constituted board	1	1	14%	Board composition does not meet statutory or regulatory requirements	<ul style="list-style-type: none"> • Insufficient board membership • Skills or representation gaps • Governance effectiveness compromise • Regulatory non-compliance
Inadequate board attendance	1	1	14%	Poor attendance rates at board meetings are affecting quorum and decision-making	<ul style="list-style-type: none"> • Compromised decision-making capacity • Potential quorum issues • Reduced oversight effectiveness • Governance accountability gaps
Absence of Audit Committee meeting minutes	1	1	14%	Lack of proper documentation for audit committee proceedings	<ul style="list-style-type: none"> • Transparency and accountability deficits • Audit trail inadequacies • Regulatory compliance failures • Risk oversight documentation gaps
Board approval of annual performance rewards	1	1	14%	Issues with board oversight of performance-based compensation	<ul style="list-style-type: none"> • Inappropriate reward approval processes • Governance oversight of remuneration • Performance management accountability • Potential conflicts of interest
Excessive meetings held by the Board	1	1	14%	The board is conducting more meetings than necessary or appropriate	<ul style="list-style-type: none"> • Resource inefficiency • Potential micromanagement • Cost implications • Governance process optimisation needs
Lack of Notice of Interests	1	1	14%	Failure to properly declare conflicts of interest	<ul style="list-style-type: none"> • Transparency and ethics violations • Potential conflicts of interest • Integrity framework failures • Regulatory compliance breaches

Source: OAG analysis of the 2024 public bodies' ISA 260 reports.

SOME PUBLIC BODIES HAVE NOT RESPONDED TO LONG-STANDING ISA 260 REPORTS

124. Delayed responses to ISA 260 reports negatively impact audit quality. They hinder the timely resolution of identified deficiencies, prevent the implementation of corrective actions, and compromise effective risk assessment and mitigation strategies. The Cabinet Office has not responded to the ISA 260 reports from 2023 and 2024, which were issued by my Office. Additionally,

the Cabinet Office only provided responses for the 2021 and 2022 ISA 260 reports in August 2024 and April 2024, respectively. By the cut-off date for finalising this report, the 2024 ISA 260 reports for CIMA and the PSPB had not yet been finalised, as my Office was awaiting management responses, despite these being provided to CIMA and PSPB management in May 2024.

THE STATUS OF AUDITS AND FINANCIAL REPORTING

125. This chapter provides an update on the status of all audits, including 2024 audits, backlogged audits (six of which have been completed since the last General Report was published), and the EPS audit. The chapter also provides a summary of the timeliness of submitting and tabling financial statements and annual reports.

STATUS OF AUDITS

THE AUDITS OF 39 PUBLIC BODIES' FINANCIAL STATEMENTS FOR 2024 HAVE BEEN COMPLETED

126. As of 10 September 2025, my Office had completed audits of 39 public bodies for the 2024 financial year. My office, along with the firms contracted on our behalf, completed audits for 36 out of the 46 public bodies (78 per cent) by the statutory deadline of 30 April 2025. By the cut-off date for finalising this report, an additional three audits (the HSA, CAB and MACI), which had missed the 30 April 2025 deadline, had been completed, resulting in audits for a total of 39 public bodies out of 46 (85 per cent). The HSA, CAB, and MACI audits were not completed until after the deadline due to the high number of audit findings identified by my Office during the 2024 audits. These findings identified weaknesses in the internal controls of these public bodies related to the preparation of their financial statements. When such findings occur, my Office is generally required to perform additional audit procedures to obtain sufficient and appropriate evidence to ensure that the financial statements are not materially misstated.

127. Of the seven 2024 audits remaining, the MPAHITD, MUS and CAL audits were in progress as at the cut-off date for finalising this report. I did not start four of the 2024 audits – CIAA, CTC, MHW and NHDT – because audits of these public bodies from the previous year are still ongoing, that is, are not yet complete.

128. Exhibit 31 shows the number and percentage of completed 2024 audits (excluding the EPS). The audits completed by 30 April 2025 represented 78 per cent of all 2024 audits (representing a decline from the previous year). For the four years before 2024, 85 per cent of audits were completed by the statutory deadline for 2023, 76 per cent for 2022, 66 per cent for 2021 and 81 per cent for 2020.

Exhibit 31: Completion of the 2024 entity audits

The date the audit was completed by	Number of audits	Percentage	Cumulative percentage of completed audits
Completed by 30 April 2025	36	78%	78%
Additional audits completed by the cut-off date of this report (10 September 2025)	3	7%	85%
In-progress	7	15%	
Total	46		

Source: OAG analysis of 2024 financial statement sign-off dates.

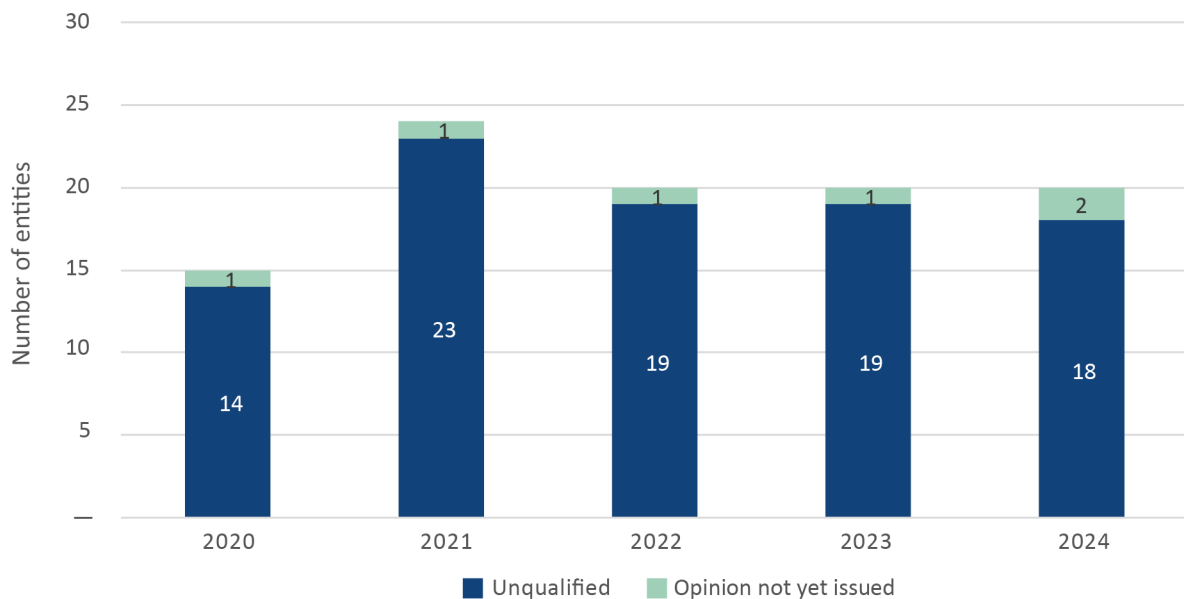
Note: See Exhibit 35 for audits in progress as at 10 September 2025.

Of the seven in progress, considerable progress has been made on three – MPAHITD, CAL and MUS.

MOST AUDIT OPINIONS ISSUED FOR 2024 ARE UNQUALIFIED

129. I issued 38 unqualified (clean) audit opinions and one qualified opinion for the 39 completed audits for the 2024 financial year. Exhibit 32 displays the numbers and types of audit opinions issued by my office for core government entities over the five-year period from 2020 to 2024. It demonstrates consistency in the numbers and types of audit opinions issued over the five-year period. It is also worth noting that for the past five years, no core government entity has received a qualified audit opinion.

Exhibit 32: Core government entities – audit opinions, 2020–2024

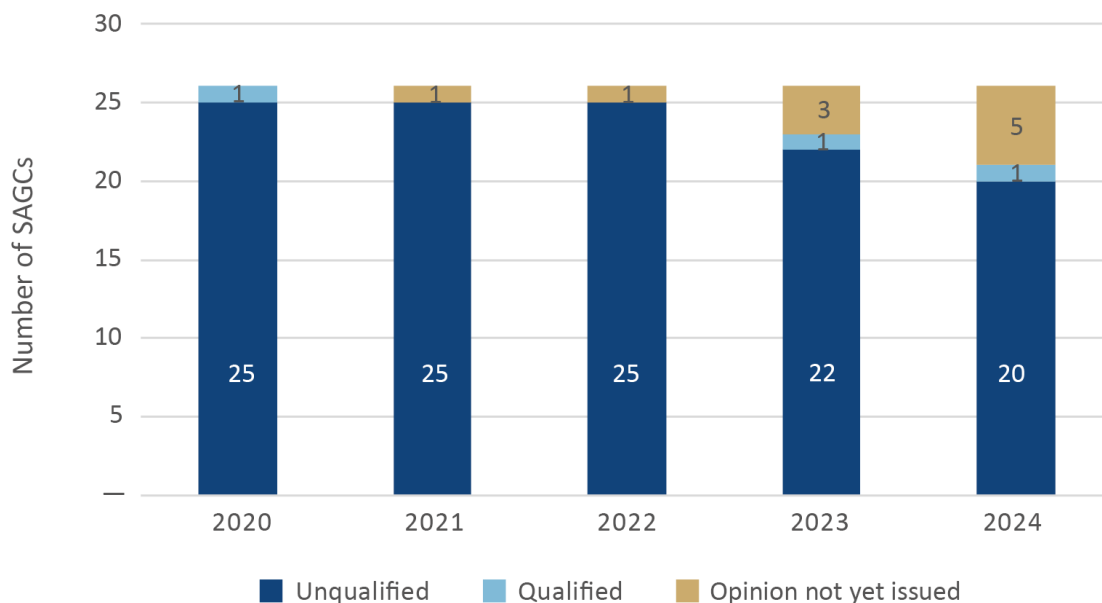


Source: Audited financial statements of core government entities from 2020 to 2024.

Notes: The number of core government entities, excluding the OAG, increased from 15 to 20 over the five years. The number fluctuated over the years because of various government reorganisations. The 2024 audit of the MPAHITD is ongoing at the time of this report. The audits for the MHW for 2020, 2021, 2022, 2023 and 2024 are outstanding at the time of this report. The exhibit excludes the EPS and OAG audits.

130. Exhibit 33 shows the numbers and types of audit opinions issued by my office for SAGCs from 2020 to 2024. It shows relative stability. It indicates that the number of qualified audit opinions decreased to zero in 2021 and 2022, and then increased to one in 2023 and 2024, with MACI being the entity that received a qualified audit opinion in both of these years. In both years, the qualified opinions arose as a result of an inability to obtain sufficient appropriate audit evidence on the completeness, existence and accuracy of MACI's reported revenue and its related statement of financial position balances.

