



## **CAYMAN ISLANDS AIRPORTS AUTHORITY**

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**REPORT TO THOSE CHARGED WITH GOVERNANCE ON THE 2020 AUDIT**

**NOVEMBER 2025**

*To help the public service  
spend wisely*

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## REPORT TO THOSE CHARGED WITH GOVERNANCE

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### INTRODUCTION

1. We have completed our audit of the December 31, 2020, financial statements of the Cayman Islands Airports Authority (the “Authority” or “CIAA”). International Standards on Auditing (ISAs) require that we communicate certain matters to those charged with governance of the Authority in sufficient time to enable appropriate action. The matters we are required to communicate under ISAs include:
  - Auditors’ responsibilities in relation to the audit;
  - The overall scope and approach to the audit, including any expected limitations, or additional requirements;
  - Relationships that may bear on our independence, and the integrity and objectivity of our staff;
  - Expected modifications to the audit report; and
  - Significant findings from our audit.
2. This report sets out for the consideration of those charged with governance, those matters arising from the audit of the 2020 financial statements that we consider worthy of drawing to your attention.
3. This report has been prepared for the sole use of those charged with governance, and we accept no responsibility for its use by a third party. Under the *Freedom of Information Act (2020 Revision)* it is the policy of the Office of the Auditor General to release all final reports proactively through our website: [www.auditorgeneral.gov.ky](http://www.auditorgeneral.gov.ky).

### AUDITOR’S RESPONSIBILITIES IN RELATION TO THE AUDIT

#### AUDITOR’S RESPONSIBILITY UNDER INTERNATIONAL STANDARDS ON AUDITING

4. ISAs require that we plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements is not designed to identify all matters that may be relevant to those charged with governance. Accordingly, the audit does not ordinarily identify all such matters, and this report includes only those matters of interest that came to our attention as a result of the performance of our audit.

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

5. Management's responsibilities are detailed in the engagement letter dated June 25, 2024, to which this engagement was subject. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

## OTHER INFORMATION IN DOCUMENTS CONTAINING AUDITED FINANCIAL STATEMENTS

6. While we have no responsibility to perform any audit work on other information, including forward-looking statements containing audited financial statements, we will read the other information contained in the Authority's annual report to consider whether such information is materially inconsistent with information appearing in the financial statements or our knowledge of the operations of the Authority. We have not reviewed any other documents containing the Authority's audited financial statements.

## CONDUCT, APPROACH AND OVERALL SCOPE OF THE AUDIT

7. Information on the integrity and objectivity of the Office of the Auditor General and audit staff and the nature and scope of the audit were outlined in the engagement letter presented to the Chairman of the Board and follow the requirements of the ISAs. We are not aware of any impairment to our independence as auditors.

## AUDIT REPORT, ADJUSTMENTS AND MANAGEMENT REPRESENTATIONS

8. We have issued an unmodified audit report on the 31 December 2020 financial statements.
9. A summary of 47 audit adjustments made to the financial statements is attached in Appendix 1. The adjustments amounted to \$31.9 million (comprised of audit adjustments of \$27.7 million and client adjustments of \$4.2 million). A summary of five uncorrected misstatements is attached in Appendix 2.
10. As part of the completion of our audit, we obtained written representations from management on aspects of the accounts, judgments, and estimates made. These representations were provided to us on August 6, 2025.

## SIGNIFICANT FINDINGS FROM THE AUDIT

### SIGNIFICANT ACCOUNTING PRACTICES

11. We are responsible for providing our views about qualitative aspects of the Authority's significant accounting practices, including accounting policies, accounting estimates and financial statement disclosures.
12. Generally accepted accounting principles provide for the Authority to make accounting estimates and judgments about accounting policies and financial statement disclosures. We are not aware of any areas where significant accounting practices have changed from the previous year or are inconsistent with generally accepted industry practices. In addition, we are not aware of any new or controversial accounting practices reflected in the Authority's financial statements.

### MANAGEMENT'S JUDGMENTS AND ACCOUNTING ESTIMATES

13. There were no matters which required management to make significant judgments or which required significant estimates. Management has made judgments and estimates with regard to the following financial statement items:
  - Depreciation of property, plant and equipment – CI\$5.8 million
  - Expected credit losses – CI\$2.7 million
  - Post-employment benefit obligation- CI\$35.5 million

### GOING CONCERN DOUBTS

14. As a result of our audit, we did not become aware of any events and conditions that may cast significant doubt on the Authority's ability to continue as a going concern.

### INTERNAL CONTROL MATTERS AND SIGNIFICANT FINDINGS

15. Internal control matters and significant findings are noted in Appendix 3, along with management's response.

### FRAUD OR ILLEGAL ACTS

16. Applicable auditing standards recognize that the primary responsibility for the prevention and detection of fraud and compliance with applicable acts and regulations rests with both those charged

with governance of the entity and with management. It is important that management, with the oversight of those charged with governance; place a strong emphasis on fraud prevention, and fraud deterrence.

17. They are also responsible for establishing and maintaining controls pertaining to the Authority's objective of preparing financial statements that are presented fairly, in all material respects, in accordance with the applicable financial reporting framework and managing risks that may give rise to material misstatements in those financial statements. In exercising oversight responsibility, those charged with governance should consider the potential for management override of controls or other inappropriate influence over the financial reporting process.
18. As auditors, in planning and performing the audit, we are required to reduce audit risk to an acceptably low level, including the risk of undetected misstatements in the financial statements due to fraud.
19. However, we cannot obtain absolute assurance that material misstatements in the financial statements will be detected because of such factors as the use of judgment, the use of testing, the inherent limitations of internal control and the fact that much of the audit evidence available to the auditor is persuasive rather than conclusive in nature.
20. No fraud or illegal acts came to our attention as a result of the 2020 audit.

