

GOVERNMENT OF THE CAYMAN ISLANDS

Portfolio of the Civil Service

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30th JUNE 2014

Portfolio of the Civil Service

Financial Statements for the year ended 30 June 2014

CONTENTS

	Page
Statement of Responsibility for Financial Statements	3
Auditor General's Report	4-5
Statement of Financial Position	6
Statement of Financial Performance	7
Statement of Changes in Net Worth	8-9
Statement of Cash Flows	10
Notes to the Financial Statements	11-32

Portfolio of the Civil Service
Improving Performance Together

2nd Floor, Government Administration Building
Elgin Avenue
Grand Cayman KY1-9000
Cayman Islands
Tel: (345) 244-2305
Email: gloria.mcfield@gov.ky

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Portfolio of the Civil Service in accordance with the provisions of the *Public Management and Finance Law (2013 Revision).*

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the *Public Management and Finance Law (2013 Revision).*

As Chief Officer I am responsible for establishing; and have established and maintained a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly recorded the financial transactions of the Portfolio of the Civil Service.

As Chief Officer and Chief Financial Officer we are responsible for the preparation of the Portfolio of the Civil Service financial statements, representation and judgements made in these statements.

The financial statements fairly present the financial position, financial performance and cash flows of the Portfolio of the Civil Service for the financial year ended 30 June 2014.

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

(a) Completely and reliably reflect the financial transactions of the Portfolio of the Civil Service for the year ended 30 June 2014;
(b) fairly reflect the financial position as at 30 June 2014 and performance for the year ended 30 June 2014;
(c) comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board. Where guidance is not available, the financial statements comply with International Accounting Standards issued by the International Accounting Standards Committee or accounting practice that is generally accepted in the United Kingdom as appropriate for reporting in the public sector.

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

Gloria McField-Nixon
Chief Officer

Date- 31 October 2014

Nadisha Walters
Chief Financial Officer

Date- 31/10/14

Office of the Auditor General
CAYMAN ISLANDS

Phone: (345) - 244-3211
Fax: (345) - 945-7738
AuditorGeneral@oag.gov.ky
www.auditorgeneral.gov.ky

3rd Floor, Anderson Square
64 Shedden Road, George Town
P.O.Box 2583
Grand Cayman, KY1-1103, Cayman Islands

AUDITOR GENERAL'S REPORT

To the Members of the Legislative Assembly and the Chief Officer of the Portfolio of the Civil Service

I have audited the accompanying financial statements of the Portfolio of the Civil Service, which comprise the statement of financial position as at 30 June 2014 and the statement of financial performance, statement of changes in net worth and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 32 in accordance with the provisions of Section 60(1)(a) of the *Public Management and Finance Law (2013 Revision)*.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

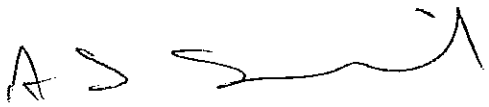
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Portfolio of the Civil Service as at 30 June 2014 and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards.



Alastair Swarbrick, MA (Hons), CPFA
Auditor General

31 October 2014
Cayman Islands

PORTFOLIO OF THE CIVIL SERVICE
STATEMENT OF FINANCIAL POSITION
AS AT 30 June 2014
(Expressed in Cayman Islands Dollars)

2012/13 Actual		Note	2013/14 Actual	Original Budget	Final Budget	Variance (Orig vs Actual)
$'000			$'000	$'000	$'000	$'000
	Current Assets					
1,862	Cash and cash equivalents	2	845	1,950	1,950	1,105
944	Trade receivables	3	2,794	944	944	(1,850)
-	Other receivables	3	97	-	-	(97)
34	Prepayments	4	33	27	27	(6)
2,840	**Total Current Assets**		**3,769**	**2,921**	**2,921**	**(848)**
	Non-Current Assets					
16	Property, plant and equipment	5	596	594	594	(2)
-	Intangible Assets	6	-	4	4	4
16	**Total Non-Current Assets**		**596**	**598**	**598**	**2**
2,856	**Total Assets**		**4,365**	**3,519**	**3,519**	**(846)**
	Current Liabilities					
136	Trade payables	7	170	130	130	(40)
1	Other payables and accruals	7	355	7	7	(348)
-	Unearned revenue	8	1	-	-	(1)
30	Employee entitlements	9	97	188	188	91
1,645	Surplus Payable	10	2,156	1,239	1,239	(917)
1,812	**Total Current Liabilities**		**2,779**	**1,564**	**1,564**	**(1,215)**
	Non-Current Liabilities					
-	**Total Non-Current Liabilities**		-	-	-	-
1,812	**Total Liabilities**		**2,779**	**1,564**	**1,564**	**(1,215)**
1,044	**Net Assets**		**1,586**	**1,955**	**1,955**	**369**
	NET WORTH					
1,044	Contributed capital		1,582	1,338	1,338	(244)
	Other reserves		-	-	-	-
	Revaluation reserve		114	218	218	104
(0)	Accumulated surpluses/(deficits)		(110)	399	399	509
1,044	**Total Net Worth**		**1,586**	**1,955**	**1,955**	**369**

The accounting policies and notes on pages 11-32 form an integral part of these financial statements.

