CAYMAN ISLANDS
NATIONAL
MUSEUM

# 2024 Annual Report

***We are the living connection to Cayman's past.***

The Cayman Islands National Museum's 2024 Annual Report highlights a year of stewardship, storytelling, and community connection. Through exhibitions, research, and education, we continue to safeguard Cayman's rich cultural and natural heritage while inspiring new generations to understand, value, and shape our shared history.

## Location

The National Museum is located at 64 Seafarer's Way, George Town. Our administration and education centre is located at 10 Cayside House on the Waterfront in George Town.

## About this Report

This Annual Report is for the Cayman Islands National Museum (the 'Museum'). The report outlines the Museum's performance during the period from January 1st, 2024, to December 31st, 2024, and compares it to the budgeted performance for the corresponding year.

The requirement for an Annual Report is prescribed under section 52 of the Public Management and Finance Act (2020 Revision)('PMFA'), Section 52 states:

1. In respect of each financial year, each statutory authority and government company shall prepare an annual report.
2. An annual report shall report the performance of the authority or company and compare it with that proposed in the ownership agreement for that financial year and shall include -
    a. a summary of the nature and scope of the activities of the authority or company during that financial year;
    b. a summary of the extent to which the strategic goals and objectives of the authority or company described in the annual ownership agreement were achieved;
    c. a summary of the extent to which the ownership performance targets set out in the authority's or company's annual ownership agreement for that financial year have been achieved in that financial year;
    d. for the financial years -
        i. 2004/5 to 2007/8, unaudited financial statements; or
        ii. 2008/9 and onwards, audited financial statements, which shall be prepared on a basis consistent with the forecast financial statements in the authority's or company's annual ownership agreement for that financial year and contain the statements and information set out in Schedule 4.
    e. the amount of any equity investment made by the Cabinet in the authority or company during the financial year;
    f. the amount of any capital withdrawals made by the Cabinet from the authority or company during the financial year;
    g. the amount of any dividends or profit distributions paid by the authority or company during the financial year;
    h. the amount of any loans to the authority or company by the Cabinet during the financial year; and
        i. details of any guarantees relating to the authority or company made by the Cabinet during the financial year.
3. The financial statements referred to in subsection (2) (d) shall be prepared within two months of the end of the financial year.
    a. The financial statements referred to in subsection (2)(d)(ii) shall be submitted to the Auditor General for auditing, and the Auditor General shall express an opinion within two months of receipt of the financial statements.

For more information please contact:
64 Seafarers Way, George Town
P.O. Box 2189,
Grand Cayman, KY1-1105
Cayman Islands
(345) 949 8368 | info@museum.ky www.museum.ky

**This Annual Report covers three main areas:**

## Service Delivery

The service delivery section outlines the contributions made by the National Museum in furtherance of the Government's policy outcome goals. It also provides commentary which explains material variances in performance when compared to the budget.

## Financial Performance

The financial performance section shows the financial resources the Museum was afforded in the 2024 budget and the inputs purchased to provide services. The financial performance is presented in the form of financial statements prepared in accordance with International Public Sector Accounting Standards (IPSAS) and the supporting notes to those.

## Governance

The report also includes a section on Governance which outlines the Museum's efforts in the areas of risk management, audit, and freedom of information.

# Welcome to our 2024 Annual Report

## Contents



## Who We Are

The Cayman Islands National Museum is a permanent institution committed to the preservation of the tangible and intangible cultural and natural heritage of the Cayman Islands. The museum was established via the Museum Act (1979, 1999 revision), which mandates it to:

- Collect, care for, conserve, research, interpret and display objects of historical, cultural, environmental, artistic, or scientific value to the Cayman Islands, both terrestrial and underwater, for the benefit of present and future generations.

Opened to the public in 1990, the Museum is the only institution in the Cayman Islands officially entrusted to preserve, research, and disseminate all aspects of the Caymanian heritage and culture.

Through the organisation's dynamic programmes, exhibits, and collections, the National Museum is the living connection with the Cayman Islands' past and ensures that future generations value our unique natural and cultural heritage.

The Ira Thompson Collection, consisting of artefacts which Ira Thompson collected as a hobby back in the 1930's, is the nucleus of the National Museum's Collection.

The Natural History segment of the Collection includes fossils from the sea which were discovered on land, forms of land-life retrieved from the sea and everything in between.

The Art Collection showcases an extensive collection of Caymanian arts and crafts. The Cultural History Collection offers tangible evidence of our social development.

## What We Do

**The Cayman Islands National Museum conducts the following scope of activities:**

Collection and preservation of material evidence significant to our culture, history and heritage, including:

- Collection, documentation and preservation of material; and
- Protection, scientific research of, and limited (controlled) public access to Museum Collections, and materials of Caymanian Heritage

Public access to and educational services from displays, exhibitions, library, publications, research collections and programmes of the Cayman Islands National Museum including:

- Providing museum facilities, exhibitions and displays, and general public access to them;
- Provision of a land-based Maritime Heritage Trail and Shipwreck Preserves;
- Provision of restaurants, shops, and other facilities for the use by the public and in furtherance of the mission and purpose of the Museum;
- Liaising with local and international groups having similar objectives, for loan or exchange of artefacts and exhibits, and the exchange of knowledge and information.

Services to support the Ministry, Cabinet, and Other Departments:

- Direct, manage and assist the National Museum in fulfilling its mission and purposes;
- Support Government's requests for information to further the cultural well-being of the Cayman Islands;
- Assist the Ministry in creating National Culture Policies and plans; and any necessary legislation.

**Our Mission:**

Through our dynamic programmes, exhibits and collections, the National Museum is the living connection to Cayman's past; we ensure that future generations have the opportunity to experience our island's unique natural and cultural heritage.

- Cultivate pride and celebrate Caymanian cultural heritage and natural history by educating Caymanians, residents, and visitors of all ages about the uniqueness and commonalities of the three Cayman Islands.
- Nurture children to become the caretakers and architects of preservation for Caymanian culture and the natural history of the Cayman Islands.
- Present the many voices of the people of the Cayman Islands in order to reflect the Islands' diverse cultures and cultural values.
- Participate in honest and open dialogue with community and visitors.
- Synthesise and present the diverse influences impacting Caymanian culture, including the natural history, prehistoric and early historic eras, as well as contemporary issues.
- Aid in the inevitable evolution of Caymanian society by helping people understand the importance of interpreting cultural values and beliefs in order to make informed decisions for the future.