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#### SIGNIFICANT DIFFICULTIES ENCOUNTERED DURING THE COURSE OF OUR AUDIT

21. No difficulties were encountered in the performance of our audit.

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#### DISAGREEMENTS WITH MANAGEMENT

22. We have had no disagreements with management resulting from our audit.

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#### ANY OTHER SIGNIFICANT MATTERS

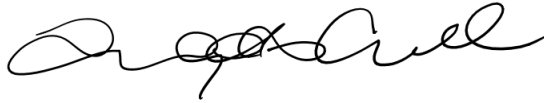
23. There were no other significant matters noted during the audit.

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#### ACKNOWLEDGEMENTS

24. We would like to express our thanks to the staff of the Authority for their help and assistance during the audit of this year's financial statements. This enabled us to provide an audit report within the agreed timetable.

Yours sincerely,



**Angela Cullen**  
Acting Auditor General



## APPENDIX 1 – SUMMARY OF ADJUSTED MISSTATEMENTS

### AUDIT ADJUSTMENTS

Number	Name	Account No	Debit	Credit
1	Accounts Payable	2000-00-0		(63,394.83)
1	Electricity -Grand Cayman	7310-15-1	63,394.83	
	<i>To recognise electricity expense for September that had not been posted.</i>			
2	Accounts Receivable	1400-00-0		(39,150.00)
2	Land Lease revenue - GCM	4225-16-1	19,575.00	
2	Land Lease - Grand Cayman -FBO	4225-18-1	19,575.00	
	<i>To correct Aviation Management Services rent</i>			
3	Retained Earnings	3010-00-0		(5,111.00)
3	Car Parking Revenue - GCM	4410-16-1	1,436.00	
3	Airport Concierge Se-General Administ-Grand Cayman	4475-16-1	3,675.00	
	<i>To correct 2019 revenue recorded in 2020</i>			
4	Other Receivables	1420-00-0	28,800.00	
4	Vehicles	1620-00-1		(151,570.93)
4	Accumulated Depreciation Vehicles	1621-00-1	151,570.93	
4	Gain/Loss Disposal Fixed Asset	4800-00-1		(28,800.00)
	<i>To record disposed motor vehicles and gain on disposal</i>			
5	CI Checking Account - RBC	1000-00-0	2,796,305.19	
5	US Checking Account - RBC	1010-00-0		(1,310,674.60)
5	RBC Sav USD / Credit Card clearing	1030-00-0		(1,673,195.62)
5	CI\$ Term deposit - 1965748	1040-00-0		
5	1971532 PFC Funds Qtrly-	1045-00-0		(0.01)

Number	Name	Account No	Debit	Credit
5	Cash recovery (overage/shortage)	1122-00-0		(391.98)
5	Accounts Receivable	1400-00-0	33,996.21	
5	Accounts Receivable - Related Parties	1403-00-0	1,000.00	
5	Reimbursable expenses	1501-00-0		(60.00)
5	Accounts Payable	2000-00-0	151,194.69	
5	Environmental Fees	2010-00-0		(4.00)
5	Landing fees FBO - CYB	4010-18-2		(44.00)
5	Navigation fees FBO - CYB	4020-18-2		(5.00)
5	Travel Tax FBO - CYB	4110-18-2		(26.00)
5	CYB - CYB Security Tax - FBO	4121-18-2		(10.50)
5	Passenger Terminal Chgs FBO - CYB	4130-18-2		(1.00)
5	Passenger Facility Charge FBO - CYB	4135-18-2		(13.00)
5	Car Parking Revenue - GCM	4410-16-1		(1,907.32)
5	Car Parking Revenue - CYB	4410-16-2	1,537.00	
5	Gain/Loss on Exchange	4600-10-1	7.50	
5	Interest on bank deposits- -	4605-00-1	0.98	
5	Interest Income on Term Deposits	4610-10-1		(1,267.00)
5	Salaries - Air Traffic Control	7000-04-1	2,230.36	
5	Salaries - Safety	7000-08-1		(0.60)
5	Salaries--Facility & Maintenance-GCM	7000-15-1		(0.50)
5	Movement in annual leave-Security-Grand Cayman	7004-09-1		(1,003.00)
5	Bonus and COLA-Commercial & Customer - Grand Cayman	7008-16-1		(253.22)
5	Telephone/Fax/Internet/Finance-ORIA	7330-10-1		(41.10)
5	Bank Charges	7700-00-1		(720.86)
5	Bank Charges -Finance-Grand Cayman	7700-10-1	5,050.81	
5	Credit card fees-Finance-Grand Cayman	7701-10-1		(1,703.43)
	<i>Post TB submission adjustments (Cash)</i>			
6	Assets Under Construction	1690-00-1	380,878.78	
6	Accounts Payable	2000-00-0		(380,878.78)
	<i>Correction of adjustment in relation to McAlpine</i>			