PORTFOLIO OF THE CIVIL SERVICE
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

2012/13 Actual $'000			2013/14 Actual $'000	Original Budget $'000	Final Budget $'000	Variance (Orig vs Actual) $'000
	Revenue					
2,207	Sale of goods and services	11	7,546	7,989	7,950	443
	Investment Revenue	11	2			(2)
2,207	**Total Revenue**		**7,548**	**7,989**	**7,950**	**441**
	Expenses					
1,525	Personnel costs	12	4,780	5,251	5,251	471
266	Supplies and consumables	13	2,000	2,540	2,501	540
5	Depreciation	5	111	139	139	28
	Amortisation of Intangible Assets		-	4	4	4
-	Impairment of property, plant and equipment		-	-	-	-
-	Impairment of inventory		-	-	-	-
-	Finance costs (overdraft interest)		-	-	-	-
-	Litigation costs	14	154	55	55	(99)
0	(Gains)/losses on foreign exchange transactions	15	(4)	0	0	4
1,796	**Total Expenses**		**7,041**	**7,989**	**7,950**	**948**
411	**Surplus or (Deficit) for the period**		**507**	**(0)**	**(0)**	**(507)**

The accounting policies and notes on pages 11-32 form an integral part of these financial statements.

PORTFOLIO OF THE CIVIL SERVICE
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

		Contributed Capital	Revaluation Reserve	Accumulated Surplus/ (deficits)	Total Net worth	Original Budget	Final Budget	Variance (Orig. vs. Actual)
		$'000	$'000	$'000	$'000	$'000	$'000	$'000
Balance at 30 June 2012		1,044	-	(4)	1,040	1,955	1,955	915
Restated balance		1,044	-	(4)	1,040	1,955	1,955	915
Changes in net worth for 2012/13								
Equity Investment from Cabinet		-	-	-	-	-	-	-
Repayment of surplus to Cabinet	10	-	-	(407)	(407)	-	-	407
Net revenue / expenses recognised directly in net worth		-	-	(407)	(407)	-	-	407
Surplus/(deficit)for the period 2012/13		-	-	411	411	-	-	(411)
Total recognised revenues and expenses for the period		-	-	4	4	-	-	(4)
Balance at 30 June 2013 carried forward		1,044	-	-	1,044	1,955	1,955	911

The accounting policies and notes on pages 11-32 form an integral part of these financial statements.

PORTFOLIO OF THE CIVIL SERVICE
STATEMENT OF CHANGES IN NET WORTH
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

(continued)

		Contributed Capital	Revaluation Reserve	Accumulated Surplus/ (deficits)	Total worth	Net	Original Budget	Final Budget	Variance (Orig. vs. Actual)
Balance at 30 June 2013 brought forward		1,044			1,044		1,955	1,955	911
Prior Year Adjustments			-	(110)	(110)		-	-	110
Restated balance		1,044	-	(110)	934		1,955	1,955	1,021
Changes in net worth for 2013/14									
Gain/(loss) on property revaluation		-	-	-	-		-	-	-
Gain/(loss) on revaluation of investments	5	-	114	-	114		-	-	(114)
Exchange differences on translating foreign operations		-	-	-	-		-	-	-
Equity Investment from Cabinet		542	-	-	542		-	-	(542)
Capital withdrawals by Cabinet		(5)	-	-	(5)		-	-	5
Repayment of surplus/Dividends to Cabinet	10		-	(507)	(507)		-	-	507
Net revenue / expenses recognised directly in net worth		537	114	(507)	144		-	-	(144)
Surplus/(deficit)for the period 2013/14		-	-	507	507		-	-	(507)
Total recognised revenues and expenses for the period		537	114	(0)	651		-	-	(651)
Balance at 30 June 2014		1,581	114	(110)	1,586		1,955	1,955	370

The accounting policies and notes on pages 11-32 form an integral part of these financial statements.

PORTFOLIO OF THE CIVIL SERVICE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

2012/13 Actual $'000		2013/14 Actual $'000	Original Budget $'000	Final Budget $'000	Variance (Orig vs Actual) $'000
	CASH FLOWS FROM OPERATING ACTIVITIES				
	Receipts				
2,454	Outputs to Cabinet	6,676	7,989	7,989	1,313
45	Outputs to other government agencies	8	-	-	(8)
-	Sale of goods and services - third party	621	-	-	(621)
-	Donations / Grants	-	-	-	-
11	Other receipts	1,645	-	-	(1,645)
	Payments				
(1,615)	Personnel costs	(4,748)	(5,251)	(5,251)	(503)
(289)	Supplies and consumables	(1,889)	(2,540)	(2,540)	(651)
	Other payments	(3,313)	(55)	(55)	3,258
606	**Net cash flows from operating activities**	**(1,000)**	**143**	**143**	**1,143**
	CASH FLOWS FROM INVESTING ACTIVITIES				
(5)	Purchase of property, plant and equipment	(17)	(59)	(59)	(42)
-	Proceeds from sale of property, plant and equipment	-	-	-	-
(5)	**Net cash flows from investing activities**	**(17)**	**(59)**	**(59)**	**(42)**
	CASH FLOWS FROM FINANCING ACTIVITIES				
-	Equity Investment	-	-	-	-
-	**Net cash flows from financing activities**	**-**	**-**	**-**	**-**
601	**Net increase/(decrease) in cash and cash equivalents**	(1,017)	84	84	1,101
1,261	Cash and cash equivalents at beginning of period	1,862	1,866	1,866	4
1,862	**Cash and cash equivalents at end of period**	**845**	**1,950**	**1,950**	**1,105**

The accounting policies and notes on pages 11-32 form an integral part of these financial statements.

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Description and principal activities

The Portfolio of the Civil Service ("the Portfolio") is a Government owned entity as defined by section 2 of the Public Management and Finance Law (2013 Revision) ("PMFL") and it is domiciled in the Cayman Islands.

Its principal activities and operations include all activities carried out in terms of the outputs purchased by the Deputy Governor as defined in the Annual Plan and Estimates for the Government of Cayman Islands for the financial year ending 30 June 2014.