# Organisation

## At A Glance

| Financial Performance Measures ($000's) | 2024 Target | 2024 Actual |
|---|---|---|
| Revenue from Cabinet | 892 | |
| Revenue from Ministries, Portfolios, Statutory Authorities, Government Companies | - | |
| Revenue from Others | 351 | |
| Operating Expenses | 1,239 | |
| Operating Surplus/Deficit | 4 | |
| Net-Worth ($000's) | 3,003 | |
| **Cash Performance ($000's)** | **2024 Target** | **2024 Actual** |
| Cash Flows from Operating Activities | 64 | |
| Cash Flows from Investing Activities | (30) | |
| Cash Flows from Financing Activities | 30 | |
| Change in Cash Balances | 64 | |
| **Financial Performance Ratios** | **2024 Target** | **2024 Actual** |
| Current Assets: Current Liabilities | 41.11 | |
| Total Assets: Total Liabilities | 79.40 | |
| **Human Capital Measures** | **2024 Target** | **2024 Actual** |
| Total Full-Time Equivalent Staff Employed | 8 | 5 |

## Financial Snapshot

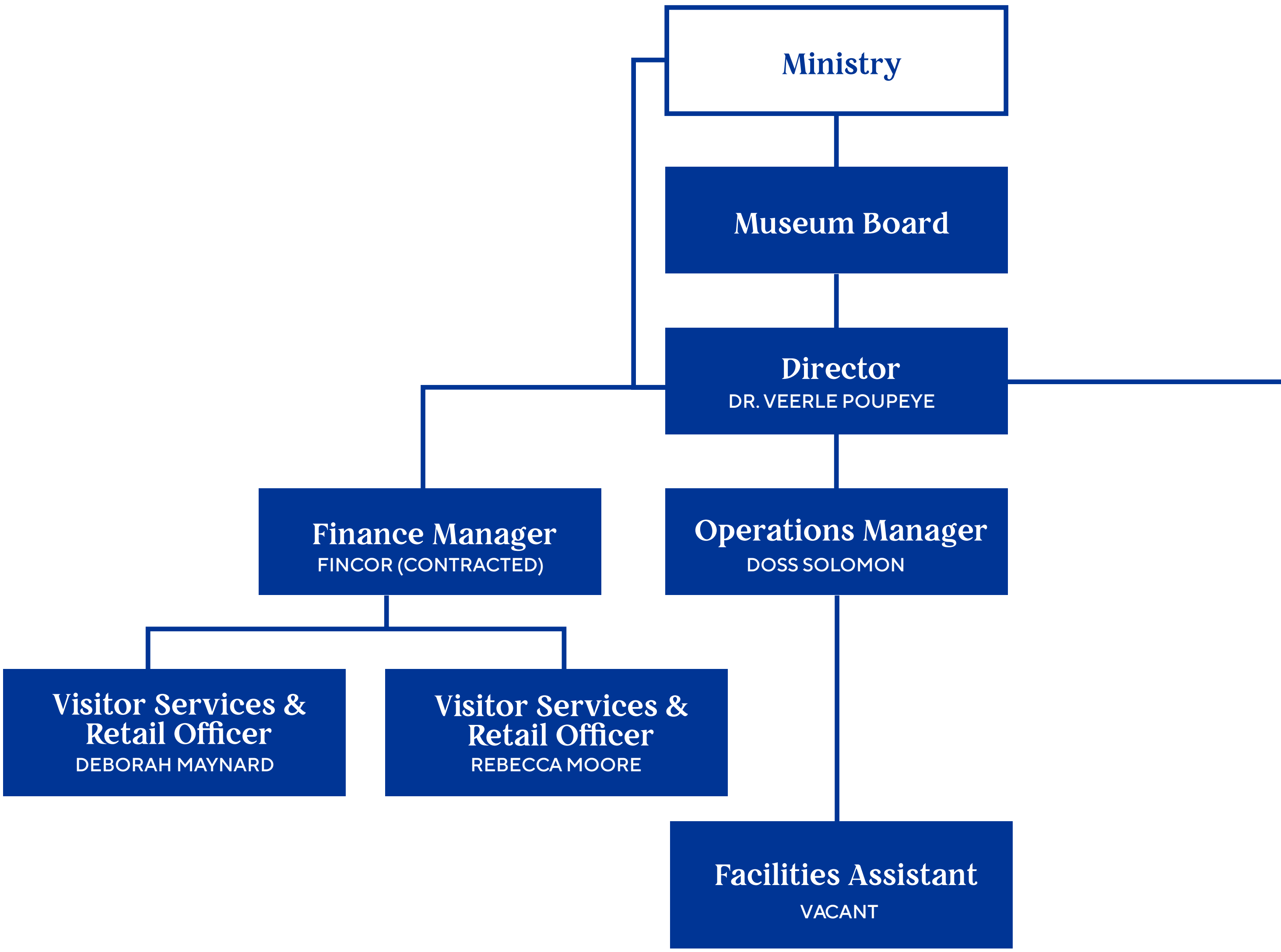
### Total Revenue

| | |
|---|---|
| 2021 | $925,085 |
| 2022 | $1,069,467 |
| 2023 | $1,068,969 |
| 2024 | $1,137,664 |

### Value of Total Assets

| | |
|---|---|
| 2021 | $1,907,561 |
| 2022 | $2,187,361 |
| 2023 | $2,207,913 |
| 2024 | $2,267,365 |

## Our Organisation



**Curation & Collections Manager**
VACANT

**Marketing, Events & Design Coordinator**
BRIAN WATLER JR.

**Exhibition Coordinator**
VACANT

**Special Events & Programmes Assistant**
VACANT

## Our Leadership

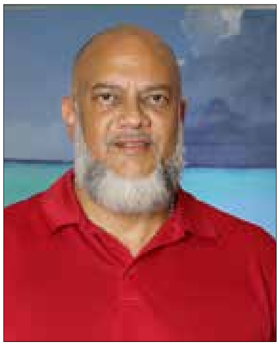
### Mrs. Berna Thompson Cummins, MBE

Ms. Berna Thompson Cummins, MBE, is a respected Caymanian leader in business, education, and public service. A University of Central Florida graduate, she has led the Cayman Islands Chamber of Commerce and served in the Legislative Assembly. She had served previously on the Board of the Museum and was appointed in December 2025 as its current Chairperson. She received an MBE for her national service and, in 2025, a Lifetime Achievement Award from the Cayman Islands Chamber of Commerce. A devoted Rotarian and gardener, she is a seventh-generation Caymanian, wife, mother, and grandmother. Ms. Berna is passionate about education and the promotion and preservation of Caymanian heritage.

### Dr. Veerle Poupeye

Dr. Veerle Poupeye is a Belgian-Jamaican art historian, curator, and cultural consultant specialising in Caribbean art and visual culture. With a BA and MA in Art History from University Gent, Belgium, and a PhD from Emory University, she has curated over 45 exhibitions across the Caribbean, North America, and Europe.

Previously the Executive Director of the National Gallery of Jamaica, Dr. Poupeye is also an accomplished author, known for works such as Caribbean Art and Modern Jamaican Art. In October 2024, she was appointed Director and Curator of the Cayman Islands National Museum, where she brings her deep expertise and innovative vision to preserve and celebrate cultural heritage. Dr. Poupeye began her new role on November 1, 2024.