Number	Name	Account No	Debit	Credit
7	Accounts Receivable - Interagency	1402-00-0	420,082.50	
7	Landing fees - CYB	4010-04-2		(6,863.50)
7	Parking fees-CYB	4015-04-2		(120.00)
7	Terminal Facility Chg-GCM	4030-16-1		(39,706.00)
7	Terminal Facility -CYB	4030-16-2		(1,245.00)
7	GCM Departures - Security Tax	4121-09-1		(317,648.00)
7	CYB - GCM Security Tax	4121-09-2		(11,496.00)
7	Passenger Facility Charges -CCS-GCM	4135-16-1		(43,004.00)
	<i>To reverse voided transactions that were voided in the wrong period</i>			
8	Accounts Receivable	1400-00-0		(464,908.31)
8	GCM Departures -Security Tax - GAT	4121-18-1	232,454.16	
8	CYB - CYB Security Tax - FBO	4121-18-2	232,454.15	
	<i>To adjust auto reversing adjustment made in the 2019 audit</i>			
9	Assets Under Construction CYB	1690-00-2	5,600.00	
9	Air Conditioning Maint - Cayman Brac	7460-02-2		(5,600.00)
	<i>To transfer A/C from R&amp;M to WIP</i>			
10	Accounts Payable	2000-00-0	2,275,331.77	
10	Retained Earnings	3010-00-0		(2,275,331.77)
	<i>To adjust for RS&amp;H that was booked in the PY audit for the ORIA Terminal</i>			
11	Short Term Borrowings	2003-00-0	13,000,000.00	
11	Government Loans and Advances	2345-00-0		(9,340,347.30)
11	Govt grant Income- Finance- Grand Cayman	4630-10-1		(3,776,184.77)
11	Interest on LT loans	7900-10-1	116,532.07	

Number	Name	Account No	Debit	Credit
	<i>To adjust for IFRS 9 and IAS 20 interest free loan</i>			
12	Accrued Revenue	1405-00-0		(87,223.89)
12	Retained Earnings	3010-00-0	97,877.60	
12	Concession Monthly S-Commercial & Cus-Grand Cayman	4200-16-1		(10,653.71)
	<i>To reverse b/f accruals and current year accruals</i>			
13	Retained Earnings	3010-00-0	36,410.20	
13	Professional Fees - Customer Service	7710-16-1		(36,410.20)
	<i>To correct 2019 expenses recorded in 2020</i>			
14	Assets Under Construction	1690-00-1	133,777.89	
14	Accounts Payable	2000-00-0		(133,777.89)
	<i>To reverse an adjustment initially posted to payables and AUC.</i>			
15	Accounts Payable	2000-00-0	6,979.93	
15	Other Current Liabilities	2015-00-0		(6,979.93)
	<i>To transfer Stantec Application 15 amount from payables to other current liabilities for work done but not yet invoiced</i>			
16	Accounts Payable	2000-00-0	62,928.31	
16	Accrued Purchases	2060-00-0		(62,928.31)
	<i>To adjust for balances in accrued purchases. These are Purchase orders and not real purchases</i>			
17	Assets Under Construction CYB	1690-00-2		(15,180.00)

Number	Name	Account No	Debit	Credit
17	Accounts Payable  <i>To adjust for amount paid to blueprint. This is a 2021 expense</i>	2000-00-0	15,180.00	
18 18	Accounts Payable Property Ins -Facility & Maintenance-Grand Cayman  <i>To remove auto reversing entry from the 2019 audit</i>	2000-00-0 7721-15-1	57,444.27	(57,444.27)
19 19	Other Current Liabilities Communication system -CNS-Grand Cayman  <i>To adjust for auto reversing entry for frequentis from the 2019 audit</i>	2015-00-0 7441-17-1	17,766.66	(17,766.66)
20 20	Accounts Payable Other Current Liabilities  <i>To void credit memo for rockwell that had no support</i>	2000-00-0 2015-00-0	126,853.82	(126,853.82)
21 21 21 21 21 21	Assets Under Construction Assets Under Construction Computer Software Accum. Depr. Computer Software -Grand Cayman Computer Software- General GCM Software- Info & Comms. Services- Grand Cayman  <i>To expense capitalised intranet</i>	1690-00-1 1690-00-1 1700-00-1 1701-00-1 7828-01-1 7828-05-1	140,445.00   33,648.28  85,445.00	(85,445.00) (140,445.00)   (33,648.28)
22 22	Accounts Receivable - Related Parties Accounts Payable - Interagency	1403-00-0 2001-00-0	756,884.23	(756,884.23)

Number	Name	Account No	Debit	Credit
	<i>To write back the CAL debt swap</i>			
23	Accounts Payable	2000-00-0	64,000.02	
23	Past Service Pension-Finance-Grand Cayman	7025-10-1		(64,000.02)
	<i>To write down Pension obligation</i>			
24	Allow for Bad Debts	1401-00-0		
24	Bad Debt Expense	7810-01-1	85,371.19	(85,371.19)
	<i>To post for difference in allowance for bad debts computation</i>			
25	Equipment	1630-00-1	800,089.17	
25	Accum Depr Equipment	1631-00-1		(311,368.01)
25	Land Improvements	1670-00-1	667,522.90	
25	Accum Depr Land Improvements	1671-00-1		(110,588.97)
25	Assets Under Construction	1690-00-1		(5,069,172.21)
25	Assets Under Construction CYB	1690-00-2		(35,172.45)
25	Accounts Payable	2000-00-0	3,039.40	
25	Other Current Liabilities	2015-00-0	55,000.00	
25	Retained Earnings	3010-00-0	3,800,522.86	
25	Salaries - General/non-specific	7000-01-1	15,672.96	
25	Publications -Marketing-Grand Cayman	7340-11-1	150.00	
25	Door repairs -Facility & Maintenance-Grand Cayman	7408-15-1	24,691.00	
25	Landscape Maintenance	7420-02-2	1,725.00	
25	Professional Fees-Gen/Non-specific	7710-01-1	47,299.28	
25	Professional Fees- Facility & Maintenance-GCM	7710-15-1	1,025.00	
25	Property Ins -Facility & Maintenance-Grand Cayman	7721-15-1	24,033.92	
25	Misc Expense - GCM	7800-01-1	5,097.64	
25	Building Rev Loss- General Non- Specific-G Cayma	7816-01-1		