The Portfolio of the Civil Service has reported the activities and trust monies that it administers on behalf of Cabinet.

Note 1: Significant Accounting Policies

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Federation of Accountants and its International Public Sector Accounting Standards Board using the accrual basis of accounting. Where additional guidance is required, International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board are used.

There are no known accounting standards that have been adopted by the IPSAS Board for use in future years that will impact these financial statements.

(a) Basis of preparation

The financial statements have been prepared on a going concern basis and the accounting policies set out below have been applied consistently to all periods presented. The financial statements are presented in Cayman Islands dollars using the historical cost basis of accounting.

Changes in Accounting Policies

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

The presentation of the 2012/13 financial statements has been changed to include a comparison of actual amounts with amounts in the original and final budget as required by IPSAS 24 including explanations of material difference between original budget and actual amounts.

Note 1: Significant Accounting Policies (continued)

(a) Basis of preparation (continued)

The details and presentation of the Statement of Changes in Net Worth has been changed to show greater detail and to reflect changes in accounting policies and corrections of errors and omissions.

Segment reporting has been included in accordance with IPSAS 18.

(b) Reporting Period

The reporting period is the year ended 30 June 2014.

(c) Budget amounts

The original budget amounts for the financial year are as presented in the 2013/2014 Annual Budget Statement and approved by the Legislative Assembly on the 23 October 2013. The Final Budget is those budget amounts approved in Supplementary Budget.

(d) Judgments and Estimates

The preparation of financial statements is in conformity with International Public Sector Accounting Standards that requires judgments, estimates, and assumptions affecting the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

(e) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash in-transit and bank accounts with a maturity of no more than three months at the date of acquisition.

When there is objective evidence that a financial asset or group of financial assets is impaired the losses are recognised as a loss in the Statement of Financial Performance.

(f) Prepayments

The portion of recognised expenditure paid in advance of receiving services has been recognised as a prepayment.

Note 1: Significant Accounting Policies (continued)

(g) Property, Plant and Equipment

Buildings and structures
Property were revalued as at July 1, 2012 by in-house professionals with the exception of specialized buildings which were contracted to independent evaluators and is stated at revalued amounts less accumulated depreciation. Plant and equipment, is stated at historical cost less accumulated depreciation. Items of property, plant and equipment are initially recorded at cost. Where an asset is acquired for nil or nominal consideration, the asset is recognized initially at fair value, where fair value can be reliably determined, and as revenue in the Statement of Financial Performance in the year in which the asset is acquired.

In accordance with IPSAS 17, when an item of property, plant, and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:
(a) Restated proportionately with the change in the gross carrying amount of the asset, so that the carrying amount of the asset after revaluation equals its revalued amount or
(b) Eliminated against the gross carrying amount of the asset.

Depreciation is expensed on a straight-line basis at rates stipulated below to allocate the cost or valuation of an item of property, plant and equipment (other than land); less any estimated residual value, over its estimated useful life. Leasehold improvements are depreciated either over the unexpired period of the lease or the estimated useful lives of the improvements, whichever is shorter.

Asset Type	***Estimated Useful life***
• Buildings and structures	10 – 60 years
• Building fit-out (when accounted for separately)	5 – 25 years
• Leasehold Improvement	Over the unexpired period of lease
or	
	the useful life of the improvement
• Computer Equipment	3 – 10 years
• Developed software	4 – 10 years
• Office equipment and furniture	3 – 25 years
• Motor vehicles	3 – 20 years
• Boats and marine equipment	3 – 25 years
• Cleaning, refuse and recycling equipment	3 – 15 years
• Construction and other equipment	3 – 25 years
• Telecommunications	5 – 50 years
• Books, Music, manuscripts and works of art	2 – 10 years
• Clothing	0 – 4 years
• Aeroplanes and airport/aviation equipment	8 – 33 years
• Fire fighting plant and equipment	10 – 12 years
• Other equipment	5 - 20 years

Note 1: Significant Accounting Policies (continued)

(g) Property, Plant and Equipment (continued)

Asset Type	*Estimated Useful life*
• Medical and medical laboratory equipment	1 – 25 years
• Library assets	5 – 10 years
• Scientific and laboratory equipment	4 – 25 years

Disposals
Gains and losses on disposals of property, plant and equipment are determined by comparing the sale proceeds with the carrying amount of the asset. Gains and losses on disposals during the year are included in the Statement of Financial Performance.

(h) Employee Benefits
Employee entitlements to salaries and wages, annual leave, long service leave, retiring leave and other similar benefits are recognised in the Statement of Financial Performance when they are earned by employees. Employee entitlements to be settled within one year following the year-end are reported as current liabilities at the amount expected to be paid.

Pension contributions for employees of the Portfolio are paid to the Public Service Pension Fund and administered by the Public Service Pension Board (the "Board"). Contributions of 12.384% - employer 6.192% and employee 6.192% on basic salary are made to the fund by the Portfolio. Contributions of 12% - employer 6% and employee 6% on acting allowance or duty allowance are made to the fund by the Portfolio.

Prior to 1 January 2000 the Board operated a defined benefit scheme. With effect from 1 January 2000, the Board continued to operate a defined benefit scheme for existing employees and a defined contribution scheme for all new employees. Obligations for contribution to defined contribution retirement plans are recognised in the Statement of Financial Performance as they are earned by employees. Obligations for defined benefit retirement plans are centralized in the government and therefore, reported in the Consolidated Financial Statements for the Entire Public Sector of the Cayman Islands Government.

(i) Revenue
Revenue is recognised in the accounting period in which it is earned. Revenue received but not yet earned at the end of the reporting period is recognised as a liability (unearned revenue).