### Mr. Doss Solomon

Mr. Doss Solomon has been the Operations Manager at the Cayman Islands National Museum since 2002 Prior to joining the museum, he served for six years as Assistant Secretary with the Ministry of Education and Culture. Mr. Solomon combines his administrative expertise with a deep passion for preserving Caymanian heritage.

## Message from the Chairperson

**Mrs. Berna Thompson Cummins, MBE**

It is with great pride that I present the annual report for the Cayman Islands National Museum, covering the period from the 1st of January to the 31st of December 2024.

This report reflects the Museum's key milestones and unwavering commitment to serving our community while supporting the Government's vision for cultural preservation and development. We continued to make significant progress in safeguarding and promoting the unique culture and heritage of the Cayman Islands, providing both residents and visitors with deeper insights into the nation's cultural legacy.

Through strong collaborations and the exceptional dedication of our valued team, the Museum hosted a variety of engaging programmes and exhibitions in 2024. This included our increasingly popular annual Mango Fest and our Christmas Market and Anniversary. Through hands-on workshops, our Immerse Summer Camp, and active participation in community outreach initiatives, we continuously aim to encourage Caymanians, young and older, to share, explore and appreciate their history and cultural roots.

We collaborated with the Ministry of Youth, Sports, and Heritage on the Cayman Collections Centre in West Bay, which features more than 260 artefacts from our Collections, adding to the exhibitions we offer at the Museum itself.  At that site, visitors can now explore displays including catboats, a hand-dugout canoe, and paintings that showcase the islands' maritime heritage and artistic traditions.

These initiatives celebrated Caymanian traditions, highlighted the richness of our history and the spirit of our people, and provided an opportunity for visitors to connect with our diverse collection of artefacts.

We also welcomed our new Director, Dr. Veerle Poupeye, in 2024 and look forward to the new directions that are charted for the Museum under her leadership. I also want to thank the Boards who served during 2024, initially chaired by Craig Merren, OLY, and subsequently by Susan Arch-Parsons. Their passion and dedication supported many new initiatives and provided continuity while the Museum recruited a new Director.

We are dedicated to creating museum experiences and programmes that are accessible, engaging, and reflective of the vibrant stories that define our community, and together, we remain committed to preserving the heritage of the Cayman Islands while fostering a greater understanding and appreciation of our shared history. As we look to the future, our mission is clear: to protect the treasures of our past and inspire a strong sense of identity for generations to come.

**Berna Thompson Cummins**

## Message from the Director

**Dr. Veerle Poupeye**

In 2024, the Cayman Islands National Museum experienced a transformative year, celebrating remarkable milestones and strengthening connections within our community. We proudly welcomed a diverse array of visitors to our exhibits, engaged in numerous local events and educational initiatives, and enriched our collection with artefacts that illuminate the depth and vibrancy of our cultural heritage.

Our dedication to serving as a cultural bridge between past and present was vividly reflected in initiatives such as the "Looky Ya!" Heritage Showcase events and the Immerse Summer Camp. These programmes offered immersive cultural education through hands-on activities and excursions, celebrating the unique traditions of each of Grand Cayman's five districts and the Sister Islands. With local crafts, culinary experiences, and vibrant performances, these family-friendly events underscored our mission to preserve and promote Caymanian heritage.

This year, we also unveiled Slavery be Dead, We Be Free!, which accompanied the reintroduction of Emancipation Day, as well as The Resilience of Cayman: Surviving Hurricane Ivan, an exhibition commemorating one of the most impactful storms in Caribbean history. Running through May 2026, this powerful exhibit chronicles the events surrounding Hurricane Ivan and honours the extraordinary resilience and unity of the Caymanian people in the face of adversity.

As we reflect on the past year, we take immense pride in the strides made to preserve and celebrate our shared cultural identity. From compelling exhibits to engaging programmes, we remain committed to connecting our rich history with the present, offering meaningful experiences to both residents and visitors alike.

Looking ahead, I am excited about the opportunities and challenges that future years will bring, building on the successes of 2024. I also wish to use the opportunity to thank our dedicated and hardworking Staff and express my appreciation for the support of our successive Boards.

**Veerle Poupeye, PhD**

## 2024 Year in Review

Key moments, programmes and milestones

Q1 Jan-Mar | Q2 Apr-Jun | Q3 Jul-Sept | Q4 Oct-Dec

### Q1 | Jan–Mar

- Opened Cayman Collections Centre
- Continued *I Cannot Thee Forget: Ms. Leila Ross-Shier* and *Ms Annie Hudah Bodden: A Woman of Many Hanys* exhibition
- West Bay–focused workshops and heritage showcases
- Traditional Arts: Plaiting workshop
- Donation of historic photos by Patrick Broderick
- Looky Ya! showcased East End artisans and cuisine

### Q2 | Apr–Jun

- Looky Ya! showcased George Town and West Bay artisans
- Traditional Arts: Thatch Plaiting
- Opened *Slavery Be Dead, We Be Free!* exhibition
- Hosted Beats of Freedom (Poetry & Drumming)
- Host venue for Cayman Art Week (From the Collection: Art)
- Credit Union sponsored Immerse Summer Camp
- Welcomed CHHS summer interns

### Q3 | Jul–Sep

- Mango Fest drew 300+ attendees
- Partnered with CNCF (Culture Keepers Programme)
- Delivered Immerse Summer Camp
- Opened *The Resilience of Cayman: Surviving Hurricane Ivan* exhibition
- Looky Ya! featured East End and West Bay artisans
- Cayman

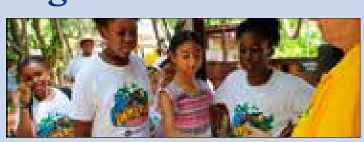
### Q4 | Oct–Dec

- Rope-Making workshop
- Dr. Veerle Poupeye appointed Director
- Hosted Pirates Week VIPs
- Anniversary Christmas Market
- National Museum rebrand featuring Old Courts Building

## Signature Moments

**Mango Fest 2024**

Drew 300+ attendees with family-friendly fun



**Immerse Summer Camp**

Engaged youth in Caymanian culture & arts


**National Museum Rebrands**

Launched new logo

## Overview of our Achievements

In 2024, the Cayman Islands National Museum reaffirmed its unwavering commitment to preserving and celebrating the rich heritage of the Cayman Islands. A landmark achievement was the opening of the Cayman Collections Centre (CCC) in West Bay, which provided visitors with unprecedented access to the national collection and featured a curated gift shop. This new venue became a vital cultural hub, deepening local and visitor appreciation for Cayman's historical and cultural treasures.

The Museum continued to enhance its retail offerings, prominently featuring products by local artisans—including handcrafted thatch items, Caymanite jewellery, and an array of books and souvenirs—thereby supporting the local economy and promoting Caymanian craftsmanship.