Exhibit 33: SAGCs – audit opinions, 2020–2024



Source: Audited financial statements of SAGCs from 2020 to 2024.

SOME MATTERS HAVE BEEN HIGHLIGHTED THROUGH “EMPHASIS OF MATTER” AND “OTHER MATTER” PARAGRAPHS IN THE 2024 AUDIT OPINIONS

131. Although the majority of audit opinions issued for the 2024 financial year were unqualified, I included “emphasis of matter” or “other matter” paragraphs in the unqualified audit opinions for 13 public bodies. I believe the matters highlighted in these paragraphs are significant, and I have brought them to the attention of users of the financial statements. Exhibit 34 summarises the significant issues raised as “emphasis of matter” or “other matter” paragraphs in the 2024 audit opinions.

Exhibit 34: Significant issues raised as “emphasis of matter” and “other matter” paragraphs in 2024 audit opinions

Public Body	Non-compliance with Public Management and Finance Act Sections 11 and 12	Non-Compliance with Public Authorities Act Section 47	Going Concern- Heavy Reliance on Central Government Support	Impairment of Loan Balances
CO	✓			
MBCL	✓			
CIMA		✓		
CAA		✓		
PoCS	✓			
CAYS	✓			
CIDB			✓	✓
OCP	✓			
MHA	✓			
MSCR	✓			
MTP	✓			
MYSH	✓			
MFSC	✓			

Source: Audit opinions for the respective public bodies.

132. The majority of “emphasis of matter” paragraphs were included in audit opinions because the *Supplementary Appropriation Bill* for additional funding was not introduced in Parliament by 31 March 2025. As mentioned earlier, two SAGCs are not compliant with section 47 (1) of the PAA. Finally, I included an “emphasis of matter” paragraph in the CIDB’s audit opinion because it relies heavily on central government support. This raises concerns about the CIDB’s going concern status, which is further exacerbated by the impairment of its loan balances. I have highlighted these issues in audits and General Reports for previous years.

133. Appendix E contains further information on the status of the 2024 audits. The appendix includes information about the types of audit opinions issued, the dates the financial statements were finalised, and the dates these were tabled in Parliament. It also contains information for the four previous years, 2020 to 2023, for trend and comparison purposes.

THE NUMBER OF BACKLOGGED AUDITS HAS INCREASED

134. As at 10 September 2025, 20 audits were backlogged. This number includes eight audits for public bodies and the EPS for the 2024 financial year, five for 2023, three for 2022, three for 2021 and one for 2020. Exhibit 35 provides details on the 20 backlogged audits. The number of backlogged audits has increased from last year, as only 18 audits were backlogged as of 10 September 2024.

Exhibit 35: Outstanding audits as at 10 September 2025

Audit	Year(s) Outstanding				
	2020	2021	2022	2023	2024
Ministry of Health and Wellness	✓	✓	✓	✓	✓
Cayman Islands Airport Authority		✓	✓	✓	✓
Entire Public Sector		✓	✓	✓	✓
Cayman Turtle Conservation and Education Center Limited				✓	✓
National Housing Development Trust				✓	✓
Ministry of Planning, Agriculture, Housing, Infrastructure, Transport and Development					✓
Cayman Airways Limited					✓
Cayman Islands National Museum					✓
Total	1	3	3	5	8

Source: OAG analysis of audit completion dates for financial statements.

135. Since the last General Report was published, my Office has completed the following six backlogged audits: the MHECH 2019 audit, the CTC 2022 audit, the MACI 2023 audit, the CAL 2023 audit, the CIAA 2020 audit and the MPAHITD 2023 audit.

THE QUALITY OF FINANCIAL INFORMATION FOR THE ENTIRE PUBLIC SECTOR NEEDS TO IMPROVE

136. The EPS account consolidates the financial statements of all public bodies and reports on executive transactions. None of the executive transactions for 2024 has been audited, as the EPS is still backlogged. The unaudited amounts across the EPS are significant. For example, for 2024, unaudited executive coercive revenues were reported to exceed \$1 billion.

137. The 2024, 2023 and 2022 financial year audits comprised 47 public bodies (including the OAG); this figure stood at 50 in 2021. As of 10 September 2025, the 2021–2024 EPS audits were either still ongoing or had yet to commence. The EPS audits for the previous four financial years (2016–17 to 2020) received adverse opinions. I am finalising the 2021 audit, and an adverse opinion will be issued because of various issues affecting the consolidated financial statements.
138. As reported in our 2023 General Report, several qualification points identified in the most recent audit opinion have rendered the EPS financial statements unreliable. The financial statements are materially misstated to such an extent across multiple areas that we issued an adverse opinion indicating that the financial statements cannot be relied on.
139. The issues reported in our most recently issued (2020) EPS audit qualification report were also identified in the 2021 audit. The following summary highlights the matters noted in the 2020 audit qualification report and provides an update on the amounts in the draft 2024 EPS accounts:
- **Unrecorded post-retirement healthcare liabilities (\$2.4 billion)** – This represents a significant understatement. The unaudited liability amount reported in the 2024 accounts totalled \$2.3 billion. Given the draft 2024 EPS net worth of \$2.5 billion, the proper inclusion of this liability would reduce the entity's net worth from \$2.5 billion to approximately \$200 million.
 - **Road network valuations unreliable (\$366.5 million)** – The road network lacks proper financial support, with an \$85.8 million discrepancy identified. The unaudited amount reported in the 2024 accounts was \$416 million.
 - **Revenue completeness uncertain (\$741.9 million)** – Management cannot provide assurances regarding the completeness and accuracy of coercive revenues. The unaudited amount reported in the 2024 accounts was \$1.044 billion, representing approximately 70 per cent of the total revenue reported in the 2024 draft EPS accounts.
 - **Incomplete consolidation (\$4.6 million)** – Pension board administration transactions were improperly excluded from the 2024 financial statements.
 - **Subsidiary audits incomplete** – Material adjustments were not processed due to various audit backlogs.
 - **Missing information in required disclosures** – Key management personnel, employee benefits, and budget information were not disclosed.
140. We have commented on and made recommendations regarding these issues in previous general reports and in our performance audit report, *"Improving Financial Accountability and Transparency: Financial Management and Reporting."*¹³ We recommended that the MFED develop and implement

¹³ *Improving Financial Accountability and Transparency: Financial Management and Reporting*, Office of the Auditor General, May 2021.

an action plan to improve the quality of the EPS's consolidated financial statements. The MFED shared an action plan with my office in October 2022.

141. The action plan included actions that would address most of the issues, some of which were due to be resolved between December 2022 and June 2023. The following were noted in the plan:

- exclusion of the PSPB balances from consolidation;
- poor controls over property, plant and equipment;
- issues in retirement benefits liabilities;
- incompleteness of revenue, receivables and unearned revenue;
- consolidated financial statement disclosures; and
- provisions and contingencies (environmental liabilities and legal claims).

142. We recommended in the 2022 General Report that MFED continue implementing the corrective action plan and resolving all qualification points to improve the quality of the EPS's consolidated financial statements. This would move the EPS accounts towards being eligible for the desired unqualified audit opinion. In March 2024, at the PAC hearing on the 2022 general report, MFED indicated that it had begun implementing some actions. In addition, the Accountant General undertook to provide PAC with a copy of MFED's action plan for improving the EPS audit opinion by 31 July 2024. PAC endorsed and supported our recommendation in its May 2024 report.

143. Based on the latest PAC hearing held on 4 September 2025, and the report *Improving Financial Accountability and Transparency: Long-term Financial Sustainability*, the Accountant General provided an update on the action plan. Based on the update, limited progress has been made in removing the audit qualification points.

144. On 17 September 2025, my Office received the latest action plan from the Accountant General. Based on the plans' review, only one action was marked as closed. This is related to the consolidated financial statement disclosures. The other five points are still ongoing, with no specific completion dates indicated.

THE TIMELINESS OF SUBMITTING AND TABLING ANNUAL REPORTS AND FINANCIAL STATEMENTS NEEDS TO IMPROVE

145. Financial information must be promptly accessible to key stakeholders and the public. The availability of financial information is crucial, as stakeholders require it for accountability and informed decision-making purposes. Financial statements are only useful if they are made available to users within a reasonable timeframe. The IPSAS and the PMFA require public bodies to publish their financial statements within six months of the end of the reporting period.

MOST PUBLIC BODIES SUBMIT THEIR FINANCIAL STATEMENTS ON TIME

146. The PMFA requires public bodies to submit their financial statements and annual reports to my office within two months of the end of the year (i.e., by the end of February each year). My office must audit the financial statements within two months (i.e., by 30 April each year).
147. The timeliness of submitting financial statements and completing audits has improved. For the 2024 reporting period, 45 of the 46 public bodies submitted their financial statements by the statutory deadline of 28 February 2025. The NHDT did not submit its 2024 financial statements on time. However, this was an improvement compared to 2023, when two public bodies submitted their financial statements after the statutory deadline had passed.

THE SUBMISSION AND TABLING OF ANNUAL REPORTS NEED TO IMPROVE

148. Annual reports enable stakeholders, legislators and citizens to understand how public bodies have used public resources and to hold the Government and public bodies accountable. In previous General Reports, I highlighted the importance of public bodies preparing annual reports and, more importantly, tabling them in Parliament on time to ensure proper accountability. The number of public bodies preparing annual reports has increased considerably.
149. However, the timeliness of submitting annual reports to my Office for review continues to be an area of concern. My office consistently receives annual reports after the statutory deadline has passed. The timeliness of these reports reaching Parliament, although improved, remains a matter of concern. Delays in tabling the annual report may significantly impair public sector accountability. Key stakeholders and the wider public do not receive timely information on entities' operations, and this reduces the relevance of these reports for accountability and decision-making.

SLIGHT IMPROVEMENT IN THE SUBMISSION OF ANNUAL REPORTS TO THE AUDITOR GENERAL

150. As reported above, the PMFA requires public bodies to submit their annual reports, which contain their respective financial statements, to my office within two months of the end of the year (i.e., by the end of February each year).
151. Of 46 public bodies, 36 submitted their annual reports to my office by the statutory deadline. Ten public bodies (the AOA, the CIAA, the CIP, the MIISD, the NHDT, the NRA, SIF, the CINAA, the UCCI and URCO) did not. This is a slight improvement on 2023, when 11 public bodies missed the statutory deadline.