The Portfolio derives its revenue through the provision of services to Cabinet, to other agencies in government and to third parties. Revenue is recognised at fair value of services provided.

Note 1: Significant Accounting Policies (continued)

(j) Expenses

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

(k) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under the operating leases are recognised as expenses on a straight-line basis over the lease term.

(l) Financial Instruments

The Portfolio is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, short term deposits, trade and accounts receivables and trade and accounts payable, all of which are recognised in the Statement of Financial Position.

Classification

A financial asset is classified as any asset that is cash, a contractual right to receive cash or another financial asset, exchange financial instruments under conditions that are potentially favourable. Financial assets comprise of cash and cash equivalents and receivables.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial instrument or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable. Financial instruments comprise of accounts payable and accrued expenses.

Recognition

The Portfolio recognises financial assets and financial liabilities on the date it becomes party to the contractual provisions of the instrument. From this date, any gains and losses arising from changes in fair value of the assets and liabilities are recognised in the Statements of Financial Performance.

Measurement

Financial instruments are measured initially at cost which is the fair value of the consideration given or received. Subsequent to initial recognition all financial assets are recorded at historical cost, which is considered to approximate fair value due to the short-term or immediate nature of these instruments.

Financial liabilities are subsequently measured at amortised cost, being the amount at which the liability was initially recognised less any payment plus any accrued interest of the difference between that initial amount and the maturity amount.

De-recognition

A financial asset is de-recognized when the Portfolio realises the rights to the benefits specified in the contract or loses control over any right that comprise that asset. A financial liability is derecognised when it is extinguished, that is when the obligation is discharged, cancelled, or expired.

Note 1: Significant Accounting Policies (continued)

(m) Contingent Liabilities and Assets (including guarantees)

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

(n) Foreign Currency

Foreign currency transactions are recorded in Cayman Islands dollars using the exchange rate in effect at the date of the transaction. Foreign currency gains or losses resulting from settlement of such transactions are recognised in the Statement of Financial Performance.

At the end of the reporting period the following exchange rates are to be used to translate foreign currency balances:-

- Foreign currency monetary items are to be reported in Cayman Islands dollars using the closing rate at year-end date;
- Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported in Cayman Islands dollars using the exchange rate at the date of the transaction; and
- Non-monetary items that are carried at fair value denominated in a foreign currency are reported using the exchange rates that existed when the fair values were determined.

(o) Comparative Figures

The presentation of the 2012/13 financial statements has been changed to include a comparison of actual amounts with amounts in the original and final budget. Comparative figures are restated to ensure consistency with the current period unless it is impracticable to do so.

(p) Revenue from Non-Exchange Transactions

The Portfolio receives various services from other government entities for which payment is made by the Cayman Islands Government. These services include accommodation in the central government building, computer repairs and software maintenance by the computer services department. The Portfolio has designated these non-exchange transactions as Services in-Kind as defined under IPSAS 23-Revenue from non-exchange Transactions. When fair values of such services can be reliably estimated then the non-exchange transaction is recorded as an expense and an equal amount is recorded in other income as a service in-kind. Where services in-kind offered are directly related to construction or acquisition of a fixed asset, such service in-kind is recognized in the cost of the fixed asset.

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 2: Cash and cash equivalents

Cash and cash equivalents include cash on hand; bank accounts in the name of Portfolio maintained at Royal Bank of Canada; and short term deposits invested with the Cayman Islands Government Treasury. As at 30 June 2014 and 30 June 2013 the Portfolio unrestricted cash balances were as presented below. No restricted cash balances were held by the Portfolio at 30 June 2014.

2012/13 Actual CI$000	Description	Exchange Rate	2013/14 Actual CI$000	Original Budget CI$000	Final Budget CI$000	Variance (Orig vs Actual)
	Cash on hand			4	4	4
	Cash in transit		17	-	-	(17)
1,863	CI$ Operational Current Account		832	1,947	1,947	1,115
	US$ Operational Current Account	0.84				-
(1)	Payroll Current Account		(4)	(1)	(1)	3
1,862	**TOTAL**		**845**	**1,950**	**1,950**	**1,105**

Note 3: Trade receivables and other receivables

At year end, all overdue receivables have been assessed and appropriate provisions made.

2012/13 Actual CI$000	Trade Receivables	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
944	Outputs to Cabinet	2,794	944	944	(1,850)
944	**Total trade receivables**	**2,794**	**944**	**944**	**(1,850)**

2012/13 Actual CI$000	Other Receivables	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Org vs Actual)
-	Other Receivable	97	-	-	(97)
	Total other receivables	**97**			**(97)**

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 3: Trade receivables and other receivables (continued)

2012/13 Actual CI$000	Receivables	Trade Receivable	Other Receivable	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
	Current						
103	Past due 1-30 days	1,027	83	1,110	944	944	(166)
	Past due 31-60 days	661	11	672	-	-	(672)
	Past due 61-90 days	275	-	275	-	-	(275)
841	Past due 90 and above	831	3	834	-	-	(834)
	Non-Current						
	Past due 1 year and above	-	-	-	-	-	-
944	**Total**	**2,794**	**97**	**2,891**	**944**	**944**	**(1,947)**

Note 4: Accrued Prepayments

2012/13 Actual CI$000	Description	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
34	Accrued Prepayments	33	27	27	(6)
	Prepaid Insurance				
34	**Total Prepayments**	33	27	27	(6)

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 5: Property, plant and equipment