Throughout the year, the Museum presented a series of compelling exhibitions that brought Cayman's history and culture vividly to life. Highlights included *I Cannot Thee Forget: Ms. Leila Ross Shier*, honoring one of the nation's celebrated heroes; *Slavery Be Dead, We Be Free!*, a poignant exploration of the legacy of slavery and emancipation in the islands; and *The Resilience of Cayman: Surviving Hurricane Ivan*, commemorating the community's extraordinary recovery from one of the most devastating storms in Cayman's history. These exhibitions combined education with inspiration, fostering reflection on the resilience and achievements of the Caymanian people.

Community engagement remained central to the Museum's mission in 2024. The bi-monthly Looky Ya! Heritage Showcase became a signature event celebrating traditional crafts, cuisine, and music, providing a platform for artisans and small businesses to thrive. Interactive workshops in thatch plaiting, Quadrille dancing, and rope making offered hands-on opportunities to preserve Cayman's unique cultural traditions. The highly successful Mango Fest 2024, which attracted over 300 attendees, further demonstrated the Museum's capacity to blend cultural celebration with vibrant community involvement.

Educational outreach programs continued to engage the next generation through immersive, hands-on learning experiences. The Immerse Summer Camp offered participants engaging visits to historic sites including Pedro St. James and the Cayman Parrot Sanctuary, fostering curiosity and creative expression.

A key partnership with the Cayman National Cultural Foundation's *Culture Keepers* program encouraged

students to explore and take pride in their heritage through interactive activities and site visits, culminating in formal recognition as "Culture Keepers." These initiatives play a crucial role in ensuring the preservation of Caymanian traditions for future generations.

A significant milestone for the Museum was the appointment of Dr. Veerle Poupeye as Director. An esteemed curator and scholar with deep expertise in Caribbean art and culture, Dr. Poupeye brings renewed vision and leadership aimed at strengthening the Museum's role as a dynamic cultural and educational institution. Her leadership signals the Museum's dedication to excellence and its aspiration to broaden its impact both locally and internationally.

Strategic collaborations with local organisations, artisans, and sponsors further amplified the Museum's reach. Events such as National Maritime Day and Cayman Art Week's Art in the City highlighted the vibrancy of Cayman's cultural heritage and its connections to the wider Caribbean, drawing large audiences and reinforcing the Museum's mission to unite the community around shared traditions.

In preparation for its anniversary celebrations and holiday programming, the Museum continued to offer diverse and engaging activities. Workshops in thatch plaiting and rope making, along with a Speaker Series and access to archived lectures, underscored the Museum's commitment to lifelong learning and fostering dialogue about Cayman's history.

Through its exhibitions, educational initiatives, and community-centered programming, the Cayman Islands National Museum remains a beacon of cultural preservation and celebration. Its efforts in 2024 not only honoured the island's rich heritage but also strengthened the collective identity and pride of its people. By bridging the past with the present, the Museum has solidified its place as a cornerstone cultural institution and a symbol of resilience and community spirit. Looking ahead, under visionary leadership and through ongoing initiatives, the Museum is poised to further elevate its role as a cultural lighthouse for generations to come.


Larger and darker than
(Crocodylus acutus) can reach a
currently listed as "vulnerable" but
Hispaniola, Central and South
in a while, one will swim into
Man Bay, Grand Cayman in
in Little Cayman, November 2008.

# Governance

## Strategic Ownership Goals

The Strategic Ownership Goals for the Museum 2023-2024 are as follows:

## Collections, Conservation, Curation and Research

Preserve and Manage Cultural Heritage

Continue to collect, conserve, protect, research, and manage material evidence of artistic, historic, and scientific significance to the Cayman Islands, encompassing both terrestrial and underwater artefacts (*Note- the Museum would like to re-establish and revitalise the Museum Conservation Program by employing a Conservator and developing a Conservation policy and revitalised Conservation Plan).

Integrate Research into Public Engagement

As common practice, incorporate on-going research findings on collections, terrestrial and underwater archaeological sites into public exhibition, programmes and publications.

Collaborate with Peer Institutions

Liaise with local, regional and international groups having similar objectives, for loan or exchange or artefacts and exhibits, and the exchange of knowledge and information.

## Operations, Education and Exhibits

Enhance Board Effectiveness

Strengthen the Board's ability to support the Museum's vision, mission, and strategic goals through effective governance and leadership.

Align Organisational Structure

Optimise the Museum's organisational framework to align with its vision, mission, and core values.

Acquire a Purpose-Built Collections Facility

(*Note - this is dependent upon Governmental Capital Funding being granted and the Museum supplemental fundraising).

Optimise Use of Resources

Assess, evaluate, and responsibly re-purpose or dispose of outdated non-collections items (e.g., furniture, exhibition panels, props, and maintenance equipment) housed at the Museum Support Facility.

Move the Collections to the Purpose-built Collections Facility

(*Note - this is dependent upon capital funding for acquisition of a purpose-built facility).

Enhance Public Access:

Provide engaging exhibitions and displays that are accessible to the public.

Develop Educational Programmes

Develop and promote a variety of educational programmes in support of the Museum's mission, vision and goals, i.e., changing exhibitions, museum tours, Speaker Series talks, Traditional Arts, Summer Camps, special opportunities for older persons and for youth.

Revitatlise the Archeology Programme

Re-establish and revitalise the Museum Archaeology Programme by employing a supporting Archaeologist, developing an Archaeology Policy, and updating a National Archaeology Plan (to assist the present Museum Director/Archaeologist).

Collaborate on Maritime Heritage

Continue to partner with our Maritime Heritage Trail Partners in initiatives of the Cayman Islands Maritime Archaeology Programme ('CIMAP'): National Archive, National Trust, and the Department of Environment on maritime related issues in the protection, research, legislation, and educational programmes and activities relating to the islands' maritime heritage, e.g., shipwrecks. Work with all partners to develop a marketing plan that maximises learning and visibility.

**Strengthen Cultural Partnerships**

Continue to partner with cultural organisations: Cayman National Cultural Foundation, National Trust, National Archive, National Gallery, and the Cayman Brac Museum to promote the Cayman Islands' cultural heritage.

**Support Tourism Initiatives**

Assist the Department of Tourism and other related organisations/institutions in marketing the cultural product of the Cayman Islands.

**Host Special Events**

Coordinate the following special events: Looky Ya! (bi-monthly), International Museum Day (May), Mango Fest (June/July), Immerse Summer Camp (July), VIP Pirates Landing and Parade Event (November), Museum Anniversary (November), and any other national events requiring the Museum's involvement.

**Support Sister Islands and Districts:**

Continue to assist the Sister Islands and the districts in Grand Cayman with Museum-related issues and activities as needed.

**Enhance Visitor Amenities**

Provide a cafe, gift shop, and other facilities to include a Museum Library (reference and research books and digital/virtual images of the Collection), Education and Research Centre, and Interpretive Gardens for the benefit and enjoyment of the public, and to enhance income streams for the Museum.