Number	Name	Account No	Debit	Credit
25	Depr Exp Equipment -General Non-Specific-GCM	7825-01-1	46,044.31	
25	Depr Exp Land Improvements	7827-01-1	24,745.00	
25	Software Licensing and Support	8100-05-1	9,643.20	
	<i>WIP clean up</i>			
26	Assets Under Construction	1690-00-1	571,834.91	
26	Other Current Liabilities	2015-00-0		(571,834.91)
	<i>To post for the 2020 portion of works done billed after year end</i>			
			<b>27,761,831.88</b>	<b>(27,761,831.88)</b>

#### CLIENT ADJUSTMENTS

Number	Name	Account No	Debit	Credit
1	Allow for Bad Debts	1401-00-0	50.00	
1	Prepaid expenses	1500-00-0		(28,652.21)
1	Computer Equipment	1600-00-1		(5,650.00)
1	Accum Depr. Computer Equipment	1601-00-1		(548.94)
1	Furniture & Fixtures	1610-00-1	177,238.32	
1	Accum Depr Furniture & Fixtures	1611-00-1		(36,765.67)
1	Accum Depr Furniture & Fixtures C Brac	1611-00-2		(1,741.68)
1	Equipment	1630-00-1	260,057.20	
1	Equipment - C Brac	1630-00-2	4,100.00	
1	Accum Depr Equipment	1631-00-1		(54,472.39)
1	Accum Depr Equipment - C Brac	1631-00-2		(3,096.35)
1	Accum Depr Telecommunications & ATC Equip	1641-00-1		(3,045.79)
1	Land Improvements	1670-00-1	331,636.47	
1	Land Improvements - C Brac	1670-00-2	110,720.88	
1	Accum Depr Land Improvements	1671-00-1		(42,229.43)
1	Accum Depr Land Improve C Brac	1671-00-2		(1,944.61)
1	Assets Under Construction	1690-00-1		(1,005,913.01)
1	Assets Under Construction CYB	1690-00-2		(19,133.20)

Number	Name	Account No	Debit	Credit
1	Computer Software	1700-00-1	140,445.00	
1	Accum. Depr. Computer Software -Grand Cayman	1701-00-1		(6,721.19)
1	Inventory Account - should always equal 0	1800-00-0	5,650.00	
1	Accrued Purchases	2060-00-0		(2,310.73)
1	Retained Earnings	3010-00-0	14,635.24	
1	Gain/Loss on Exchange	4600-10-1	2,410.32	
1	Office Supplies - Airport Operations	7300-03-1		(184.50)
1	General Maintenance -Facility & Maintenance-Grand	7400-15-1	4,100.00	
1	Runway Maintenance-Facility & Maintenance-Grand Ca	7402-15-1	38,993.49	
1	Equipment Maintenanc-Facility & Maint	7403-15-1		(1,834.75)
1	Air Traffic management -CNS-CNS-Grand Cayman	7444-17-1	619.92	
1	Depreciation	7820-00-1	3,045.79	
1	Depr. Expense Computers -General Non-Specific-GCM	7822-01-1	548.94	
1	Depr exp.- F&F -General Non-Specific-GCM	7823-01-1	36,765.67	
1	Depr Exp F&F -Cayman Brac-Cayman Brac	7823-02-2	1,741.68	
1	Depr Exp Equipment -General Non-Specific-GCM	7825-01-1	16,900.71	
1	Depr Exp Equipment -Cayman Brac-Cayman Brac	7825-02-2	512.50	
1	Depr Exp Land Improvements	7827-01-1	42,229.43	
1	Dep Exp Land Improvement- Cayman Brac	7827-02-2	1,944.61	
1	Computer Software- General GCM	7828-01-1	19,898.28	
	<i>PPE client adjustments sent after TB submission</i>			
2	Accrued Revenue	1405-00-0	59,718.13	
2	Landing fees - CYB	4010-04-2		(55.00)
2	Parking fees-CYB	4015-04-2		(10.00)
2	Rental Income - Non Govt - GCM	4210-16-1		(19,450.00)
2	Advertising Rev - signs - GCM	4310-11-1		(27,635.33)
2	Car Parking Revenue - GCM	4410-16-1		(9,220.67)