CONCERN REMAINS ABOUT THE TABLING OF ANNUAL REPORTS IN PARLIAMENT

152. The PMFA also requires public bodies to submit their annual reports, which contain financial statements and the audit opinion, to the Cabinet for noting within five months of the end of the

year (i.e., 31 May). This is a pivotal step that completes the accountability chain. Despite recent improvements, the financial statements and associated annual reports need to be tabled in Parliament in a more timely manner. I remain concerned about the significant time it took for many of these reports to reach Parliament, as well as the number of annual reports that have yet to be tabled.

153. A total of 52 annual reports for the financial years 2020 to 2024 have not yet been tabled. As of 10 September 2025, only 10 (28 per cent) of the 36 public bodies for which audits had been completed by the statutory deadline had managed to lay their 2024 annual reports in Parliament. This is disappointing, as my office had completed these audits by 30 April 2025. Parliament met once in July 2025, presenting an opportunity to table these annual reports.

154. Exhibit 36 shows the number of annual reports tabled annually and the financial period that each report relates to. Only 10 annual reports for the financial year 2024 have been tabled.

Exhibit 36: Number of annual reports tabled annually, 2020–2025

Tabled in Parliament								
Financial Year	Total entities	2021	2022	2023	2024	2025	Total Tabled	Outstanding
2020	41	23	11	1	2	0	37	6
2021	46	—	29	10	6	0	45	5
2022	43	—	—	21	9	1	31	16
2023	41	—	—	—	32	2	34	13
2024	38	—	—	—	—	10	10	37
Total								52

Source: Order papers from the Parliament website.

Note: Annual reports and financial statements tabled as at 10 September 2025. The table has full years (12 months) from 2021 to 2024 and nine months for 2025.

155. Exhibit 36 shows that between 2020 and 2024, at least 41 annual reports were submitted to the Cabinet for noting each year. As of 10 September 2025, 10 annual reports had been submitted for 2024. Exhibit 36 also shows that many old annual reports were submitted to the Cabinet for noting between 2020 and 2024. Most annual reports are now tabled in the same year as the audit is completed. However, very few annual reports are tabled within two months of the audits being completed. Because Parliament did not sit before July 2025, due to the 2025 general elections, no annual reports for 2024 were tabled within two months of audits being completed.

CONCLUSION

156. This report provides a comprehensive assessment of the audits of public bodies' 2024 financial statements and presents a mixed picture of financial performance alongside persistent systemic weaknesses that require immediate attention.
157. My Office completed 36 audits of the 46 public bodies mandated for audit by the statutory deadline of 30 April 2025, with an additional three audits finalised after the deadline. However, seven audits for the 2024 financial year remain outstanding due to either accumulated backlogs from prior years or unresolved matters from the 2024 audits. The current audit backlog comprises 16 incomplete audits of public bodies and four Entire Public Sector (EPS) audits.
158. During 2024, my Office audited approximately \$2 billion in entity transactions out of the \$3.7 billion (entity plus executive) transactions. This was from 39 completed audits, encompassing \$1 billion in revenue and \$986 million in expenditures. The seven pending public body audits represent unaudited budgeted amounts of \$264 million in revenue and \$270 million in expenditure. Additionally, substantial executive transactions remain unaudited due to the EPS backlog, including an estimated \$1 billion in coercive revenue and \$194 million in executive expenditure.

SAGCS' FINANCIAL PERFORMANCE AND POSITION

159. SAGCs achieved a combined operating surplus of \$3.8 million in 2024, though this masks significant variation among individual entities. Of the 21 SAGCs audited, 15 recorded operating surpluses, one broke even, and five incurred operating deficits. The actual financial performance varied substantially from budgeted expectations, with most SAGCs performing better than anticipated; however, six performed worse than budgeted.
160. Eight SAGCs recorded operating surpluses valued at more than 10 per cent of their operating expenses, with CIMA recording the largest at \$8.6 million. Other significant surplus makers included SIF at \$6.9 million, CAA at \$3.3 million, and CISX at \$2.8 million. Conversely, HSA recorded the largest operating deficit of \$12.4 million despite receiving \$25.6 million in government funding and earning \$179 million from other sources. This raises serious concerns about financial management, funding adequacy, and operational efficiency.
161. SAGC revenue composition reveals a healthy degree of self-sufficiency, with 81 per cent of the \$606 million total revenue derived from fees and charges, while government funding accounted for 19 per cent. However, nine SAGCs rely on government funding for more than 50 per cent of their revenue, with three – NDC, AOA and CAYS entirely dependent on continued government assistance for over 90 per cent of their funding. SAGC expenditure has grown substantially, increasing by 47 per

cent over the five years from \$421 million in 2020 to \$617 million in 2024, with personnel costs rising by 38 per cent to almost \$293 million.

162. Most SAGCs maintain healthy short-term financial positions, with over \$1.9 billion (including \$1.4 billion investments for pension plans) in current assets against current liabilities of just over \$270 million. However, the most serious long-term financial challenge facing SAGCs is related to post-retirement healthcare obligations, totalling \$394 million in 2024, representing a 8 per cent increase from \$364 million in 2020. These unfunded liabilities create extreme volatility and uncertainty that severely hampers effective financial planning and budget preparation.

CORE GOVERNMENT FINANCIAL PERFORMANCE AND POSITION

163. Core government entities demonstrated strong overall financial performance, achieving a combined operating surplus of over \$31 million in 2024, a significant improvement from the \$11 million reported in 2020. Of the 18 core government entities audited, 11 recorded surpluses, five broke even, and two incurred deficits. The actual financial performance varied significantly from budgeted expectations, with most entities performing better than budget. Core government revenue increased to \$670 million in 2024, with 91 per cent attributed to Cabinet appropriations. Expenditure was \$639 million in 2024, with MOE accounting for 23 per cent of the total spend. Personnel costs accounted for 68 per cent of total expenditure, increasing by 36 per cent from 2020 to \$432 million in 2024.
164. Three core government entities made surpluses valued at more than 10 per cent of their expenses. MBCL recorded the largest surplus at \$16.4 million, attributed to unbudgeted investment revenue and donations alongside lower-than-anticipated expenses. MIISD generated a surplus of almost \$6.6 million, primarily due to underspending on supplies, consumables, and personnel costs. PoCS achieved a surplus of nearly \$4.4 million through similar expenditure savings while maintaining consistent revenue levels.
165. Core government entities maintain exceptionally strong liquidity positions, with nearly \$543 million in current assets, including \$334 million in cash balances, against approximately \$139 million in current liabilities. MOE held the most significant net working capital position of \$176 million, demonstrating the sector's robust financial position.

QUALITY OF FINANCIAL STATEMENTS AND AUDIT ADJUSTMENTS

166. The most critical concern emerging from our 2024 audits is the persistently poor quality of financial statements submitted for audit, as evidenced by the extensive corrections required after submission. During the audit, a total of 336 adjustments, valued at \$150 million, were made after the financial statements were submitted, affecting the overall financial performance and position of public bodies. These adjustments increased revenue by over \$8.6 million and expenditure by over \$9

million, resulting in a decrease of the combined surplus by \$679,000 while improving the overall net worth by approximately \$36 million.

167. The extent of these adjustments varies dramatically among public bodies, with HSA requiring the highest value of adjustments at \$64 million, followed by CIMA at \$37 million. The top five public bodies with the highest adjustment values account for 83 per cent of the total value of adjustments and 30 per cent of the total number of adjustments. Such extensive post-submission corrections indicate that critical policy and operational decisions throughout the year may be based on inaccurate financial information, undermining effective governance and decision-making processes.
168. The quality issues extend beyond 2024 to backlogged audits, where completed engagements since the last General Report reveal even more concerning patterns. The 2020 CIAA audit required 47 adjustments worth \$31.9 million, while the 2023 MACI audit necessitated 11 adjustments worth \$10.5 million, indicating that poor financial statement preparation quality significantly contributes to audit backlogs and delays.

SIGNIFICANT FINDINGS FROM THE AUDITS OF PUBLIC BODIES

169. The 2024 audits identified 163 significant findings across five operational categories, with financial management representing the most critical area of concern. This accounted for 72 findings or 44 per cent of all identified issues. These deficiencies affect basic controls such as bank reconciliations, general ledger reviews, and revenue management, indicating fundamental weaknesses in financial oversight across many public bodies. Financial management issues were identified across seven key areas, with financial controls and processes being the most prevalent, affecting various public bodies. Common issues included poor bank reconciliation, inadequate ledger reviews, and weak budgeting processes. Furthermore, revenue management issues impacted several public bodies. This involves improper revenue recognition.
170. Non-compliance with Acts and Regulations emerged as the second most significant concern, with 71 findings affecting multiple public bodies. The most concerning pattern is the systematic violation of procurement legislation, with 57 instances affecting 20 public bodies. This represents 80 per cent of all compliance breaches. These violations occur several years after the Procurement Act and Regulations came into force, indicating either a fundamental misunderstanding or deliberate circumvention of competitive procurement principles. These compliance failures indicate widespread systematic issues in adherence to statutory requirements across the public sector.
171. Beyond procurement violations, additional compliance failures include breaches of the Public Authorities Act, with two SAGCs, CIMA and CAA, still not complying with Section 47 salary requirements. This is occurring five years after Section 47 came into force in June 2019.

AUDIT STATUS

172. Of the 39 audits completed for 2024, 38 received unqualified opinions, indicating that the financial statements generally present a fair view of financial performance and position. However, this achievement came only after extensive adjustments and corrections during the audit process. MACI received a qualified audit opinion due to issues with revenue completeness, continuing a pattern from the previous year.
173. Thirteen public bodies' audit opinions included emphasis-of-matter or other-matter paragraphs that drew attention to significant issues. Nine core government entities' and one SAGC's opinions highlighted the failure to table the 2024 Supplementary Appropriation Bill by the required 31 March 2025 deadline, representing a significant breakdown in parliamentary process that undermines constitutional expenditure authorisation and democratic accountability mechanisms. Two SAGCs – CIMA and CAA received emphasis of matter paragraphs for non-compliance with section 47 of the Public Authorities Act. At the same time, CIDB's opinion highlights the heavy reliance on central government support and issues related to loan balance impairment.
174. The timeliness of annual report submission and parliamentary tabling continues to deteriorate. Thirty-six of 46 public bodies submitted their 2024 annual reports to my Office by the statutory deadline, and only 10 of 36 finalised annual reports were tabled in Parliament by mid-September 2025. Over the five years from 2020 to 2024, a total of 52 annual reports remain untabled in Parliament, representing a fundamental breakdown in the accountability process that limits transparency and public oversight.