**Maintain Emergency Preparedness**

Maintain an up-to-date Emergency Management Plan that addresses professional standards of protection and security for Museum visitors, staff, collections, building contents, and facilities, and that addresses continuity of business in the event of an emergency or disaster.

**Strengthen Membership Engagement**

To develop a robust Membership plan and network to ensure appreciation and awareness of the Museum, its mission, vision, and goals, and to provide income to the Museum.

**Enhance Retail Services**

Regularly update gift shop and visitor services policy.

## Ministry and Governmental Department Support

**Timely Support for Government Initiatives**

Continue to prepare and support Government's requests for information in a timely manner to further the cultural well-being of the Cayman Islands.

**Provide Regular Reporting**

Provide reports and other documents requested by the Ministry on a monthly, quarterly, and annual basis, and as needs arise.

**Assist with National Policy Development**

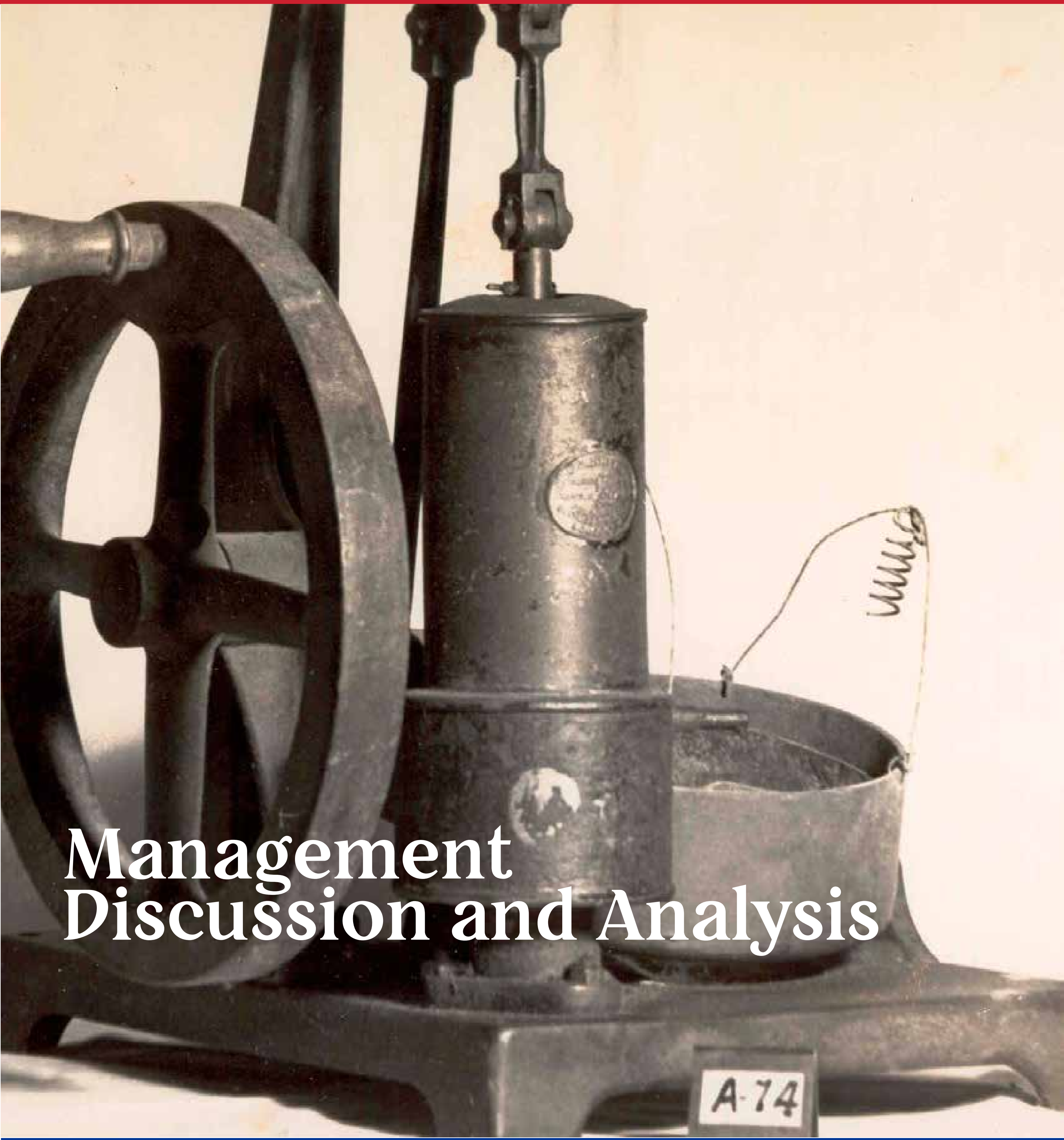
Assist the Ministry in developing an Implementation Plan to the National Culture and Heritage Policy and Strategic Plan and provide support to any other culture related plans as requested.

**Legislative Assistance**

Assist the Ministry and Board in review or development of any necessary legislation.

**Lease Extension Advocacy**

Seek Cabinet approval for extending the lease for the Old Courts Building to 99 years (current 50-year lease term is 5 June 1990-5 June 2040) or vesting the Old Courts Building to the Museum.




# Management Discussion and Analysis

The Museum completed the fiscal year with an operational surplus of $72,958, which was $69,647 better than expected. Whilst revenues from third parties were lower than budgeted, efficiency and cost saving measures implemented during the year allowed the organisation to deliver services at lower than budgeted costs.

Efficiency efforts included:

- A restraint on new hires pending the arrival of a new Director;
- Utilisation of in-house talent for programme delivery resulting in savings in programme expenses;
- Savings in repair and maintenance costs;
- Lower than anticipated insurance costs; and
- Ensuring value for money through sound procurement practices.

The Museum anticipated vacating its artefacts storage facility at the Passadora Place in 2024. Management discussed relocating the artefacts to the new Cayman Collection Centre in West Bay; however, when this did not come to fruition, the Museum incurred a full year's rental cost for the current location, which was not budgeted for.

Negotiations also concluded on the Cayside lease in 2024. This resulted in an increase to rent and strata fees for the Museum's administrative office. The rent the Museum pays is still below the average market rent for George Town locations.

The Museum ended the fiscal year with $1,064,660 in cash and cash equivalents and $683,651 in net Accounts Receivable. The higher than budgeted accounts receivable and lower than expected cash is directly attributable to delays in processing the quarterly Output billings for services delivered.

The Museum was also approved for various capital injections in recent years for upgrades to its facilities. Changes in the planned approach for fire suppression and delays in other facility improvement efforts meant the Museum was unable to access the appropriated funds during the budget period. This resulted in lower than expected asset values which had a corresponding effect on depreciation expense for the period.

The Museum did not make any significant acquisition of fixed assets during the period under review. Minimal investments were made to refresh the computer systems and to improve other aging assets.