Number	Name	Account No	Debit	Credit
2	Petrol (Commercial) throughput-GCM	4460-16-1		(3,347.13)
	<i>Client Adjustment post TB submission</i>			
3	CI Checking Account - RBC	1000-00-0		(88,016.94)
3	US Checking Account - RBC	1010-00-0	104,340.14	
3	US Savings Account - CNB Brac	1010-02-0	60.68	
3	RBC Sav USD / Credit Card clearing	1030-00-0		(650.87)
3	Cash recovery (overage/shortage)	1122-00-0	8.63	
3	Accounts Receivable	1400-00-0	450,553.75	
3	Allow for Bad Debts	1401-00-0		
3	Accounts Receivable - Related Parties	1403-00-0		(166.45)
3	Assets Under Construction CYB	1690-00-2		
3	Environmental Fees	2010-00-0		(4.10)
3	Landing fees FBO - GCM	4010-18-1		(59.95)
3	Landing fees FBO - CYB	4010-18-2		
3	Parking fees FBO - GCM	4015-18-1		(20.25)
3	Navigation fees - GCM	4020-04-1		(20.50)
3	Navigation fees FBO - GCM	4020-18-1		(51.90)
3	Navigation fees FBO - CYB	4020-18-2		
3	Terminal Facility Chg FBO - GCM	4030-18-1		(4.53)
3	Travel Tax FBO- GCM	4110-18-1		(26.65)
3	Travel Tax FBO - CYB	4110-18-2		
3	GCM Departures -Security Tax - GAT	4121-18-1		(232,464.93)
3	CYB - CYB Security Tax - FBO	4121-18-2		(232,454.15)
3	Passenger Terminal Chgs FBO - GCM	4130-18-1		(2.03)
3	Passenger Terminal Chgs FBO - CYB	4130-18-2		
3	Passenger Facility Charge-FBO-Grand Cayman	4135-18-1		(13.33)
3	Passenger Facility Charge FBO - CYB	4135-18-2		
3	Land Lease - Grand Cayman -FBO	4225-18-1		
3	Car Parking Revenue - GCM	4410-16-1		(400.00)
3	Taxi Permits - GCM	4420-16-1	480.00	
3	Taxi permits -Ground Transport Unit-Grand Cayman	4420-20-1		(1,020.00)
3	Airport Concierge Se-General Administ-Grand Cayman	4475-16-1		(0.48)
3	Gain/Loss on Exchange	4600-10-1		(15.88)

Number	Name	Account No	Debit	Credit
3	Misc Income - GCM	4700-10-1		(0.25)
3	Finance Charges	4740-00-1		(50.00)
3	Bank Charges	7700-00-1		(0.01)
	<i>Client adjustments post TB submission (Receivables)</i>			
4	CI Checking Account - RBC	1000-00-0	14,093.34	
4	US Checking Account - RBC	1010-00-0	26,428.60	
4	Prepaid expenses	1500-00-0		(14,583.80)
4	Assets Under Construction	1690-00-1		(8,928.60)
4	Accounts Payable	2000-00-0		(14,093.34)
4	Runway Maintenance-Facility & Maintenance-Grand Ca	7402-15-1		(1,088.40)
4	Vehicle Maintenance-Facility & Maintenance-	7450-15-1		(1,827.80)
	<i>Client Adjustments post TB submission to correct prepayments</i>			
5	Other Receivables	1420-00-0		(120.00)
5	Other Receivables	1420-00-0		(1,051.89)
5	Other Receivables	1420-00-0		(15.00)
5	Taxi Permits - GCM	4420-16-1	120.00	
5	ID/Access Cards - GCM	4440-09-1	15.00	
5	Interest Income on Term Deposits	4610-10-1	1,051.89	
	<i>Client Adjustment for prepayments</i>			
6	Equipment	1630-00-1	7,208.21	
6	Equipment - C Brac	1630-00-2	12,600.00	
6	Accum Depr Equipment	1631-00-1		(638.23)
6	Accum Depr Equipment - C Brac	1631-00-2		(507.50)
6	Telecommunications & ATC	1640-00-1	24,080.60	
6	Accum Depr Telecommunications & ATC Equip	1641-00-1		(1,749.41)
6	Land Improvements	1670-00-1	90,290.00	
6	Accum Depr Land Improvements	1671-00-1		(1,212.09)

Number	Name	Account No	Debit	Credit
6	Assets Under Construction	1690-00-1		(42,536.35)
6	Assets Under Construction CYB	1690-00-2		(12,600.00)
6	Accrued Purchases	2060-00-0		(26,428.60)
6	IT Maintenance and Parts-CNS-	7380-17-1		(5,850.70)
6	Runway Maintenance-Facility & Maintenance-Grand Ca	7402-15-1		(5,290.00)
6	Equipment Maintenance - Security	7403-09-1		(16,035.05)
6	Equipment Maintenance-Facility & Maint	7403-15-1		(7,208.21)
6	Navigation NDB system-CNS-Grand Cayman	7443-17-1		(18,140.52)
6	Bank Charges	7700-00-1		(89.38)
6	Depr Exp Equipment -General Non-Specific-GCM	7825-01-1	638.23	
6	Depr Exp Equipment -Cayman Brac-Cayman Brac	7825-02-2	507.50	
6	Depr Exp Land Improvements	7827-01-1	1,212.09	
6	Depr Exp Telecom	7831-17-1	1,749.41	
	<i>Additional PPE adjustments</i>			
7	Other Receivables	1420-00-0		(29,000.00)
7	Gain/Loss Disposal Fixed Asset	4800-00-1	29,000.00	
	<i>Client Adjustment for disposal of motor vehicles</i>			
8	Other Receivables	1420-00-0		(3,111.36)
8	Other Receivables	1420-00-0		(1,265.33)
8	Other Receivables	1420-00-0	1,051.89	
8	Retained Earnings	3010-00-0	3,111.36	
8	Interest Income on Term Deposits	4610-10-1	1,265.33	
8	Interest Income on Term Deposits	4610-10-1		(1,051.89)
	<i>Client adjustments for other receivables</i>			
9	Allow for Bad Debts	1401-00-0	2,082.77	
9	Other Receivables	1420-00-0		(2,082.77)