Cost or Opening Valuation	*Plant and equipment*	*Buildings and Leasehold*	*Furniture and Office Equipment*	*Computer Hardware*	*Office Equipment*	*Leasehold Improve-ments*	*Infrastructure*	*Motor Vehicles*	*Assets under construction or development*	*Total*	*Original Budget*	*Final Budget*	*Variance (Orig vs Actual)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*		*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
Balance as at 1 July 2012	-	-	19	47	1	-	4	-	-	71	2,510	2,510	2,439
Additions	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 June 2013	-	-	19	47	1	-	4	-	-	71	2,510	2,510	2,439

	Plant and equipment	*Buildings and Leasehold*	*Furniture and Office Equipment*	*Computer Hardware*	*Office Equipment*	*Leasehold Improve-ments*	*Infrastructure*	*Motor Vehicles*	*Assets under construction or development*	*Total*	*Original Budget*	*Final Budget*	*Variance (Orig vs Actual)*
	$'000	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*	*$'000*		*$'000*	*$'000*	*$'000*	*$'000*	*$'000*
Balance as at 1 July 2013	-	-	19	47	1	-	4	-	-	71	2,510	2,510	2,439
Additions	-	-	-	-	-	-	-	-	20	20	59	59	39
Revaluations	-	114	-	-	-	-	-	-	-	114	-	-	(114)
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	629	201	336	341	448	300	32	159	-	2,446	-	-	(2,446)
Balance at 30 June 2014	629	315	355	388	449	300	36	159	20	2,652	2,569	2,569	(82)

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 5: Property, plant and equipment (continued)

Accumulated Depreciation and Impairment Losses	Plant and equipment	Buildings and Leasehold	Furniture and Office Equipment	Computer Hardware	Office Equipment	Leasehold Improve-ments	Infrastructure	Motor Vehicles	Assets under construction or development	Total	Original Budget	Final Budget	Variance (Orig vs Actual)
	$'000	$'000	$'000	$'000	$'000	$'000	$'000		$'000	$'000	$'000	$'000	$'000
Balance as at 1 July 2012	-	-	10	41	1	-	4	-	-	56	1,700	1,700	1,644
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment Reserve -	-	-	-	-	-	-	-	-	-	-			-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	136	136	136
Eliminate on Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 June 2013	-	-	10	41	1	-	4	-	-	56	1,836	1,836	1,780

	Plant and equipment	Buildings and Leasehold	Furniture and Office Equipment	Computer Hardware	Office Equipment	Leasehold Improve-ments	Infrastructure	Motor Vehicles	Assets under construction or development	Total	Original Budget	Final Budget	Variance (Orig vs Actual)
	$'000	$'000	$'000	$'000	$'000	$'000	$'000		$'000	$'000	$'000	$'000	$'000
Balance as at 1 July 2013	-	-	10	41	1	-	4	-	-	56	1,836	1,836	1,780
Transfers	484	3	201	304	422	300	27	148	-	1,889	-	-	(1,889)
Impairment Reserve - Movement 2014	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	27	30	22	21	3	-	1	7	-	111	139	139	28
Eliminate on Disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortisation of Revaluation Reserve	-		-	-	-	-	-	-	-	-	-	-	-
Balance at 30 June 2014	511	33	233	366	426	300	32	155	-	2,056	1,975	1,975	(81)
Net Book value 30 June 2013	-	-	9	6	-	-	-	-	-	15	674	674	659
Net Book value 30 June 2014	118	282	122	22	23	0	4	4	20	596	594	594	(2)

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 6: Intangible Assets

Cost

	Computer Software	*Assets under construction or development*	*Impairment Reserve*	*Total*	*Original Budget*	*Final Budget*	*Variance (Orig vs Actual)*
Balance as at 1 July 2012	***37***	***-***	***-***	***37***	***67***	***67***	***30***
Additions	-	-	-	-	-	-	-
Revaluations							-
Disposals	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Balance as at 30 June 2013	**37**	**-**	**-**	**37**	**67**	**67**	**30**

	Computer Software	*Assets under construction or development*	*Impairment Reserve*	*Total*	*Original Budget*	*Final Budget*	*Variance (Orig vs Actual)*
Balance as at 1 July 2013	***37***	***-***	***-***	***37***	***67***	***67***	***30***
Additions	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Transfers	9	-	-	9	-	-	(9)
Balance at 30 June 2014	**46**	**-**	**-**	**46**	**67**	**67**	**21**

Accumulated Depreciation and impairment losses

	Computer Software	*Assets under construction or development*	*Impairment Reserve*	*Total*	*Original Budget*	*Final Budget*	*Variance (Orig vs Actual)*
Balance as at 1 July 2012	37	-	-	37	56	56	19
Transfers 2012/13	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	4	4	4
Eliminate on Disposal	-	-	-	-	-	-	-
Balance as at 30 June 2013	**37**	**-**	**-**	**37**	**60**	**60**	**23**

	Computer Software	*Assets under construction or development*	*Impairment Reserve*	*Total*	*Original Budget*	*Final Budget*	*Variance (Orig vs Actual)*
Balance as at 1 July 2013	***37***	***-***	***-***	***37***	***60***	***60***	***23***
Transfers 2013/14	9	-	-	9	-	-	(9)
Depreciation Expense	-	-	-	-	4	4	4
Eliminate on Disposal	-	-	-	-	-	-	-
Balance at 30 June 2014	46	-	-	46	64	64	18

Net Book value 30 June 2013	-	-	-	-	7	7	7
Net Book value 30 June 2014	-	-	-	-	4	4	4

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 7: Trade payables, other payables and accruals