The Museum's contingency reserve remained at CI$250,000 as at December 31st, 2024. This position is reviewed annually to ensure it remains appropriate for the Museum's needs.

The results of operations and financial position shows continued fiscal prudence with the stewardship of the funds entrusted to the Museum. Efforts will continue to ensure value for every dollar spent in delivering services.

Operating Result

**$72,958 Surplus**

$69,647 better than expected

Budget Actual

Cash Position

Cash on Hand

**$1,064,660**

Lower than expected due to billing timing.

Money Owed to the Museum

Accounts Receivable

**$683,651**

Higher than budget from delayed quarterly billings.

Financial Safety

Contingency Reserve

**CI$250,000**

Reviewed annually to match operating needs.

# Governance & Risk Management

| Key Risks faced by the Museum | Changes in Status | Actions to Risk Management | Financial Value of Risk |
|---|---|---|---|
| 1. Loss or damage to the non-renewable National Collection by: | No | Insurance, new roof, building repairs and maintenance, monitoring system | N.B. see note (k) or accounting policies regarding the Collection. |
| (a) Fire | No | Sufficient fire extinguishers that are regularly serviced, monitor smoke detectors/alarms. | Replacement or restoration cost of items lost or damaged as a result of the event. |
| (b) Hurrican or Severe Storm<br><br>Due to the close proximity to the water, the National Collection is at risk throughout the year. | No | Annual Hurricane Preparedness exercises and updating of the plan and supplied.<br><br>Removal and/or safe storage of artefacts when a hurricane is approaching.<br><br>Continuous internal and external building maintenance. | Replacement or restoration cost of items lost or damaged as a result of the event. |
| (c) Pest Infestation<br><br>The building's materials and construction increase its vulnerability | No | Regular pest control management | Replacement or restoration cost of items lost or damaged as a result of the event. |
| (d) Insurance | No | Basic insurance coverage is in place for the buildings and their contents. Need to review and revise as needed.<br><br>Seek the expertise of a certified art appraiser to establish the replacement values of the Museum's National Art Collection for insurance purposes. | Financial loss of the replacement value of the Museum's art collection and other measurable items. |
| 2. Inadequate shelving and storage facilities and inactive conservation programme result in gradual deterioration of the National Collection | No | The Collection is in a new rental storage Post Ivan.<br><br>Plan and build a purpose-built facility to accomodate the current and furure needs of the National Collection. | Replacement or restoration cost of items lost or damaged as a result of the event. |
| 3. The Museum needs specialised staff in the areas of conservation, curation, collections management, design, archaeologiy, buisiness, public relations, programmes and operations | Yes | One staff member's position was upgraded during the 2021 financial year, based on completion of advanced degree.<br><br>Staff are continally being encouraged to undertake studies and obtain qualification.<br><br>The Museum is working to improve professional staffing of the organisation to create a positive professional environment and to address the specialised needs of the Museum. | Inability to professionally manage, research, care for, curate, interpret, and exhibit the Museum's collections - resulting in replacement or restoration cost of items lost. |

## Legal Framework

The Legal Framework for the Cayman Islands National Museum is as follows:

- The Museum Law (1999 Revision)
- The Public Management And Finance Act (2020 Revision)
- The Public Authorities Law  (2020 Revision)
- The Non-Profit Organisation Law (2020 Revision)
- The Procurement Law And Regulations (2016 with 2022 Revision Regulations)
- The Public Service Management Law (2018 Revision)
- The Cayman Islands Labor Law (2021 Revision)

## Looking Ahead

The Museum has an exciting 2026 outlook. Plans are progressing for the relocation of the national artefact collection to a location which is more suited for our national treasures and more able to mitigate the risks of flooding in low lying areas and other impacts of hurricanes.

The organisation's staffing structure will be reviewed to ensure the Museum has the people capacity to deliver impactful and educational programmes to residents and visitors. This will include augmenting our curatorial team, exhibition coordination and the facilitation of museum tours through which we share our vibrant rich history and heritage.

Our programme offerings will also evolve to increase impact and awareness of the Cayman Island's journey over the years. We are excited by what is coming and look forward to another successful year in 2026.

## Appendix 1

Audited Financial Statements of the Cayman Islands National Museum
For the year ended December 31, 2024

Audited Financial Statements of the

**CAYMAN ISLANDS NATIONAL MUSEUM**

For the year ended December 31, 2024

**CAYMAN ISLANDS NATIONAL MUSEUM**

**Table of Contents**

## STATEMENT OF RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

These financial statements have been prepared by the Cayman Islands National Museum in accordance with the provisions of the *Public Management and Finance Act (2020 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 Act (2020 Revision).*

As Chairperson and Director, we are 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 act, and properly record the financial transactions of the Cayman Islands National Museum.

As Chairperson and Director, we are responsible for the preparation of the Cayman Islands National Museum's financial statements and for the judgements made in them.

The financial statements fairly present the financial position, financial performance, changes in equity and cash flows for the year ended December 31, 2024.

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

(a) are complete and reliably reflect the financial transactions of the Cayman Islands National Museum for the year ended December 31, 2024.

(b) fairly reflect the financial position as at December 31, 2024 and performance for the year ended December 31, 2024;

(c) comply with International Public Sector Accounting Standards as set out by International Public Sector Accounting Standards Board under the responsibility of the International Federation of Accountants. Where guidance is not available, the financial statements comply with International Financial Reporting Standards (IFRS) issued by the international Accounting Standards Boards.

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.

Berna Cummins MBE,
Chairperson
Cayman Islands National Museum

Date: 13 January 2026

Dr. Veerle Poupeye,
Director
Cayman Islands National Museum

Date: 13 January 2026

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 Board of Control of the Cayman Islands National Museum**

**Opinion**

I have audited the financial statements of the Cayman Islands National Museum (the "Museum"), which comprise the statement of financial position as at 31 December 2024 and the statement of financial performance, statement of changes in equity and statement of cash flows for the year ended 31 December 2024, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 8 to 26.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Museum as at 31 December 2024 and its financial performance and its cash flows for the year ended 31 December 2024 in accordance with International Public Sector Accounting Standards.