ENTIRE PUBLIC SECTOR FINANCIAL STATEMENTS AND CONSOLIDATION ISSUES

175. The EPS financial statements remain unreliable for decision-making purposes. The Auditor General has issued adverse opinions on the four most recently completed EPS audits (covering financial years 2016-17 through 2020) due to material misstatements totalling billions of dollars. The 2024 draft EPS financial statements report significant unresolved qualification points that continue from previous years, including \$2.3 billion in unrecorded post-retirement healthcare liabilities that would nearly eliminate the entire \$2.5 billion net worth if properly recorded.
176. Additional unresolved issues include \$416 million in unsupported road network valuations and management's inability to provide assurances on the completeness and accuracy of over \$1 billion in coercive revenue, representing approximately 70 per cent of total EPS revenue. The EPS financial statements do not properly consolidate the results of public bodies, partly due to the 16 backlogged audits, creating a cascade effect that undermines the reliability of government-wide financial reporting.
177. MFED's action plan to address these qualification points shows limited progress, with only one action marked as closed related to consolidated financial statement disclosures. In contrast, five

other critical points remain ongoing without specific completion dates. This lack of progress threatens the continued reliability of consolidated financial statements and hinders effective government-wide financial management and decision-making.

THE WAY FORWARD

178. The findings in this report demonstrate that while individual public bodies may achieve clean audit opinions and positive financial results, underlying systemic weaknesses in financial management, regulatory compliance, and governance frameworks require immediate and comprehensive corrective action. The concentration of issues in financial statement preparation quality and procurement compliance indicates fundamental problems that extend beyond individual entity performance to encompass sector-wide control and oversight mechanisms.
179. MFED must implement comprehensive measures to improve financial statement preparation quality, including enhanced pre-audit review processes, strengthened internal controls, and systematic training programs for finance staff across all public bodies. The persistent pattern of extensive post-submission adjustments undermines confidence in financial information used for decision-making throughout the year and requires immediate intervention.
180. Public bodies must immediately implement robust procurement compliance frameworks, with a particular emphasis on justifications for direct awards, committee approvals, and publication requirements. The systematic nature of procurement violations across various public bodies indicates that current oversight mechanisms are inadequate and require strengthening.
181. The audit backlog situation demands urgent attention through a comprehensive elimination plan with specific timelines and accountability measures, particularly for EPS consolidation, where the reliability of government-wide financial reporting remains compromised. The \$394 million in SAGCs' post-retirement healthcare liabilities requires coordinated action to establish consistent actuarial valuation processes and develop sustainable funding strategies.
182. Parliament must treat the restoration of timely annual report submission and tabling as an urgent priority to repair the fundamental breakdown in accountability processes. The current situation, where 52 annual reports spanning five years remain untabled, represents a significant failure in democratic oversight and transparency that requires immediate attention.



Patrick Smith, CPA, CFE
Auditor General

30 September 2025
Cayman Islands

APPENDIX A – FINANCIAL TREND ANALYSIS: STATUTORY AUTHORITIES AND GOVERNMENT COMPANIES

183. In this appendix, we report a trend analysis of the financial performance of the 26 SAGCs for 2020 to 2024. As of 10 September 2025, the following 10 SAGC audits were backlogged for these five years:

- the CAL and MUS audits for 2024, which are ongoing;
- the audits for the CIAA for 2021, 2022, 2023 and 2024, which are either ongoing or backlogged;
- the CTC and NHDT audits for 2023, which are ongoing, and for 2024, which have not yet started.

For the SAGCs with backlogged audits, we have used numbers provided in budgets.

184. Exhibit 37 provides details of each SAGC's overall annual surplus or deficit for each of the five years. Exhibit 38 provides details of each SAGC's annual operating surplus or deficit. Exhibit 39 provides details of each SAGC's actual operating surplus or deficit for 2024 compared with what had been budgeted for. Exhibit 40 provides details of revenue for each SAGC. Exhibit 41 shows revenue by source in 2024. Exhibit 42 details the expenditure reported for each SAGC.

185. The following notes apply to the exhibits that follow, where an asterisk has been used:

- CAL amounts for 2020 to 2023 converted from USD at a rate of 0.84. CAL amounts for 2024 are from the budget, which is expressed in KYD.
- The amounts for PSPB are primarily related to the administration of the pension plans, apart from Exhibit 37, which includes the overall performance, including pension plans. As reported earlier, PSPB does not have significant operating revenue streams to offset the operating expenses. Amounts for CINICO primarily relate to the administration of insurance services, except for Exhibit 37, which presents the overall performance.
- Budget amounts have been used for CAL for 2024.
- Budget amounts have been used for CIAA for 2021, 2022, 2023, and 2024.
- Budget amounts have been used for CINM for 2024.
- Budget amounts have been used for CTC for 2023 and 2024
- Budget amounts have been used for NHDT for 2023 and 2024

Exhibit 37: Overall surplus/(deficit) by SAGC, 2020–2024

Public Body	2020	2021	2022	2023	2024
Auditors Oversight Authority	55,576	—	—	—	—
Cayman Airways Limited *	(464,255)	(4,216,183)	(11,073,681)	(9,612,803)	(13,086,854)
Cayman Islands Airport Authority *	(10,505,673)	(16,304,424)	(1,220,495)	5,786,678	20,156,000
Cayman Islands Development Bank	283,035	166,054	(826,630)	(1,531,128)	53,456
Cayman Islands Monetary Authority	3,752,000	5,711,000	13,700,000	21,745,000	12,660,000
Cayman Islands National Attractions Authority	(142,139)	212,305	85,884	737,397	172,167
Cayman Islands National Museum *	43,324	1,301	8,819	3,218	4,311
Cayman National Cultural Foundation	3,130,084	(130,981)	(50,737)	(226,022)	160,006
Cayman Islands Stock Exchange	2,125,678	2,473,429	1,813,720	1,970,251	2,765,350
Cayman Turtle Conservation and Education Center Limited *	(10,708,525)	(10,135,644)	(9,578,021)	(7,098,259)	(9,486,575)
Children & Youth Services Foundation	288,677	148,040	133,953	219,446	(53,184)
Cayman Islands National Insurance Company	10,547,859	1,437,310	11,011,363	8,376,156	3,105,784
Civil Aviation Authority	1,203,822	3,791,150	6,410,346	3,451,798	4,712,436
Health Services Authority	(34,010,270)	55,049,275	49,689,542	(82,863,225)	20,187,548
Maritime Authority	(957,277)	2,621,494	3,447,398	1,672,290	2,049,077
National Drug Council	108,042	108,374	54,798	11,950	114,562
National Gallery of the Cayman Islands	3,178,837	4,641	85,886	107,812	(129,518)
National Housing Development Trust *	(1,107,000)	(799,000)	(2,260,000)	(1,364,942)	(3,138,454)
National Roads Authority	(1,472,602)	(353,116)	1,577,153	3,702,436	2,340,052
Port Authority of the Cayman Islands	(11,962,936)	11,055,068	16,036,821	(3,130,200)	(1,600,693)
Public Service Pensions Board*	142,923,000	146,096,000	(196,020,000)	193,686,000	200,250,000
Segregated Insurance Fund of the Cayman Islands	5,442,492	5,609,740	6,135,636	6,595,830	6,903,620
Sister Islands Affordable Housing Development Corporation	—	22,000	—	—	10,526
University College of the Cayman Islands	330,738	2,728	(878,542)	(936,318)	(597,404)
Utilities Regulation and Competition Office	716,665	1,137,056	442,924	609,636	782,271
Water Authority of the Cayman Islands	623,096	(14,171,445)	10,194,564	(2,459,739)	9,579,811
Total	103,422,248	189,536,172	(101,079,299)	139,453,262	257,914,295

Exhibit 38: Operating surplus/(deficit) by SAGC, 2020–2024

Public Body	2020	2021	2022	2023	2024
Auditors Oversight Authority	55,576	—	—	—	—
Cayman Airways Limited*	(464,255)	(4,216,183)	(11,073,681)	(9,612,803)	(13,086,854)
Cayman Islands Airport Authority *	(10,505,673)	(16,304,424)	(1,220,495)	5,786,678	20,156,000
Cayman Islands Development Bank	240,544	(328,946)	(826,630)	(497,128)	131,456
Cayman Islands Monetary Authority	5,749,000	2,048,000	8,711,000	18,721,000	8,573,000
Cayman Islands National Attractions Authority	(142,139)	212,305	85,884	737,397	172,167
Cayman Islands National Museum*	43,324	1,301	8,819	3,218	4,311
Cayman National Cultural Foundation	3,130,084	(130,981)	(50,737)	(226,022)	160,006
Cayman Islands Stock Exchange	2,125,678	2,473,429	1,813,720	1,970,251	2,765,350
Cayman Turtle Conservation and Education Center Limited*	(10,708,525)	(10,135,644)	(9,578,021)	(7,098,259)	(9,486,575)
Children & Youth Services Foundation	288,677	148,040	133,953	219,446	(53,184)
Cayman Islands National Insurance Company	(3,032,902)	(3,486,253)	68,469	(251,769)	1,236,066
Civil Aviation Authority	2,359,822	3,743,150	3,029,346	2,744,798	3,332,436
Health Services Authority	1,211,730	8,062,512	(5,174,476)	(7,092,225)	(12,437,452)
Maritime Authority	503,723	683,494	2,053,398	1,001,290	621,077
National Drug Council	108,042	108,374	54,798	11,950	114,562
National Gallery of the Cayman Islands	3,178,837	4,641	85,886	107,812	(129,518)
National Housing Development Trust*	(1,107,000)	(799,000)	(2,260,000)	(1,364,942)	(3,138,454)
National Roads Authority	(1,472,602)	(353,116)	1,577,153	3,702,436	2,340,052
Port Authority of the Cayman Islands	(3,968,936)	(3,527,174)	(4,230,179)	(1,956,200)	685,307
Public Service Pensions Board*	(3,944,000)	(4,095,000)	(6,820,000)	(6,202,000)	(5,997,000)
Segregated Insurance Fund of the Cayman Islands	5,442,492	5,609,740	6,135,636	6,595,830	6,903,620
Sister Islands Affordable Housing Development Corporation	—	22,000	—	—	10,526
University College of the Cayman Islands	330,738	2,728	(878,542)	(936,318)	(597,404)
Utilities Regulation and Competition Office	716,665	1,137,056	442,924	609,636	782,271
Water Authority of the Cayman Islands	5,043,096	(27,231,445)	2,094,564	(3,006,739)	744,811
Total	(4,818,004)	(46,351,396)	(15,817,211)	3,967,337	3,806,577