2012/13 Actual CI$000	Description	Current	Non-current	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
-	Creditors	44	-	44	130	130	86
128	Creditors Ministries/Portfolios	54	-	54	-	-	(54)
2	Creditors other government agencies	73	-	73	-	-	(73)
-	Payroll Deductions	-	-	-	-	-	-
-	Operating Lease	8	-	8	-	-	(8)
6	Accrued Expenses	229	-	229	6	6	(223)
-	Accrued Expenses Ministries/Portfolios	106	-	106	-	-	(106)
-	Accrued Expenses other government agencies	-	-	-	-	-	-
1	Other payables	11	-	11	1	1	(10)
137	**Total trade payables, other payables & accruals**	**525**	**-**	**525**	**137**	**137**	**(388)**

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

Note 8: Unearned Revenues

2012/13 Actual CI$000	Details	2013/14 Actual CI$000	Original Budget $'000	Revised Budget $'000	Variance (Original vs Actual) $'000
	Current Portion				
-	Other unearned revenue	1	-	-	(1)
-	**Total current portion**	**1**	**-**	**-**	**(1)**
	Non-current Portion				
-	Non-current Unearned revenues	-	-	-	-
-	**Total unearned reveune**	**1**	**-**	**-**	**(1)**

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 9: Employee entitlements

2012/13 Actual CI$000	Description	2013/14 Actual CI$000	Original Budget	Revised Budget	Variance (Orig vs Actual)
	Current employee entitlements are represented by:				
2	Comp Time	10	160	160	150
28	Annual Leave	87	28	28	(59)
30	**Total current portion**	97	188	188	91
	Non-current employee entitlements are represented by:				
-	Retirement and long service leave	-	-	-	-
30	**Total employee entitlements**	97	188	188	91

The retirement and long-service leave entitlements are calculated based on current salary paid to those employees who are eligible for this benefit.

Note 10: Repayment of Surplus

Surplus Payable

The Portfolio budgeted to break even and therefore did not budget for any change in the surplus payable. The Portfolio experienced surpluses as follows:

Year	Surplus
2004-5 Deficit	-308
2005-6 Deficit	-8
2006-7 Surplus (less prior period adjustments)	329
2007-8 Surplus	597
2008-9 Surplus	255
2009-10 Surplus (less prior period adjustments)	166
2010-11 Surplus (plus prior period adjustments)	881
2011-12 Surplus (less prior period adjustments)	358
2012-13 Surplus (less prior period adjustments)	411
2013-14 Surplus	507
Total	**3,188**
Less repayment of Surplus (net 2004/5-2009/10)	-1,032
Total	**2,156**

Note 10: Repayment of Surplus (continued)

Therefore, the Portfolio has a surplus payable to the Cayman Islands Government in the amount of $2,156M as at 30 June 2014 which includes unpaid 2010-11 surplus of $881k less prior period adjustments, 2011-12 surplus of $358k plus prior period adjustments and 2012-13 surplus of $411K less prior period adjustments 2013-14 surplus of $507K. The Minister of Finance has not confirmed whether the Portfolio can retain any of the surpluses achieved in 2010-11, 2011-12; 2012-13 and 2013-14.

Surplus of $1,032m consisting of fiscal years 2006-07 through 2009-10 surpluses (net of 2004-5 and 2005-6 deficts) were paid to Cabinet in February 2012. No additional payments have been made since that time.

Note 11: Revenue

2012/13 Actual CI$000	Revenue type	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
2,203	Outputs to Cabinet	6,921	7,523	7,484	602
	Outputs to other government agencies	5			(5)
	Fees and charges	560	460	460	(100)
	General Sales	24	6	6	(18)
4	Other	36	-	-	(36)
2,207	**Total sales of goods and services**	**7,546**	**7,989**	**7,950**	**443**

2012/13 Actual CI$000	Revenue type	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
	Investment revenue	2	-	-	(2)
	Total Investment Revenue	2	-	-	(2)

Outputs to Cabinet

Outputs to Cabinet comprises goods delivered to and services performed on behalf of the Cayman Islands Government. These outputs are listed in Note 22.

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

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

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 12: Personnel costs

2012/13 Actual CI$000	Description	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
1,296	Salaries, wages and allowances	4,097	4,345	4,345	248
148	Health care	525	639	639	114
74	Pension	202	238	238	36
7	Leave	(49)	6	6	55
0	Other personnel related costs	5	22	22	17
1,525	**Total Personnel Costs**	4,780	5,251	5,251	471

Note 13: Supplies and consumables

2012/13 Actual CI$000	Description	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
9	Supplies and Materials	173	250	250	77
188	Purchase of services	835	1,011	972	176
13	Lease of Property and Equipment	311	345	345	34
6	Utilities	386	456	456	70
13	General Insurance	111	130	130	19
31	Interdepartmental expenses	52	54	54	2
3	Travel and Subsistence	64	105	105	41
2	Recruitment and Training	54	141	141	87
1	Net (gain)/loss on foreign exchange transactions	-	-	-	-
	Other	14	48	48	34
266	**Total Supplies & consumables**	2,000	2,540	2,501	540

Note 14: Litigation Cost

2012/13 Actual CI$000	Description	2013/14 Actual CI$000	Original Budget $'000	Revised Budget $'000	Variance (Original vs Actual) $'000
-	Legal Fees	154	55	55	(99)
-	**Total litigation costs**	**154**	**55**	**55**	**(99)**

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 15: Gains and Losses on Foreign Exchange Transactions

2012/13 Actual CI$000	Description	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
-	Net (gain) / loss on disposal of property, plant and equipment	-	-	-	-
-	Loss on Revaluation of Asset	-			-
0	Net (gain) / loss on foreign exchange Transactions	(4)	0	0	4
0	**Total gain/ (losses)**	(4)	0	0	4

Note 16: Revenue from Non- Exchange Transactions

During the year ended 30 June 2014, the Portfolio received services in-kind in the form of accommodation in the central government building, computer repairs and software maintenance by the computer services department. The fair value of these services cannot be determined and therefore no expense has been recognized in these financial statements.