**Basis for Opinion**

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Museum in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, together with the ethical requirements that are relevant to my audit of the financial statements in the Cayman Islands, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Museum's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Museum or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Museum's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

**AUDITOR GENERAL'S REPORT (continued)**

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Museum's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Museum's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Museum to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I have undertaken the audit in accordance with the provisions of Section 60(1)(a) of the *Public Management and Finance Act (2020 Revision)*. I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Patrick O. Smith CPA, CFE
Auditor General

January 13, 2026
Cayman Islands

## CAYMAN ISLANDS NATIONAL MUSEUM

**Statement of Financial Position**

As at December 31, 2024

*(Expressed in Cayman Islands dollars)*

| FY 2023 Actual | | Notes | FY 2024 Actual | FY 2024 Budgeted | Variance |
|---|---|---|---|---|---|
| | **Assets** | | | | |
| | **Current assets** | | | | |
| 500,844 | Cash and cash equivalents | 3 | 1,064,660 | 1,227,372 | (162,711) |
| 1,123,018 | Accounts receivable | 4 | 683,651 | 231,980 | 451,671 |
| 8,115 | Deposits and prepaid expenses | 5 | 14,391 | 35,115 | (20,724) |
| 64,332 | Inventories | 6 | 69,917 | 64,325 | 5,592 |
| 1,696,309 | Total Current assets | | 1,832,619 | 1,558,792 | 273,827 |
| | **Non-current assets** | | | | |
| 511,604 | Property and equipment | 7 | 434,746 | 1,482,094 | (1,047,348) |
| 511,604 | Total Non-current assets | | 434,746 | 1,482,094 | (1,047,348) |
| 2,207,913 | **Total Assets** | | 2,267,365 | 3,040,885 | (773,520) |
| | **Liabilities and Equity** | | | | |
| | **Current Liabilities** | | | | |
| 88,352 | Accounts payable and accrued liabilities | 9 | 74,846 | 37,920 | 36,926 |
| 88,352 | **Total Liabilities** | | 74,846 | 37,920 | 36,926 |
| | **Equity** | | | | |
| 299,519 | Accumulated surplus | | 322,477 | 346,674 | (24,197) |
| 250,000 | Contingency reserve | 10 | 300,000 | 250,000 | 50,000 |
| 84,831 | Restricted Funds | 8 | 84,831 | 87,081 | (2,250) |
| 1,485,211 | Contributed capital | | 1,485,211 | 2,319,211 | (834,000) |
| 2,119,561 | Total Equity | | 2,192,519 | 3,002,965 | (810,446) |
| 2,207,913 | **Total Liabilities and Equity** | | 2,267,365 | 3,040,885 | (773,520) |

The Notes to the Financial Statements on page 8 to 26 form part of these financial statements.

Approved on behalf of the Board of Control on 13 January 2026:

Berna Cummins MBE, Chairperson

Dr. Veerle Poupeye, Director

**CAYMAN ISLANDS NATIONAL MUSEUM**

**Statement of Financial Performance**
For the year ended December 31, 2024
*(Expressed in Cayman Islands dollars)*

| FY 2023 Actual | | Note | FY 2024 Actual | FY 2024 Budgeted | Variance |
|---|---|---|---|---|---|
| | **Revenue** | | | | |
| 891,920 | Government grants and contributions | 11 | 891,920 | 891,920 | - |
| 99,943 | Product sales | 12 | 115,452 | 224,281 | (108,829) |
| 50,943 | Admissions | 22 | 63,322 | 70,000 | (6,678) |
| 19,845 | Rental income | 19 | 19,997 | 19,845 | 152 |
| 75 | Membership dues | | 300 | 12,000 | (11,700) |
| **1,062,726** | **Sale of goods and services** | | **1,090,991** | **1,218,046** | **(127,055)** |
| 165 | Fundraising income and donations | | 32,777 | 25,000 | 7,777 |
| 6,078 | Interest and other income | | 13,896 | 450 | 13,446 |
| **1,068,969** | **Total Revenue** | | **1,137,664** | **1,243,496** | **(105,832)** |
| | **Expenses** | | | | |
| 427,171 | Staff costs | 16 | 348,350 | 661,250 | (312,900) |
| 158,143 | Facility expenses | 13 | 157,765 | 164,367 | (6,602) |
| 50,791 | Depreciation | 7 | 41,338 | 60,074 | (18,736) |
| 217,010 | Administration and other expenses | 14 | 283,447 | 262,918 | 20,529 |
| 167,261 | Rent expenses | 18 | 188,467 | 49,019 | 139,448 |
| 45,375 | Cost of goods sold | | 45,338 | 41,557 | 3,781 |
| 1,065,751 | Total Expenses | | 1,064,705 | 1,239,185 | (174,480) |
| **3,218** | **Net Surplus (Loss) for the period** | | **72,958** | **4,311** | **68,647** |

The Notes to the Financial Statements on page 8 to 26 form part of these financial statements.

**CAYMAN ISLANDS NATIONAL MUSEUM**

**Statement of Changes in Equity**
For the year ended December 31, 2024
*(expressed in Cayman Islands dollars)*

| | Accumulated Surplus | Contingency Reserve (Note 10) | Temporary Restricted Funds (Note 8) | Contributed Capital | Total | Budget | Variance |
|---|---|---|---|---|---|---|---|
| **Balance at December 31, 2022** | **296,301** | **250,000** | **87,081** | **1,485,211** | **2,118,593** | **2,448,447** | **(329,855)** |
| Current Fiscal year surplus | 3,218 | - | - | - | 3,218 | (171,231) | 174,449 |
| Equity Injection | - | - | - | - | - | 380,000 | (380,000) |
| Transfer to/(from) temporary restricted funds for the current Fiscal Year | - | - | (2,250) | - | (2,250) | - | (2,250) |
| **Balance at December 31, 2023** | **299,519** | **250,000** | **84,831** | **1,485,211** | **2,119,561** | **2,657,216** | **(537,655)** |
| Current Fiscal year to date surplus | 72,958 | - | - | - | 72,958 | 4,311 | 68,647 |
| Equity invesment from Cabinet | - | | | | - | 30,000 | (30,000) |
| Transfer to Contingency reserve | (50,000) | 50,000 | | | - | - | - |
| Transfer to/(from) unrestricted from temporary restricted funds for the current Fiscal Year | - | - | - | - | - | | - |
| **Balance at December 31, 2024** | **322,477** | **300,000** | **84,831** | **1,485,211** | **2,192,520** | **2,691,527** | **(499,008)** |

The Notes to the Financial Statements on page 8 to 26 form part of these financial statements.