Number	Name	Account No	Debit	Credit
	<i>Client adjustment as correction for legacy bounced cheque. AJE no. 240280</i>			
10	CI Checking Account - RBC	1000-00-0	197,267.63	
10	US Checking Account - RBC	1010-00-0		(651,307.31)
10	Assets Under Construction	1690-00-1		(1,257,676.74)
10	Assets Under Construction CYB	1690-00-2	360.00	
10	Accounts Payable	2000-00-0	1,542,852.94	
10	Accounts Payable - Interagency	2001-00-0	32,729.24	
10	Accrued Purchases	2060-00-0	26,428.60	
10	Gain/Loss on Exchange	4600-10-1	5,801.42	
10	Sales Discount account	4999-00-1		(0.01)
10	Subsistence - InterIsland Travel	7100-15-1	880.00	
10	Training - Security	7110-09-1		(473.94)
10	Electricity -Grand Cayman	7310-15-1	523.44	
10	Coffee Mineral Water & Other-CNS-Grand Cayman	7325-17-1		(99.88)
10	Telephone/Fax - Admin-Grand Cayman	7330-01-1	948.10	
10	Telephone/Fax - Cayman Brac	7330-02-2	1,581.31	
10	Telephone/Fax/Internet-ATC- ORIA	7330-04-1	43.70	
10	Telephone/Fax/Internet-IT-ORIA	7330-05-1	23,980.69	
10	Telephone/Fax/Internet-Security-ORIA	7330-09-1	34.99	
10	Telephone/Fax/Internet-CCS_ORIA	7330-16-1	123.93	
10	Telephone/Fax/Internet-CNS-ORIA	7330-17-1	212.98	
10	Telephone -AIS-Grand Cayman	7330-18-1	172.98	
10	Duct Cleaning -Facility & Maintenance-Grand Cayman	7412-15-1		(2,875.00)
10	Landscape Maintenance-Facility & Maintenance-	7420-15-1	22,431.00	
10	Electrical Maintenance - F&M	7430-15-1	212.50	
10	Air Conditioning Maint-Facility & Maintenance-	7460-15-1		(3,457.50)
10	Fire Alarm Systems-CNS-Grand Cayman	7462-17-1	36.65	
10	Elevator Maint -Facility & Maintenance-GCM	7465-15-1	69.98	
10	Property Ins -Facility & Maintenance-Grand Cayman	7721-15-1	57,444.27	
10	Misc Expense - GCM	7800-01-1	1,022.50	

Number	Name	Account No	Debit	Credit
10	Misc Expense - CYB <i>Payables adjustments post TB submission</i>	7800-02-2	731.53	
11	Retained Earnings	3010-00-0		(19,450.00)
11	Rental Income - Non Govt - GCM <i>Reversal of accrual</i>	4210-16-1	19,450.00	
12	Other Current Liabilities	2015-00-0	7,126.34	
12	Retained Earnings <i>Adjustment to clean up overtime that was erroneously brought forward from previous year</i>	3010-00-0		(7,126.34)
13	Other Current Liabilities	2015-00-0		(19,961.93)
13	CUPPS Support and Maintenance-IT-Grand Cayman <i>To adjust for the CUPPS contract and current liabilities</i>	7422-05-1	19,961.93	
14	US Checking Account - RBC	1010-00-0	3,560.28	
14	Bank Charges -Finance-Grand Cayman <i>Additional cash adjustments</i>	7700-10-1		(3,560.28)
15	Government Loans and Advances	2345-00-0	25,515.55	
15	Govt grant Income- Finance- Grand Cayman	4630-10-1	40,007.00	
15	Interest on LT loans <i>To post variance when debt is computed in tranches instead of aggregated</i>	7900-10-1		(65,522.55)
16	Other Receivables	1420-00-0	22,608.00	

Number	Name	Account No	Debit	Credit
16	Accounts Payable - Interagency  <i>To post overpayment to CIGOVE03- Treasury. The funds were returned to CIAA in 2021</i>	2001-00-0		(22,608.00)
17	Accrued Revenue	1405-00-0		
17	Other Receivables	1420-00-0	13,231.93	
17	Accounts Payable  <i>To post overpayment to Andro Group</i>	2000-00-0		(13,231.93)
18	Other Receivables	1420-00-0	4,965.06	
18	Accounts Payable  <i>To post overpayment to BrittHay Electric Ltd.</i>	2000-00-0		(4,965.06)
19	Other Receivables	1420-00-0	717.00	
19	Other Receivables	1420-00-0	1,080.00	
19	Other Receivables	1420-00-0	1,310.00	
19	Other Receivables	1420-00-0	1,095.00	
19	Other Receivables	1420-00-0	228.12	
19	Other Receivables	1420-00-0	204.22	
19	Other Receivables	1420-00-0	371.53	
19	Other Receivables	1420-00-0	20.00	
19	Accounts Payable	2000-00-0		(717.00)
19	Accounts Payable	2000-00-0		(1,080.00)
19	Accounts Payable	2000-00-0		(1,310.00)
19	Accounts Payable	2000-00-0		(1,095.00)
19	Accounts Payable	2000-00-0		(228.12)
19	Accounts Payable	2000-00-0		(204.22)
19	Accounts Payable	2000-00-0		(371.53)
19	Accounts Payable	2000-00-0		(20.00)
	<i>To post overpayment to Fabrizio, Andro Elevators, A.L Thompson, Corporate Electric, Fast signs, Fosters, Tibbets Ent, Wendel</i>			