Exhibit 39: SAGCs – actual surplus/deficit versus budgeted surplus/deficit, 2024

Public Body	2024 actual operating surplus/(deficit)	2024 budgeted surplus/deficit	Variance
Cayman Islands Monetary Authority	8,573,000	493,053	8,079,947
Segregated Insurance Fund of the Cayman Islands*	6,903,620	N/A	N/A
Civil Aviation Authority	3,332,436	3,234,901	97,535
Cayman Islands National Insurance Company	1,236,066	1,398,338	162,272
Cayman Islands Stock Exchange	2,765,350	1,493,672	1,271,678
National Roads Authority	2,340,052	(2,479,000)	4,819,052
Utilities Regulation and Competition Office	782,271	(640)	782,911
Water Authority of the Cayman Islands	744,811	1,083,298	(338,487)
Port Authority of the Cayman Islands	685,307	(1,285,169)	1,970,476
Maritime Authority	621,077	809,221	(188,144)
Cayman Islands National Attractions Authority	172,167	(279,167)	451,334
Cayman National Cultural Foundation	160,006	(353,168)	513,174
Cayman Islands Development Bank	131,456	(187,507)	318,963
National Drug Council	114,562	—	114,562
Sister Islands Affordable Housing Development Corporation	10,526	(163,590)	174,116
Auditor Oversight Authority	—	(75,515)	75,515
Children & Youth Services Foundation	(53,184)	(415,267)	362,083
National Gallery of the Cayman Islands	(129,518)	(78,975)	(50,543)
University College of the Cayman Islands	(597,404)	—	(597,404)
Public Service Pensions Board*	(5,997,000)	—	(5,997,000)
Health Services Authority	(12,437,452)	662,068	(13,099,520)
Total	9,358,149	3,856,553	(1,402,024)

Exhibit 40: Revenue by SAGC, 2020–2024

Public Body	2020	2021	2022	2023	2024
Auditors Oversight Authority	347,925	291,920	272,483	298,525	304,072
Cayman Airways Limited*	63,370,440	48,806,520	73,608,622	87,956,686	81,330,144
Cayman Islands Airport Authority*	33,711,651	34,340,699	24,221,616	36,228,078	55,417,191
Cayman Islands Development Bank	2,099,985	1,728,929	1,381,801	2,016,981	2,753,438
Cayman Islands Monetary Authority	41,771,000	42,671,000	53,531,000	65,356,000	56,447,000
Cayman Islands National Attractions Authority	2,372,389	2,809,614	2,811,846	4,147,698	3,782,397
Cayman Islands National Museum*	980,197	925,085	1,063,278	1,062,726	1,243,496
Cayman National Cultural Foundation	4,372,114	1,383,744	1,407,606	1,654,755	2,008,994
Cayman Islands Stock Exchange	3,931,130	4,597,751	4,034,440	4,221,004	5,066,108
Cayman Turtle Conservation and Education Center Limited*	9,613,566	9,640,247	5,840,469	7,481,212	6,664,458
Children & Youth Services Foundation	3,214,253	3,274,547	3,233,940	3,271,455	3,475,926
Cayman Islands National Insurance Company*	1,273,559	1,369,482	1,940,810	2,739,829	3,555,360
Civil Aviation Authority	7,340,468	8,807,994	8,981,622	9,971,790	10,339,161
Health Services Authority	145,426,102	169,073,757	165,889,431	176,807,029	204,541,610
Maritime Authority of the Cayman Islands	10,532,775	10,639,431	11,626,044	12,301,370	11,993,153
National Drug Council	703,472	721,798	741,833	743,035	896,154
National Gallery of the Cayman Islands	4,385,175	1,117,480	1,426,034	1,596,453	1,347,198
National Housing Development Trust*	1,115,000	808,000	1,854,000	860,023	12,460,023
National Roads Authority	20,757,037	33,409,550	30,492,593	39,820,238	37,610,062
Port Authority of the Cayman Islands	21,853,149	22,280,219	23,991,007	27,583,836	35,073,139
Public Service Pensions Board	259,000	308,000	63,000	585,000	839,000
Segregated Insurance Fund of the Cayman Islands	5,451,492	5,617,740	6,143,636	6,603,830	6,911,620
Sister Islands Affordable Housing Development Corporation	40,000	68,000	45,000	40,000	54,805
University College of the Cayman Islands	10,942,742	10,912,407	10,937,722	14,221,775	13,724,791
Utilities Regulation and Competition Office	5,471,026	5,783,086	6,052,044	6,494,605	6,466,220
Water Authority of the Cayman Islands	33,063,973	34,172,955	37,151,471	40,138,936	42,032,583
Total	434,399,620	455,559,955	478,743,348	554,202,869	606,338,103

Exhibit 41: SAGC revenue by source, 2024

Public Body	Revenues from Govt (Outputs)	Revenue from Other Sources	Total Revenue
	\$	\$	\$
Health Services Authority	25,635,954	178,905,656	204,541,610
Cayman Airways Limited*	18,569,000	62,761,144	81,330,144
Cayman Islands Monetary Authority	25,318,000	31,129,000	56,447,000
Cayman Islands Airport Authority*	—	55,417,191	55,417,191
Water Authority of the Cayman Islands	—	42,032,583	42,032,583
National Roads Authority	22,078,496	15,531,566	37,610,062
Port Authority of the Cayman Islands	—	35,073,139	35,073,139
University College of the Cayman Islands	9,440,256	4,284,535	13,724,791
National Housing Development Trust*	710,000	11,750,023	12,460,023
Maritime Authority of the Cayman Islands	312,129	11,681,024	11,993,153
Civil Aviation Authority	—	10,339,161	10,339,161
Segregated Insurance Fund of the Cayman Islands	—	6,911,620	6,911,620
Cayman Turtle Conservation and Education Center Limited*	—	6,664,458	6,664,458
Utilities Regulation and Competition Office	1,678,424	4,787,796	6,466,220
Cayman Islands Stock Exchange	—	5,066,108	5,066,108
Cayman Islands National Attractions Authority	1,980,000	1,802,397	3,782,397
Children & Youth Services Foundation	3,216,500	259,426	3,475,926
Cayman Islands National Insurance Company*	—	3,555,360	3,555,360
Cayman Islands Development Bank	605,267	2,148,171	2,753,438
Cayman National Cultural Foundation	1,176,250	685,784	1,862,034
National Gallery of the Cayman Islands	774,000	573,198	1,347,198
Cayman Islands National Museum*	891,920	326,126	1,218,046
National Drug Council	862,441	33,713	896,154
Public Service Pensions Board*	—	839,000	839,000
Auditor Oversight Authority	290,505	13,567	304,072
Sister Islands Affordable Housing Development Corporation	—	54,805	54,805
Total	113,539,142	492,773,511	606,338,103

Exhibit 42: Expenses by SAGC, 2020–2024

Public Body	2020	2021	2022	2023	2024
Auditors Oversight Authority	292,349	291,920	272,483	298,525	304,072
Cayman Airways Limited*	61,416,497	52,123,663	84,682,303	52,123,663	94,416,998
Cayman Islands Airport Authority*	33,007,240	32,715,643	30,167,696	34,959,670	35,241,186
Cayman Islands Development Bank	1,859,441	2,057,875	2,208,431	2,514,109	2,621,982
Cayman Islands Monetary Authority	36,022,000	40,623,000	44,820,000	46,635,000	47,874,000
Cayman Islands National Attractions Authority	2,514,528	2,597,309	2,725,961	3,410,301	3,610,230
Cayman Islands National Insurance Company*	4,306,461	4,855,735	6,226,727	10,343,827	10,918,338
Cayman Islands National Museum*	936,873	923,784	1,060,648	1,065,751	1,239,185
Cayman Islands Stock Exchange Ltd	1,805,452	2,124,322	2,220,720	2,250,753	2,300,758
Cayman National Cultural Foundation	1,242,030	1,514,725	1,458,343	1,880,777	1,848,988
Cayman Turtle Conservation and Education Centre Limited*	16,318,780	16,320,272	16,320,727	16,539,350	16,151,033
Children & Youth Services Foundation	2,925,576	3,126,507	3,099,987	3,064,131	3,529,110
Civil Aviation Authority	4,980,646	5,064,843	5,952,276	7,226,992	7,006,725
Health Services Authority	144,214,372	161,011,245	171,063,908	183,899,254	216,979,061
Maritime Authority of the Cayman Islands	9,066,157	10,354,058	10,718,972	11,573,772	11,799,193
National Drug Council	595,430	613,424	687,035	731,084	781,592
National Gallery of the Cayman Islands	1,206,338	1,112,839	1,340,148	1,488,641	1,476,715
National Housing Development Trust*	1,831,000	1,607,000	2,367,000	2,518,451	15,598,477
National Roads Authority	22,229,639	33,762,666	28,915,440	36,117,802	35,270,010
Port Authority of the Cayman Islands	25,831,898	25,814,718	28,226,612	29,590,146	34,594,245
Public Service Pensions Board*	4,203,000	4,403,000	6,883,000	6,787,000	6,836,000
Segregated Insurance Fund of the Cayman Islands	9,000	8,000	8,000	8,000	8,000
Sister Islands Affordable Housing Development Corporation	40,000	46,000	45,000	40,630	44,279
University College of the Cayman Islands	10,612,004	10,909,679	11,531,801	15,158,093	14,322,195
Utilities Regulation and Competition Office	4,624,837	4,646,030	5,525,053	5,884,969	5,683,949
Water Authority of the Cayman Islands	29,046,290	63,492,090	37,365,982	47,005,187	46,108,173
Total	421,137,838	482,120,347	505,894,253	523,115,878	616,564,494

APPENDIX B – FINANCIAL TREND ANALYSIS: MINISTRIES, PORTFOLIOS AND OFFICES

186. In this appendix, we present our findings from the trend analysis of the financial performance of each core government entity for the five-year period from 2020 to 2024. As of 10 September 2025, audits for the following two core government entity audits were backlogged for the five-year period or were ongoing, and we have therefore used numbers provided in budgets:

- the MHW audits for 2024, 2023, 2022, 2021 and 2020 were backlogged;
- the 2024 audit for the MPAHITD was ongoing.

187. In addition, due to the reorganisation of ministries that occurred after the 2021 election, the composition of some ministries is not comparable across all years presented.