Note 17: Reconciliation of net cash flows from operating activities to surplus

2012/13 Actual CI$000	Description	2013/14 Actual CI$000	Original Budget	Final Budget	Variance (Orig vs Actual)
411	Surplus/(deficit) from ordinary activities	507	(0)	(0)	(507)
(5)	Prior Period Adjustment	(110)			110
	Non-cash movements				
5	Depreciation expense	111	143	143	32
	Impairment				
	(Gain)/losses on sale of property plant and equipment				
	Changes in current assets and liabilities:				
214	(Increase)/decrease in receivables - Cabinet	(1,868)			1,868
(14)	(Increase)/decrease in other current assets	(96)			96
	Increase/(decrease) in current liabilities				
(14)	Increase/(decrease) in trade payables	170			(170)
2	Increase/(decrease) in other payables	219			(219)
7	Increase/(decrease) in provisions relating to employee costs	67			(67)
606	**Net cash flows from operating activities**	(1,000)	143	143	1,143

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

Note 18: Related party and key management personnel disclosures

Related party disclosure
The Portfolio is a wholly owned entity of the Government from which it derives a major source of its revenue. The Portfolio and its key management personnel transact with other government entities on a regular basis. These transactions were provided free of cost during the financial year ended 30 June 2014 and were consistent with normal operating relationships between entities and were undertaken on terms and conditions that are normal for such transactions.

In addition, there were transactions totalling $22k which were made with vendors who are considered to be a related party with senior personnel within the Portfolio.

Key management personnel
Key management personnel, defined as Ministers of the Government, are also considered to be related parties. There are fourteen members of staff at the senior management level in 2014 (2013: 6).

2012/13 Actual CI$000	Description		2013/14 Actual CI$000	Budget CI$000	Number of persons
669	Salaries & other short-term employee benefits		1,254	674	14
669	**Total**		**1,254**	**674**	

No loans were granted to key management personnel or their close relatives during the financial year.

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

NOTE 19: Explanation of major variances against budget

Explanations for major variances for the Portfolio of the Civil Service performance against the original budget are as follows:

Statement of financial performance

Cabinet revenue
Cabinet Revenue was $602K below budget as fewer hours were billed to Policy Advice given staff shortages during the year and delayed recruitment within the Commissions Secretariat.

Fees and Charges
Fees and Charges were $100K over budget due the the processing of more naturalization request than were budgeted.

Personnel Costs
Personnel costs were $471K below budget due mainly to delayed recturiment within POCS Admininistration and the Commissions Secretariat.

Supplies and consumables
Supplies and consumables were $540K below budget due to delayed projects and careful scrutiny of expenses.

Statement of financial position

Cash and cash equivalents
The actual year-end cash balances were $1.1M below budget due to delayed reimbursement from Cabinet for Executive Salaries of Her Excellency the Governor, the Speaker, the Deputy Governor and Members of the Legislative Assembly.

Debtors and other receivables
The actual year-end debtors and other receivables balances were $1.9M higher than the original budget due to delayed reimbursement of Executive Salaries of Her Excellency the Governor, the Speaker, the Deputy Governor and Members of the Legislative Assembly. Also, there was delayed monthly Cabinet invoicing; however these receivables were collected in July 2014.

Creditors and other payables
Creditors, accruals and other payables were $388K higher than the original budget due to the increased volume of vendor payments resulting from the assignment of additional agencies to the PoCS in 2013.

NOTE 20: Explanation of major variances against budget (continued)

Net worth

Net worth is lower than budget by $369k due to a various contributing factors. Cash was $1.1M less than budgeted. Trade recievables were $1.9M over budget steming from the additional month of cabinet invoicing outstanding and executive salary reimbursement from Cabinet. However, this was netted off by the trade payable being $388K greater than budget and the surplus payable being greater than budget by $917K.

Statement of cash flows

Cash from operating activities
The decrease in cash from operating activities is mainly due to delayed reimbursement of Executive Salaries for the second half of the fiscal year.

NOTE 21: Financial instrument risks

The Portfolio is party to financial instrument arrangements as part of its everyday operations. These financial instruments include cash and bank balances, advances, accounts receivable, debtor-Cabinet and creditors and other payables. The fair value of financial instruments is equivalent to the carrying amount disclosed in the Statement of Financial Position.

Credit risk
In the normal course of its business the Portfolio is subject to credit risk from debtors other than the Cabinet. The Portfolio does not have significant concentrations of credit risk for its other financial instruments.

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

Liquidity risk
In meeting its liquidity requirements, the Portfolio closely monitors its forecast cash requirements with expected cash drawdowns from Cabinet and receipts from third parties. The Portfolio maintains a target level of available cash to meet liquidity requirements.

PORTFOLIO OF THE CIVIL SERVICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 June 2014
(Expressed in Cayman Islands Dollars)

NOTE 22: Commitments

Property	Area	Location	Occupier	Committement	Months remaining as at 30 June 2014	Monthly Rental Charge $000	Total Committement @ 30JUN2014 $000
One year or less:							
Cayman Corporate Centre	3,247	Part Ground Floor	The Commissions	1st May 2012 - 30 April 15	10	8	80
Highgrove Business Park	400	UNIT 4	PoCS (File Store)	1 mar 2013- 28 Feb 2015	8	1	9
Smith Road Center	3,487	Part 2nd Floor - Office	Elections	Monthly	2	9	18
Smith Road Center	1,200	Ground Floor, Unit 8 - Storage	Elections	Monthly	2	1	2
Industrial Park One	1,273	Unit 1 - Storage	Elections	Monthly	2	2	4
							113
One to five years:							
Highgrove Business Park	506	UNIT 28	PoCS (File Store)	1 Feb 2014 to 31 Jan 2016	19	1	26
TOTAL COMMITMENTS							139