Number	Name	Account No	Debit	Credit
20	Accrued Revenue	1405-00-0		
20	Travel Advances	1510-00-0		(4,430.83)
20	Assets Under Construction	1690-00-1	1,788.38	
20	Other Current Liabilities	2015-00-0	18,033.69	
20	Accrued Purchases	2060-00-0	7,208.21	
20	Advertising Rev - signs - GCM	4310-11-1		
20	Car Parking Revenue - GCM	4410-16-1		
20	Petrol (Commercial) throughput-GCM	4460-16-1		
20	Inter-Island Travel-Facility & Mainte-Grand Cayman	7104-15-1	516.12	
20	Training - Airport Operations	7110-03-1	2,831.30	
20	Training - Air Traffic Control	7110-04-1		(1,043.51)
20	Training - Security	7110-09-1	1,599.53	
20	General Maintenance - Airport Operations	7400-03-1		(2,304.50)
20	Equipment Maintenance-Facility & Maint	7403-15-1		(7,208.21)
20	Landscape Maintenance-Facility & Maintenance-	7420-15-1		(14,671.00)
20	Regulatory Expenses-Air Navigational -Grand Cayman	7615-04-1	1,043.51	
20	Property Ins -Facility & Maintenance-Grand Cayman	7721-15-1		(3,362.69)
	<i>Unposted client adjustments</i>			
21	CI Checking Account - RBC	1000-00-0	1.15	
21	Cash recovery (overage/shortage)	1122-00-0		(1.15)
21	Accounts Receivable	1400-00-0	6,733.60	
21	Other Receivables	1420-00-0	0.03	
21	Assets Under Construction	1690-00-1		(6,979.93)
21	Assets Under Construction CYB	1690-00-2		(360.00)
21	Accounts Payable	2000-00-0	5,893.18	
21	Accounts Payable - Interagency	2001-00-0		(0.03)
21	Retained Earnings	3010-00-0		(6,733.61)
21	Gain/Loss on Exchange	4600-10-1	0.01	
21	Air Conditioning Maint-Facility & Maintenance-	7460-15-1	1,446.75	

Number	Name	Account No	Debit	Credit
21	Special Events -HR	7795-12-1		(36.09)
21	Special Events - CEO	7795-13-1	227.88	
21	Special Events CEO - CYB	7795-13-2		(191.79)
	<i>To reconcile TBs</i>			
			<b>4,170,577.68</b>	<b>(4,170,577.68)</b>



## APPENDIX 2 – SUMMARY OF UNADJUSTED MISSTATEMENTS

Description	Assets	Liabilities	Equity	Income	Expenses
<b>Unrecorded - factual</b>					
To record cash variance between reconciliation and GL	(10,702.90)	-	-	-	10,702.90
To post the variance in travel tax between the recomputation based on passenger numbers and the GL	7,313.00	-	-	(7,313.00)	-
To post the difference between the TB and the schedule balance	(23,475.60)	-	-	23,475.60	-
To remove the CCTV equipment balance from the WIP that was delivered in 2021	(12,399.94)	12,399.94	-	-	-
Additional provision for Mosquito Research & Control Unit	(31,960.13)	-	-	-	31,960.13
<b>Understated/(Overstated)</b>	<b>(71,225.57)</b>	<b>12,399.94</b>	<b>-</b>	<b>16,162.60</b>	<b>42,663.03</b>

### APPENDIX 3 – INTERNAL CONTROL MATTERS AND SIGNIFICANT FINDINGS

Observation	Risk/ Implication and Recommendation	Observation accepted by Management (Y/N)	Management Response	Implementation Date
<p><b>Non-Compliance with the Procurement Regulations</b></p> <p>The CIAA did not initiate the procurement process for janitorial services promptly, resulting in contract extensions with two service providers. The CIAA's contracts with these providers expired in 2019. CIAA extended its contracts with one provider to 2020 and the other to 2023.</p> <p>These extensions were made without following the competitive procurement</p>	<p><b>Risk/ Implication</b> Uncompetitive procurement processes could result in the CIAA not obtaining the best value for money.</p> <p><b>Recommendation</b> Management should always ensure compliance with the Procurement Act and Procurement Regulations. This will ensure that CIAA obtains value for money for the goods and services it procures.</p>	Yes	Noted, this finding has been communicated to the facilities and procurement teams.	December 2025

Observation	Risk/ Implication and Recommendation	Observation accepted by Management (Y/N)	Management Response	Implementation Date
process required by Section 4 of the Procurement Regulations, 2018.	Management should also commence procurement processes early to prevent disruptions to operational requirements.			
<b>Poor Internal Controls over the financial reporting process</b> We noted deficiencies in internal controls over the financial reporting process and the recognition and recording of transactions in accordance with International Financial Reporting Standards (IFRS). As a result, 47 adjustments totaling \$31.9 million were identified during the audit.	<b>Risks/ Implication</b> Deficiencies in the internal controls could lead to material misstatements in the financial statements. The multiple adjustments also caused delays in the audit.  <b>Recommendation</b> Management should ensure that it establishes strong internal controls to guarantee accuracy and compliance with IFRS.	Yes	The current Finance team involved in the audit was not with CIAA in 2020. As a result, there is a lot of catching up to be done, learning the CIAA recons and processes. The team has found recons have not been done, and when they are done there are correcting journals that have to be done to ensure correct and complete financial reporting. Recommendations are noted.	December 2025