188. Exhibit 43 provides details of each entity-reported surplus or deficit for the five years from 2020 to 2024. Exhibit 44 shows, for each entity, the actual surpluses or deficits for 2024 compared to those budgeted. Exhibit 45 shows total revenue for five years, and Exhibit 46 details reported expenditure.

189. The following notes apply to the next exhibits where asterisks have been used:

- Cayman Islands Parliament was established on 1 January 2021.
- MHA, MIISD, MDAL, MSCR and MYSH were established after the general election on 1 July 2021.
- Budget amounts have been used for MPAHITD for 2024
- Budget amounts have been used by the Ministry of Health and Wellness (MHW) for 2020, 2021, 2022, 2023, and 2024.
- The Ministry of Community Affairs and the Ministry of International Trade, Investment, Maritime and Aviation were closed after the general election on 30 June 2021.

Exhibit 43: Surplus/(deficit) by MPO, 2020–2024

Public Body	2020	2021	2022	2023	2024
Cabinet Office	203,000	984,000	507,000	2,058,000	1,576,000
Cayman Islands Parliament	-	249,000	446,000	—	230,000
Judicial Administration	233,000	231,000	390,000	260,000	195,000
Ministry of Border Control, Labour and Culture	3,227,000	643,000	15,544,000	8,078,000	16,377,000
Ministry of District Administration and Lands	-	178,000	34,000	—	92,000
Ministry of Education	696,000	7,390,000	—	—	—
Ministry of Finance & Economic Development	3,000	—	—	—	—
Ministry of Financial Services and Commerce	—	437,000	390,000	—	486,000
Ministry of Health and Wellness*	422,000	395,000	1,914,000	528,759	11,730
Ministry of Home Affairs	—	1,548,000	(1,560,000)	(1,263,000)	(34,000)
Ministry of Investment, Innovation and Social Development	—	536,000	4,157,000	4,954,000	6,577,000
Ministry of Planning, Agriculture, Housing, Infrastructure, Transport and Development*	160,000	(1,802,000)	(241,000)	(1,084,000)	—
Ministry of Sustainability & Climate Resiliency	—	513,000	565,000	1,151,000	845,000
Ministry of Tourism and Ports	908,000	2,015,000	565,000	1,247,000	42,000
Ministry of Youth, Sports and Heritage	—	44,000	(92,000)	95,000	(11,000)
Office of the Commissioner of Police	(137,000)	(394,000)	34,000	100,000	433,000
Office of the Director of Public Prosecution	466,000	226,000	—	—	—
Office of the Ombudsman	109,000	112,000	—	190,000	—
Portfolio of the Civil Service	2,179,000	2,023,000	3,847,000	3,424,000	4,371,000
Portfolio of Legal Affairs	2,337,000	1,834,000	—	—	—
Total	10,806,000	17,162,000	26,500,000	19,738,756	31,190,730

Exhibit 44: Actual surplus/(deficit) compared to budget by MPO, 2024

Core government entity	2024 Surplus/ (deficit)	2024 Budgeted surplus/(deficit)	Variance
Cabinet Office	1,576,000	—	1,576,000
Cayman Islands Parliament	230,000	—	230,000
Judicial Administration	195,000	—	195,000
Ministry of Border Control, Labour and Culture	16,377,000	11,925,000	4,452,000
Ministry of District Administration and Lands	92,000	—	92,000
Ministry of Education	—	—	—
Ministry of Finance & Economic Development	—	—	—
Ministry of Financial Services and Commerce	486,000	—	486,000
Ministry of Home Affairs*	(34,000)	—	(34,000)
Ministry of Investment, Innovation and Social Development	6,577,000	60,000	6,517,000
Ministry of Sustainability and Climate Resiliency	845,000	—	845,000
Ministry of Tourism and Ports	42,000	—	42,000
Ministry of Youth, Sports and Heritage *	(11,000)	38,000	(49,000)
Office of the Commissioner of Police	433,000	312,000	121,000
Office of the Director of Public Prosecution	—	—	—
Office of the Ombudsman	—	—	—
Portfolio of Legal Affairs	—	—	—
Portfolio of the Civil Service	4,371,000	1,241,000	3,130,000
Total	31,179,000	13,576,000	17,603,000

Exhibit 45: Total revenue by MPOs, 2020 to 2024

Public Body	2020 (\$'000)	2021 (\$'000)	2022 (\$'000)	2023 (\$'000)	2024 (\$'000)
Cabinet Office	10,020	11,971	13,337	14,540	19,367
Cayman Islands Parliament	N/A	2,228	2,733	2,776	3,108
Director of Public Prosecutions	4,354	4,412	4,523	4,958	5,527
Judicial Administration	8,753	10,389	11,560	12,327	12,921
Ministry of Border Control, Labour and Culture	43,609	46,619	65,833	59,191	75,133
Ministry of Community Affairs	13,405	8,042	N/A	N/A	N/A
Ministry of District Administration and Lands	N/A	8,946	17,901	19,883	22,353
Ministry of Education	116,757	121,112	117,030	131,329	145,005
Ministry of Finance and Economic Development	14,636	17,271	16,590	18,031	12,547
Ministry of Financial Services and Commerce	N/A	7,622	18,137	21,463	22,785
Ministry of Financial Services & Home Affairs	58,252	31,788	N/A	N/A	N/A
Ministry of Health and Wellness*	42,788	41,614	31,464	37,729	50,578
Ministry of Home Affairs	N/A	25,850	50,508	54,087	55,391
Ministry of International Trade, Investments, Aviation and Maritime Affairs	3,693	2,768	N/A	N/A	N/A
Ministry of Investment, Innovation and Social Development	N/A	17,836	40,195	44,799	49,843
Ministry of Planning, Agriculture, Housing, Infrastructure, Transport and Development*	44,985	47,102	47,164	55,745	56,643
Ministry of Sustainability & Climate Resiliency	N/A	5,368	12,708	17,091	10,987
Ministry of Tourism and Ports	30,147	28,995	25,606	26,395	28,009
Ministry of Youth, Sports and Heritage	N/A	3,347	6,827	8,007	8,998
Office of the Commissioner of Police	47,920	51,426	52,653	57,411	58,232
Office of the Ombudsman	2,279	2,279	1,898	2,290	2,249
Portfolio of the Civil Service	15,101	16,423	18,866	19,858	21,508
Portfolio of Legal Affairs	9,583	9,865	8,446	8,989	9,067
Total	466,282	523,273	563,979	616,899	670,251

Exhibit 46: Total expenditure by MPO, 2020–2024

Entity	2020 (\$'000)	2021 (\$'000)	2022 (\$'000)	2023 (\$'000)	2024 (\$'000)
Cabinet Office	9,819	10,991	12,809	12,482	17,791
Cayman Islands Parliament	N/A	1,979	2,287	2,524	2,869
Director of Public Prosecutions	3,888	4,186	4,523	4,958	5,527
Judicial Administration	8,520	10,158	11,170	12,067	12,726
Ministry of Border Control, Labour and Culture	40,382	45,976	50,289	51,113	58,756
Ministry of Community Affairs	15,097	7,904	N/A	N/A	N/A
Ministry of District Administration and Lands	N/A	8,768	17,890	19,883	22,261
Ministry of Education	116,061	113,722	117,030	131,329	145,005
Ministry of Finance and Economic Development	14,633	17,271	16,590	18,031	12,547
Ministry of Financial Services and Commerce	N/A	N/A	18,064	21,463	22,299
Ministry of Financial Services and Home Affairs	55,483	63,526	N/A	N/A	N/A
Ministry of Health and Wellness*	42,346	44,859	29,550	34,537	50,566
Ministry of Home Affairs	N/A	24,302	52,068	55,350	55,425
Ministry of International Trade, Investments, Aviation and Maritime Affairs	2,034	2,729	N/A	N/A	N/A
Ministry of Investment, Innovation and Social Development	N/A	17,319	36,038	39,845	43,266
Ministry of Planning, Agriculture, Housing, Infrastructure, Transport and Development*	44,825	48,310	48,000	56,829	56,643
Ministry of Sustainability & Climate Resiliency	N/A	4,856	12,369	15,940	10,142
Ministry of Tourism and Ports	29,239	26,980	25,042	25,148	27,967
Ministry of Youth, Sports and Heritage	N/A	3,303	6,919	7,912	9,008
Office of the Commissioner of Police	48,057	51,820	52,619	57,311	57,799
Office of the Ombudsman	2,170	2,167	1,898	2,100	2,249
Portfolio of the Civil Service	12,926	14,388	14,999	16,377	17,041
Portfolio of Legal Affairs	7,246	8,031	8,446	8,989	9,067
Total	452,726	533,545	538,600	594,188	638,954

APPENDIX C – INTERNAL CONTROL DEFICIENCIES

190. As of 10 September 2025, we had finalised 28 ISA 260 reports of the 39 completed audits. We did not identify any significant internal control deficiencies for the following four public bodies: the OCP, the MBCL, PoCS and the MYSH. This appendix summarises the internal control deficiencies reported on 35 public bodies.

191. As of the same date, the OAG had issued the ISA 260 reports for four public bodies, but the management responses were outstanding. These included reports for the Cabinet Office, CIMA, the PSPB and the HSA. Cabinet Office responses to ISA 260 reports for previous years are also outstanding. The ISA 260 reports for Judiciary Administration (JA), the MSCR and the PLA are pending finalisation because some queries have yet to be resolved. These ISA 260 reports identified similar issues to those listed below, including non-compliance with acts and regulations, value for money, and financial management and reporting (see Exhibit 47). The reports that were not yet finalised as of 10 September are shaded in Exhibit 48.

Exhibit 47: Summary of findings by category

Category of finding	Number of findings - SAGCs	Number of findings - MPOs	Total number of findings
Financial Management	48	24	72
Non-compliance with Acts and Regulations	28	43	71
Information Technology	9	—	9
Governance	7	—	7
Value for money	3	1	4
Total	95	68	163

Source: OAG analysis of ISA 260 reports.