NOTE 23: Segment reporting

	Archive	Commissions Secretariat	Civil Service College	Elections	Internal Audit	Legislative	Policy Advice and Support for the Governor & Deputy Governor	Total
Cabinet Revenue	1,122	512	325	425	647	1,075	2,817	6,922
Revenue	18	10	-	5	33	5	555	626
Total Revenue	**1,140**	**521**	**325**	**430**	**679**	**1,079**	**3,372**	**7,548**
Total Expenses	**974**	**548**	**358**	**342**	**611**	**1,001**	**3,208**	**7,041**
Surplus/(Deficit)	**166**	**(27)**	**(33)**	**89**	**68**	**78**	**165**	**507**
Total Segment Assets	**106**	**17**	**-**	**0**	**26**	**41**	**4,175**	**4,365**
Total Segment Liabilities	**31**	**21**	**7**	**33**	**15**	**52**	**2,620**	**2,779**

Cayman National Archives

- Identification and acquisition of archives and historical records and access to archives and historical information of various media through the Reading Room service. Preservation and recovery of historical archives and government records.
- Monitor and evaluate records and information management gaps within the public service and develop practical recordkeeping tools for improvement.
- Policy development, advice and guidance on records and information management to promote efficient administration, ease of access to information, accountability and transparency.
- Promotion of the historical and cultural holdings through outreach programmes.

NOTE 23: Segment reporting (continued)

Commission Secretariat
Provision of research, analytical, operational, policy, strategic and administrative support services to the Human Rights Commission, the Constitutional Commission, the Commission for Standards in Public Life, the Judicial and Legal Services Commission, the Civil Service Appeals Commission, the Anti-Corruption Commission and the Public Police Complaints Commission.

Civil Service College
Learning and Development Opportunities within the Civil Service

- Identification of priorities for human capital development within the civil service.
- Implementation of learning and development interventions to meet the identified needs.
- Strategic development and management of a Civil Service College (CSC), to provide learning and development opportunities for all civil servants, as well as other public sector and overseas clients.

Elections Office
The office maintains the electoral register involving addition of eligible voters and deletion of deceased or ineligible voters. Also, it is responsible for administering and holding general elections as well as the planning and execution of referendums.

Internal Audit Services
Evaluation of management systems in order to determine whether financial and operating information is accurate and reliable; risks to government agencies are being identified and minimized; regulations, policies and procedures are followed; assets are adequately safeguarded; resources are used efficiently and economically; agencies are operating efficiently and effectively.

Legislative
Servicing the Legislative Assembly and the Members of the Legislative Assembly including:

- Sale of Cayman Laws to the Public
- Servicing and supporting sittings of the House
- Administrative support and research for the Speaker and MLAs and the local branch of the Commonwealth Parliamentary Association
- Managing the Legislative Assembly Building

Policy Advice and Support for the Governor and the Deputy Governor
This includes services provided by the Governor's Office, the Deputy Governor's Office and the core Portfolio of the Civil Service.

Note 24: Financial Instruments – Fair Values

As at 30 June 2014, the forecasted carrying value of cash and cash equivalents, trade and other receivable, work in progress, trade and other payable and employee entitlements approximate their fair values due to their relative short-term maturities. Fair values estimates are made at a specific point in time, based on market conditions and the information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions, economic conditions and other factors could cause significant changes in fair value estimates.

NOTE 25: Contingent Liabilities

As at 30 June 2014 there are no quantifiable and non-quantifiable contingent liabilities and therefore no contingent liabilities have been provided for within these financial statements.

NOTE 26: Events Occuring After Reporting Date (30 June 2014)

1. Conditions existing at reporting date

(a) Management is not aware of any events existing at the reporting date which will have an impact on the financial statements at 30 June 2014.

2. Conditions after reporting date

(b) Management is not aware of any occurances subsequent to the reporting date which will have an impact on the financial statements at 30 June 2014.

Portfolio of the Civil Service
Improving Performance Together

2nd Floor, Government Administration Building
Elgin Avenue
Grand Cayman KY1-9000
Cayman Islands
Tel: (345) 244-2305
Email: gloria.mcfield@gov.ky

STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Portfolio of the Civil Service in accordance with the provisions of the *Public Management and Finance Law (2013 Revision).*

We accept responsibility for the accuracy and integrity of the financial information in these financial statements and their compliance with the *Public Management and Finance Law (2013 Revision).*

As Chief Officer I am responsible for establishing; and have established and maintained a system of internal controls designed to provide reasonable assurance that the transactions recorded in the financial statements are authorised by law, and properly recorded the financial transactions of the Portfolio of the Civil Service.

As Chief Officer and Chief Financial Officer we are responsible for the preparation of the Portfolio of the Civil Service financial statements, representation and judgements made in these statements.

The financial statements fairly present the financial position, financial performance and cash flows of the Portfolio of the Civil Service for the financial year ended 30 June 2014.

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

(a) Completely and reliably reflect the financial transactions of the Portfolio of the Civil Service for the year ended 30 June 2014;
(b) fairly reflect the financial position as at 30 June 2014 and performance for the year ended 30 June 2014;
(c) comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board. Where guidance is not available, the financial statements comply with International Accounting Standards issued by the International Accounting Standards Committee or accounting practice that is generally accepted in the United Kingdom as appropriate for reporting in the public sector.

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

Gloria McField-Nixon
Chief Officer

Date- 31 October 2014

Nadisha Walters
Chief Financial Officer

Date- 31/10/14