Observation	Risk/ Implication and Recommendation	Observation accepted by Management (Y/N)	Management Response	Implementation Date
<p><b>Delayed and non-declaration of interests</b></p> <p>We observed that one key management personnel (KMP) had not completed their declaration of interest for 2020.</p> <p>We also noted that another KMP completed their 2020 declaration of interest in 2024.</p>	<p><b>Risk/Implication</b></p> <p>This implies that the risks of conflict of interest were not effectively monitored during the period. Undeclared interests can also impair objectivity in decision-making or create the perception of bias.</p> <p><b>Recommendation</b></p> <p>Management should ensure that all key management personnel promptly complete their declarations of interest.</p>	Yes	After the CFO came on seat great efforts were made to ensure all KMP completed their NOIs, this was fully implemented in 2022.	January 2022

Observation	Risk/ Implication and Recommendation	Observation accepted by Management (Y/N)	Management Response	Implementation Date
Recurring from the previous year				
<b>Untimely preparation of bank reconciliations (recurring)</b> We observed that reconciliations were not conducted in a timely manner. As a result, the bank balances shown in the reconciliations differed from the balances in the general ledger for all accounts. This led to multiple adjustments during the audit. The net adjustments to cash and cash equivalents for the year amounted to \$582,173.	<b>Risk/Implication</b> Failure to implement proper reconciliation procedures may result in errors, misstatements, and undetected fraud.  <b>Recommendation</b> Management should ensure that all bank reconciliations are completed promptly and reviewed, and that bank accounts are reconciled with the general ledger on a monthly basis.	Yes	The Finance team is challenged with performing the bank reconciliations in a timely manner due to software limitations.  We will investigate what can be done as an interim measure as we work on the financial statement back log.  In June 2025, following the close of the 2020 audit, great efforts were made to ensure the bank reconciliations were performed	June 2025.

Observation	Risk/ Implication and Recommendation	Observation accepted by Management (Y/N)	Management Response	Implementation Date
We also identified long-outstanding reconciling items that had not been cleared on the reconciliation reports.			and any adjustments required were done.	
<p><b>Lack of a formal impairment review for assets (recurring)</b></p> <p>The CIAA did not conduct a formal impairment assessment as mandated by IAS 36 (paragraph 9). According to the standard, an entity should evaluate whether there are any signs that an asset could be impaired at the end of each reporting period.</p> <p>OAG assessment did not identify any indicators of impairment.</p>	<p><b>Risk/ Implication</b> Items of fixed assets could be impaired and thus valued at amounts greater than their recoverable amounts, resulting in a misstatement of fixed assets.</p> <p><b>Recommendation</b> The CIAA should conduct a formal impairment assessment at least annually to identify any indicators of impairment.</p>	Yes	Recommendation noted. This assessment will be done for each year going forward.	Dec 2025

Observation	Risk/ Implication and Recommendation	Observation accepted by Management (Y/N)	Management Response	Implementation Date
<p><b>Inadequate controls over Petrol Throughput billing (recurring)</b></p> <p>CIAA relied on fuel providers for aviation fuel sales and lacked an internal mechanism to verify the fuel volumes sold. CIAA had memorandums of understanding with fuel service providers and charged a rate per gallon sold.</p> <p>This is a recurring issue from the prior year.</p>	<p><b>Risk/Implication</b> This internal control weakness increases the risk of revenue loss if the fuel provider provides incorrect information.</p> <p><b>Recommendation</b> Management should establish mechanisms for verifying the fuel volumes sold.</p>	Yes	<p>Noted.</p> <p>Will continue to research how this can be independently verified without incurred significant third-party expenses.</p>	Dec 2025

Observation	Risk/ Implication and Recommendation	Observation accepted by Management (Y/N)	Management Response	Implementation Date
<p><b>Lack of signed Lease agreements (recurring)</b></p> <p>CIAA did not have signed lease agreements with some tenants renting their premises.</p>	<p><b>Risk/ Implication</b> This makes it difficult for CIAA to enforce any rights under the agreement and exposes them to financial and legal risks in the event of a dispute.</p> <p><b>Recommendation</b> Management should ensure that CIAA has legally binding agreements with all tenants.</p>	Yes	Noted. CIAA is awaiting acceptance of leases by Land and Survey.	Dec 2025
<p><b>Poor quality of audit submission and supporting schedules (recurring)</b></p> <p>Some of the schedules provided by the client, such as: PPE of \$194.9 million,</p>	<p><b>Risk/ Implication</b> This indicates that schedules and journals were not reconciled on a</p>	Yes	The current Finance team involved in the audit was not with CIAA in 2020. As a result, there is a lot of catching up to be done, learning the CIAA recons and processes.	Dec 2024



Observation	Risk/ Implication and Recommendation	Observation accepted by Management (Y/N)	Management Response	Implementation Date
trade payables of \$6.4 million, receivables of \$6.9 million and cash and cash equivalents of \$5.8 million, were not properly prepared to accurately reflect year-end balances.	<p>monthly basis, which could lead to material misstatements.</p> <p>This resulted in work delays and multiple audit adjustments.</p> <p><b>Recommendation</b> Management should periodically review and reconcile the general ledger and trial balance to reflect correct balances at the end of each reporting period.</p> <p>All journal entries should be reviewed with supporting documentation and approved by management before finalisation to ensure accurate processing.</p>		<p>The team has found recons have not been done, and when they are done there are correcting journals that have to be done to ensure correct and complete financial reporting.</p> <p>Recommendations are noted and implemented as of December 2024.</p>	