Exhibit 48: Number of findings in each category by public body

Category of finding	Financial Management	Non-compliance with Acts and Regulations	Information Technology	Governance	Value for money	Total
SAGCs						
AOA	—	—	—	1	—	1
CAA	—	1	—	—	1	2
CAYS	—	1	—	—	—	1
CIDB	4	1	—	2	—	7
CIMA	—	4	—	—	—	4
CNCF	3	—	—	—	—	3
CINAA	—	1	3	1	—	5
CINICO	1	—	—	—	—	1
CISX	2	—	—	—	—	2
HSA	13	2	2	1	—	18
MACI	6	2	—	1	—	9
NDC	2	—	—	—	—	2
NGCI	1	2	1	—	1	5
NRA	1	1	—	—	—	2
PSPB	2	6	—	—	—	8
PACI	5	—	1	—	—	6
SIAHDC	1	1	—	—	1	3
SIF	—	1	—	—	—	1
UCCI	2	1	2	—	—	5
URCO	5	3	—	—	—	8
WACI	—	1	—	1	—	2
Total – SAGCs	48	28	9	7	3	95
MPOs						
CO	2	6	—	—	—	8
DPP	2	2	—	—	—	4
MDAL	1	—	—	—	—	1
MFED	1	—	—	—	—	1
MFSC	1	2	—	—	—	3
MHA	5	20	—	—	—	25
MIISD	1	2	—	—	—	3
MOE	3	3	—	—	—	6
MSCR	1	—	—	—	—	1
MTP	2	1	—	—	—	3
CIP	2	—	—	—	—	2
JA	1	3	—	—	—	4
PLA	—	2	—	—	—	2
OMB	2	2	—	—	1	5
Total - MPOs	24	43	—	—	1	68
Grand Total	72	71	9	7	4	163

Source: OAG analysis of ISA 260 reports.

APPENDIX D – NEW AND REVISED ACCOUNTING STANDARDS FOR 2024 AND FUTURE PERIODS

CHANGES IMPACTING THE 2024 FINANCIAL STATEMENTS

192. **Amendments to IAS 1 – Presentation of Financial Statements (i.e. classification of liabilities as current or non-current).** The amendments promote consistency in applying the requirements by helping companies determine whether debt and other liabilities with an uncertain settlement date in the statement of financial position should be classified as current (due or potentially due to be settled within one year) or non-current. The amendment also clarifies how conditions that an entity must comply with within 12 months of the end of the reporting period affect the classification of liability. This came into effect for annual periods beginning 1 January 2024. The implementation of the amendments to IAS 1 had a minimal impact.

CHANGES IMPACTING FUTURE-PERIOD FINANCIAL STATEMENTS

CHANGES TO STANDARDS FOR 2025

193. **IPSAS 43 – Leases.** IPSAS 43 is based on *International Financial Reporting Standard (IFRS) 16, Leases*, developed by the International Accounting Standards Board. For lessees, IPSAS 43 introduces a right-of-use model that replaces the risks and rewards incidental to the ownership model in *IPSAS 13 – Leases*. For lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to the ownership model in IPSAS 13. This standard took effect on 1 January 2025. The standard is expected to have a significant impact on the Government. The most significant change relates to accounting for operating leases. Entities with operating leases of high value with lease terms over 12 months will need to recognise a right-of-use asset and a corresponding liability on their balance sheet.
194. **IPSAS 44 – Non-current assets held for sale and discontinued operations.** IPSAS 44 specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:
- measured at the lower of carrying amount and fair value, less costs to sell and depreciation on such assets to cease; and
 - presented separately in the statement of financial position, and the results of discontinued operations are to be shown separately in the statement of financial performance (this standard took effect on 1 January 2025).
- This standard is expected to have minimal impact on the Government.
195. **IPSAS 45 – Property, plant and equipment.** IPSAS 45 replaces *IPSAS 17 – Property, Plant and Equipment* by adding current operational value as a measurement basis in the updated current

value model for assets within its scope, identifying the characteristics of heritage and infrastructure assets, and adding new guidance on how these important types of public sector assets should be recognised and measured. This standard took effect on 1 January 2025, with earlier application permitted. It is anticipated that there will be minimal impact on the Government. Heritage assets are now scoped under IPSAS 45, and therefore all entities with off-balance sheet heritage assets will need to recognise them on their balance sheet.

196. **IPSAS 46 – Measurement.** IPSAS 46 provides new guidance in a single standard addressing how commonly used measurement bases should be applied in practice. It provides generic guidance on fair value for the first time and introduces current operational value, a public sector-specific current value measurement basis that addresses constituents’ views on the need for an alternative current value measurement basis to fair value for certain public sector assets. This standard comes into effect on 1 January 2025, with earlier application permitted. Minimal impact is expected on the Government.

CHANGES TO STANDARDS FROM 2026 AND BEYOND

197. **IPSAS 47 – Revenue.** IPSAS 47 is a single source for revenue accounting guidance in the public sector, presenting two accounting models based on a binding arrangement. The new standard provides focused guidance to help public bodies apply the principles to account for public sector revenue transactions. The effective date for this standard will be for periods beginning 1 January 2026.
198. **IPSAS 48 – Transfer expenses.** IPSAS 48 provides accounting guidance for transfer expenses, which account for a significant portion of the expenditure of many public sector entities. The new standard fills a significant gap in the IPSASB’s literature and guides to help entities account for public sector transfer expense transactions. The effective date for this standard will be for periods beginning 1 January 2026.
199. **IPSAS 49, Retirement Benefit Plans** (issued in November 2023 and effective for periods beginning on or after 1 January 2026) provides a principle-based approach to accounting for retirement benefit plans offering a completed view of their financial activities, assets, and obligations and establishes comprehensive accounting and reporting requirements for the financial statements of retirement benefit plans.
200. **IPSAS 50, Exploration for and Evaluation of Mineral Resources**, and Stripping Costs in the Production Phase of a Surface Mine (Amendments to IPSAS 12), were issued in November 2024 and shall be applied for financial statements covering periods beginning on or after 1 January 2027 and relate to accounting by public sector mining entities.

APPENDIX E – STATUS OF AUDITS: 2020 TO 2024

Ministries, Portfolios and Offices	2020			2021			2022			2023			2024		
	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the House of Parliament	Date Audit Completed or Progress	Audit Opinion	Tabled in the House of Parliament
Cabinet Office	28-Apr-21	Unqualified		30-Apr-22	Unqualified with Emphasis of Matter	11-Dec-24	29-Apr-23	Unqualified	11-Dec-24	30-Apr-24	Unqualified	11-Dec-24	3-Jul-25	Unqualified with Emphasis of Matter	
Cayman Islands Parliament	N/A			26-Apr-22	Unqualified with Emphasis of Matter	15-Dec-23	9-Mar-23	Unqualified		25-Apr-24	Unqualified	9-Oct-24	25-Apr-25	Unqualified	
Office of the Director of Public Prosecutions	30-Apr-21	Unqualified	15-Jul-21	29-Apr-22	Unqualified	10-Jun-22	30-Apr-23	Unqualified	19-Sep-23	10-Apr-24	Unqualified	25-Jul-24	29-Apr-25	Unqualified	
Judicial Administration	30-Apr-21	Unqualified		30-Apr-22	Unqualified with Emphasis of Matter		30-Apr-23	Unqualified	15-Dec-23	29-Apr-24	Unqualified	25-Jul-24	30-Apr-25	Unqualified	27-Jun-25
Ministry of Border Control, Labour and Culture	23-Apr-21	Unqualified	21-Jul-21	20-Apr-22	Unqualified with Emphasis of Matter	27-Apr-23	30-Apr-23	Unqualified	19-Sep-23	26-Apr-24	Unqualified	23-Jul-24	29-Apr-25	Unqualified with Emphasis of Matter	27-Jun-25
Ministry of Community Affairs	19-Apr-21	Unqualified	14-Jul-21	30-Jul-22	Unqualified with Emphasis of Matter	14-Dec-22	N/A			N/A			N/A		
Ministry of District Administration and Lands	N/A			7-Jul-22	Unqualified with Emphasis of Matter	8-Jun-23	30-Apr-23	Unqualified with Emphasis of Matter	15-Dec-23	30-Apr-24	Unqualified with Emphasis of Matter	22-Jul-24	28-Apr-25	Unqualified	
Ministry of Education	21-Apr-21	Unqualified	15-Jul-21	28-Apr-22	Unqualified with Emphasis of Matter	7-Oct-22	27-Mar-23	Unqualified	7-Jun-23	27-Mar-24	Unqualified	22-Jul-24	24-Mar-25	Unqualified	
Ministry of Finance and Economic Development	10-Mar-21	Unqualified	15-Jul-21	10-Mar-22	Unqualified	9-Jun-22	14-Mar-23	Unqualified	19-Sep-23	14-Mar-24	Unqualified	22-Jul-24	12-Mar-25	Unqualified	25-Jun-25
Ministry of Financial Services and Commerce	N/A			17-Apr-23	Unqualified	15-Dec-23	30-Apr-23	Unqualified	15-Dec-23	15-Mar-24	Unqualified	9-Dec-24	4-Apr-25	Unqualified with Emphasis of Matter	
Ministry of Financial Services and Home Affairs	30-Jul-21	Unqualified	8-Jun-22	16-Nov-22	Unqualified with Emphasis of Matter	15-Dec-23	N/A			N/A			N/A		
Ministry of Health & Wellness	In progress			In progress			In progress			In progress			In progress		

Ministries, Portfolios and Offices	2020			2021			2022			2023			2024		
	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the House of Parliament	Date Audit Completed or Progress	Audit Opinion	Tabled in the House of Parliament
Ministry of Home Affairs	N/A			30-Aug-22	Unqualified with Emphasis of Matter	26-Feb-24	30-Apr-23	Unqualified with Emphasis of Matter	26-Feb-24	27-Apr-24	Unqualified with Emphasis of Matter	7-Oct-24	30-Apr-25	Unqualified with Emphasis of Matter	25-Jun-25
Ministry of Investment, Innovation and Social Development	N/A			9-Feb-23	Unqualified	7-Jun-23	30-Apr-23	Unqualified with Emphasis of Matter	8-Jun-23	30-Apr-24	Unqualified with Emphasis of Matter	22-Jul-24	29-Apr-25	Unqualified	
Ministry of International Trade, Investment, Maritime & Aviation	19-Apr-21	Unqualified	14-Jul-21	29-Apr-22	Unqualified with Emphasis of Matter	14-Dec-22	N/A			N/A			N/A		
Ministry of Planning Agriculture, Housing, Infrastructure, Transport and Development	22-Apr-21	Unqualified	15-Jul-21	30-Apr-22	Unqualified with Emphasis of Matter	7-Oct-22	9-Nov-23	Unqualified	7-Oct-24	27-Aug-25	Unqualified		Inprogress		
Ministry of Sustainability and Climate Resilience	N/A			5-Aug-22	Unqualified with Emphasis of Matter	20-Sep-23	30-Apr-23	Unqualified	26-Feb-24	30-Apr-24	Unqualified	24-Jul-24	28-Apr-25	Unqualified with Emphasis of Matter	
Ministry of Tourism and Ports	9-Apr-21	Unqualified	8-Dec-21	29-Apr-22	Unqualified with Emphasis of Matter	7-Oct-22	30-Apr-23	Unqualified with Emphasis of Matter and Other Matter	21-Sep-23	30-Apr-24	Unqualified with Emphasis of Matter and Other Matter	23-Jul-24	10-Apr-25	Unqualified with Emphasis of Matter	
Ministry of Youth, Sports, and Heritage	N/A			30-Apr-22	Unqualified	14-Dec-22	17-Apr-23	Unqualified	19-Sep-23	4-Apr-24	Unqualified	23-Jul-24	10-Apr-25	Unqualified with Emphasis of Matter	25-Jun-25
Office of the Commissioner of Police	13-Apr-21	Unqualified	10-Jun-22	31-Mar-22	Unqualified	10-Jun-22	31-Mar-23	Unqualified	8-Jun-23	15-Mar-24	Unqualified	9-Jul-24	4-Apr-25	Unqualified with Emphasis of Matter	25-Jun-25
Office of the Ombudsman	30-Apr-21	Unqualified	14-Jul-21	27-Apr-22	Unqualified	7-Dec-22	30-Apr-23	Unqualified	20-Sep-23	10-Apr-24	Unqualified	24-Jul-24	4-Apr-25	Unqualified	
Portfolio of the Civil Service	26-Apr-21	Unqualified	15-Jul-21	16-Apr-22	Unqualified with Emphasis of Matter	9-Jun-22	30-Apr-23	Unqualified	8-Jun-23	25-Apr-24	Unqualified	25-Jul-24	28-Apr-25	Unqualified with Emphasis of Matter	25-Jun-25
Portfolio of Legal Affairs	30-Apr-21	Unqualified with Emphasis of Matter	15-Jul-21	30-Apr-22	Unqualified	7-Oct-22	30-Apr-23	Unqualified	20-Sep-23	20-Apr-24	Unqualified	25-Jul-24	22-Apr-25	Unqualified	27-Jun-25
Entire Public Sector	5-Jul-22	Adverse		In progress			In progress			In progress			In progress		

Notes:

1. In January 2020, the OCP was established.
2. In January 2021, the CIP was established.
3. The annual reports for the following entities for 2019 have not been tabled in Parliament: Judiciary Administration (Audit completed: 30 April 2020), and Ministry of Health and Wellness (Audit completed: 19 February 2025)

SAGC	2020			2021			2022			2023			2024		
	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly
Auditor Oversight Authority	31-Mar-21	Unqualified	15-Jul-21	25-Mar-22	Unqualified	9-Jun-22	27-Mar-23	Unqualified	15-Dec-23	22-Mar-24	Unqualified	22-Jul-24	21-Mar-25	Unqualified	
Cayman Airways Ltd	14-Mar-22	Unqualified	14-Dec-22	26-Aug-22	Unqualified with Emphasis of Matter	14-Dec-22	30-Apr-23	Unqualified with Emphasis on Matter	20-Sep-23	26-Sep-24	Unqualified	31-Jan-25	In progress		
Cayman Islands Airports Authority	11-Aug-25	Unqualified		In progress			In progress			In progress			In progress		
Cayman Islands Development Bank	28-Apr-21	Unqualified	8-Jun-22	29-Apr-22	Unqualified with Emphasis of Matter	8-Dec-22	30-Apr-23	Unqualified with Emphasis on Matter	20-Sep-23	30-Apr-24	Unqualified with Emphasis on Matter	22-Jul-24	22-Apr-25	Unqualified with Emphasis on Matter	
Cayman Islands Monetary Authority	30-Apr-21	Unqualified	8-Dec-21	29-Apr-22	Unqualified with Emphasis of Matter	7-Oct-22	30-Apr-23	Unqualified with Emphasis on Matter	15-Dec-23	30-Apr-24	Unqualified with Emphasis on Matter	22-Jul-24	30-Apr-25	Unqualified with Emphasis on Matter	
Cayman Islands National Attraction Authority	30-Apr-21	Unqualified	7-Dec-22	30-Apr-22	Unqualified with Emphasis of Matter	14-Dec-22	14-Apr-23	Unqualified	20-Sep-23	30-Apr-24	Unqualified		29-Apr-25	Unqualified	
Cayman Islands National Insurance Company	28-Apr-21	Unqualified	8-Dec-21	28-Apr-22	Unqualified	10-Jun-22	28-Apr-23	Unqualified	20-Sep-23	26-Apr-24	Unqualified	22-Jul-24	25-Apr-25	Unqualified	25-Jun-25
Cayman Islands National Museum	26-Apr-21	Unqualified	8-Dec-21	6-Apr-22	Unqualified	7-Dec-22	1-May-23	Unqualified	19-Sep-23	15-Apr-24	Unqualified		In progress		
Cayman Islands Stock Exchange	30-Apr-21	Unqualified	15-Jul-21	29-Apr-22	Unqualified	7-Oct-22	28-Apr-23	Unqualified	15-Dec-23	29-Apr-24	Unqualified	7-Oct-24	29-Apr-25	Unqualified	
Cayman National Cultural Foundation	29-Apr-21	Unqualified	8-Dec-21	13-May-22	Unqualified	7-Dec-22	28-Apr-23	Unqualified with Emphasis on Matter	19-Sep-23	22-Apr-24	Unqualified with Emphasis on Matter		28-Apr-25	Unqualified	
Cayman Turtle Conservation and Education Center Limited	23-Aug-23	Unqualified with Emphasis of Matter and Material Uncertainty Related to Going Concern	23-Jul-24	28-Mar-24	Unqualified with Emphasis of Matter and Material Uncertainty Related to Going Concern	23-Jul-24	11-Oct-24	Unqualified	31-Jan-25	In progress			In progress		
Children & Youth Services Foundation	30-Apr-21	Unqualified	14-Jul-21	30-Apr-22	Unqualified	27-Apr-23	29-Apr-23	Unqualified	15-Dec-23	30-Apr-24	Unqualified	22-Jul-24	25-Apr-25	Unqualified with Emphasis on Matter	
Civil Aviation Authority	30-Apr-21	Unqualified	8-Jun-22	20-May-22	Unqualified	7-Oct-22	30-Apr-23	Unqualified	15-Dec-23	30-Apr-24	Unqualified	7-Oct-24	30-Apr-25	Unqualified with Emphasis on Matter	

SAGC	2020			2021			2022			2023			2024		
	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly	Date Audit Completed or Progress	Audit Opinion	Tabled in the Legislative Assembly
Health Services Authority	30-Apr-21	Unqualified	8-Jun-22	30-Apr-22	Unqualified with Emphasis of Matter	7-Oct-22	30-Apr-23	Unqualified	26-Feb-24	30-Apr-24	Unqualified	7-Oct-24	In progress		
Maritime Authority of the Cayman Islands	15-Dec-21	Unqualified	8-Jun-22	29-Jul-22	Unqualified	7-Oct-22	27-Sep-23	Unqualified	15-Dec-23	14-Feb-25	Qualified	14-Feb-25	19-Jun-25	Qualified	
National Drug Council	30-Apr-21	Unqualified	8-Jun-22	29-Apr-22	Unqualified	26-Feb-24	29-Apr-23	Unqualified	26-Feb-24	29-Apr-24	Unqualified	23-Jul-24	8-Apr-25	Unqualified	
National Gallery of the Cayman Islands	30-Apr-21	Unqualified	8-Dec-21	29-Apr-22	Unqualified with Other Matter	7-Dec-22	30-Apr-23	Unqualified	19-Sep-23	30-Apr-24	Unqualified		30-Apr-25	Unqualified	
National Housing and Development Trust	30-Apr-21	Unqualified	9-Oct-24	29-Apr-22	Unqualified	9-Oct-24	6-Sep-24	Unqualified		In progress			In progress		
National Roads Authority	30-Apr-21	Unqualified	9-Jun-22	4-May-22	Unqualified with Emphasis of Matter		11-Apr-23	Unqualified		11-Apr-24	Unqualified		26-Apr-25	Unqualified	
Port Authority of the Cayman Islands	1-Apr-21	Unqualified	8-Dec-21	5-Apr-22	Unqualified	14-Dec-22	30-Apr-23	Unqualified with Emphasis on Matter	20-Sep-23	30-Apr-24	Unqualified with Emphasis on Matter	9-Dec-24	30-Apr-25	Unqualified	
Public Service Pensions Board	29-Apr-21	Unqualified	21-Jul-21	27-Jul-22	Unqualified	8-Dec-22	16-Aug-23	Unqualified	15-Dec-23	30-Apr-24	Unqualified	9-Dec-24	30-Apr-25	Unqualified	27-Jun-25
Segregated Insurance Fund	1-Apr-21	Unqualified		13-Apr-22	Unqualified	27-Feb-24	11-Apr-23	Unqualified	23-Jul-24	22-Apr-24	Unqualified		16-Apr-25	Unqualified	
Sister Islands Affordable Housing Development Corporation	29-Mar-21	Unqualified	15-Jul-21	19-Apr-22	Unqualified with Emphasis of Matter	27-Apr-23	24-Apr-23	Unqualified with Emphasis of Matter	15-Dec-23	24-Apr-24	Unqualified with Emphasis of Matter	22-Jul-24	22-Apr-25	Unqualified	
University College of the Cayman Islands	11-Oct-21	Qualified	8-Jun-22	30-Apr-22	Unqualified with Emphasis of Matter	14-Dec-22	13-Dec-23	Unqualified	22-Jul-24	29-Apr-24	Unqualified with Emphasis of Matter	22-Jul-24	30-Apr-25	Unqualified	
Utilities Regulation and Competition Office	30-Nov-21	Unqualified	27-Apr-23	30-Apr-22	Unqualified	8-Jun-23	20-Apr-23	Unqualified	26-Feb-24	24-Apr-24	Unqualified		30-Apr-25	Unqualified	
Water Authority of the Cayman Islands	29-Apr-21	Unqualified	8-Dec-21	30-Apr-22	Unqualified with Emphasis of Matter and Other Matter	7-Oct-22	9-Jun-23	Unqualified	15-Dec-23	30-Apr-24	Unqualified	22-Jul-24	29-Apr-25	Unqualified	

Contact us

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Complaints

To make a complaint about one of the organisations we audit or about the OAG itself, please contact **Katrina Thomas** at our address, telephone or fax number or alternatively katrina.thomas@oag.gov.ky

Freedom of Information

For freedom of information requests please contact **Katrina Thomas** at our address, telephone or fax number. Or alternatively foi.aud@gov.ky

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OCTOBER 2025