**CAYMAN ISLANDS NATIONAL MUSEUM**

**Statement of Cash Flows**

For the year ended December 31, 2024

*(Expressed in Cayman Islands dollars)*

| FY 2023 Actual | Cash Flow from Operating Activities | FY 2024 Actual | FY 2024 Budgeted | Variance |
|---|---|---|---|---|
| | **Operating activities** | | | |
| 3,218 | Operating Surplus or (Deficit) | 72,958 | 4,311 | 68,647 |
| 50,791 | Depreciation | 41,338 | 60,074 | (18,736) |
| - | Impairment of PPE | 67,545 | - | 67,545 |
| 13,716 | Bad debt provision | 9,073 | - | 9,073 |
| | Net changes in operating assets and liabilities: | | | |
| (893,712) | (Increase)/decrease in Accounts receivable | 430,294 | - | 430,294 |
| 47,244 | (Increase)/decrease in Deposits and prepaid expenses | (6,276) | - | (6,276) |
| (4,202) | (Increase)/decrease in Inventories | (5,585) | - | (5,585) |
| 19,584 | Increase/(decrease) in Accounts payable and accrued expenses | (13,506) | - | (13,506) |
| **(763,361)** | **Total Cash Flow from/(used by) operating activities** | **595,841** | **64,385** | **531,456** |
| | **Investing activities** | | | |
| (67,545) | (Increase)/decrease in Construction in Progress | - | - | - |
| (2,832) | Property and Equipment | (32,025) | (30,000) | (2,025) |
| **(70,377)** | **Total Cash Flow from/(used by) Investing activities** | **(32,025)** | **(30,000)** | **(2,025)** |
| | **Financing activities** | | | |
| (2,250) | Restricted Funds | - | - | - |
| - | Contributed capital | - | 30,000 | (30,000) |
| **(2,250)** | **Total Cash Flow from/(used by) Financing activities** | - | **30,000** | **(30,000)** |
| (835,988) | Net increase/(decrease) in cash and cash equivalents | 563,816 | 64,385 | 499,431 |
| 1,336,832 | Cash and cash equivalents at beginning of period | 500,844 | 1,162,987 | (662,143) |
| **500,844** | **Cash and cash equivalents at end of period** | **1,064,660** | **1,227,372** | **(162,711)** |

The Notes to the Financial Statements on page 8 to 26 form part of these financial statements.

**CAYMAN ISLANDS NATIONAL MUSEUM**
Notes to Financial Statements
For the year ended December 31, 2024
(Expressed in Cayman Islands dollars)

## 1. Background information

The Cayman Islands National Museum (the "Museum") was established on May 3, 1979 by enactment of the Museum Act, 1979. Its purpose is to establish for posterity a collection of material evidence concerning man and his environment, with primary but not exclusive reference to the Cayman Islands, and to arouse public interest in Caymanian heritage and, through proper use of the collection, to increase knowledge and appreciation of, and respect for Caymanian heritage.

The Museum holds a collection in excess of 12,047 (December 31st, 2023: 12,047) artefacts that have been donated, transferred, purchased or found, with the majority being donations. Artefacts are documented in the Museum's Accession Register and are used in research or held in exhibition for public service. The research collections (those that are not on exhibit at the Museum) are kept at the Museum Support Facility in an environmentally controlled vault for preservation. The Museum also operates a giftshop, and leases space to a third party, which operates a cafe.

The Museum is funded primarily by an annual grant from the Cayman Islands Government (the "Government") through the Ministry of Youth, Sports & Heritage (the "Ministry"). The Museum would not be able to continue as a going concern without ongoing support from the Government, and as a result the Museum is economically dependent on the Government.

The administrative office of the Museum is located at 64 Seafarers Way, George Town, Grand Cayman.

## 2. Significant accounting policies

*(a) Basis of Preparation*
In conformity with the Public Management & Finance Act (2020 Revision), these financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) using the accrual basis of accounting. Where there is currently no IPSAS, other authoritative pronouncements such as International Financial Reporting Standards applicable to the public sector have been used.

As outlined in Note 1, the continued existence of the Museum is contingent on the ongoing support from the Government. As Management considers that this support will be ongoing and there are no indications suggesting otherwise, Management considers the preparation of the financial statements under the going concern assumption to be appropriate.

These financial statements are presented in Cayman Islands dollars ("CI$"), which is the Museum's functional currency. All amounts have been rounded to the nearest dollar, unless otherwise indicated. Any discrepancies between the totals and sums are rounding.

The measurement base applied to these financial statements is the historical cost basis.

*(b) Reporting periods*
The current financial statements are prepared for 12 months from January 1, 2024 to December 31, 2024.

**CAYMAN ISLANDS NATIONAL MUSEUM**
Notes to Financial Statements
For the year ended December 31, 2024
(Expressed in Cayman Islands dollars)

**2. Significant accounting policies (continued)**

*(c) Use of estimates*

The preparation of financial statements in accordance with IPSAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these financial statements, relate to estimating the useful lives of property, plant and equipment and whether an impairment is appropriate. Management also exercises judgement relating to inventory valuation (Note 6) and expected credit losses from financial instruments (Note 4).

*(d) New and revised accounting standards issued that are not yet effective for the financial year beginning 1 January 2024 have not been early adopted by the Museum.*

IPSAS 43, Leases was issued in January 2022 and shall be applied for financial statements covering periods beginning on or after 1 January 2025. IPSAS 43 sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The impact on the Museum's financial statements will be assessed in 2025.

IPSAS 44, Non-Current Assets Held for Sale and Discontinued Operations was issued in May 2022 with an effective date of January 1st, 2025. IPSAS 44 provides guidance on how to account for non-current assets when they are made available for sale on commercial terms; no such guidance existed prior to IPSAS 44. IPSAS 44 is not anticipated to impact the Museum's financial statements, but the impact on the Museum's financial statements will be assessed in 2025.

IPSAS 45, Property, Plant and Equipment was issued in May 2023 and replaced IPSAS 17. It is effective for periods after January 1st 2025, and clarifies the recognition and measurement of infrastructure and heritage assets that are Property, Plant, and Equipment. The impact on the Museum's financial statements will be assessed in 2025.

IPSAS 46, Measurement (issued in May 2023 and effective for periods beginning on or after January 1, 2025) provides new guidance in a single standard addressing how commonly used measurement bases should be applied in practice. The impact of this standard on the Museum's financial statements will be assessed more fully in 2025.

IPSAS 47, Revenue (issued in May 2023 and effective for periods beginning on or after January 1, 2026) replaces IPSAS 9, Revenue from Exchange Transactions, IPSAS 11, Construction Contracts, and IPSAS 23, Revenue from Non-Exchange Transactions and is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. The impact of this standard on the Museum's financial statements will be assessed more fully closer to the effective date of adoption.

IPSAS 48, Transfer Expenses (issued in May 2023 and effective for periods beginning on or after January 1, 2026) provides accounting requirements for transfer expenses and presents two accounting models based on the existence of a binding arrangement. It is anticipated that IPSAS 48 will not have an impact on the Museum's financial statements, but this will be assessed more fully closer to the effective date of adoption.

**CAYMAN ISLANDS NATIONAL MUSEUM**
Notes to Financial Statements
For the year ended December 31, 2024
(Expressed in Cayman Islands dollars)

**2. Significant accounting policies (continued)**

IPSAS 49, Retirement Benefit Plans (issued in November 2023 and effective for periods beginning on or after January 1, 2026) provides a principle-based approach to accounting for retirement benefit plans. It offers a complete view of financial activities, assets, and obligations and establishes comprehensive accounting and reporting requirements for the financial statements of retirement benefit plans. It is anticipated that IPSAS 49 will not impact the Museum's financial statements.

IPSAS 50, Exploration for and Evaluation of Mineral Resources, provides guidance related to the costs incurred for exploration for, and evaluation of, mineral resources, as well as the costs of determining the technical feasibility and commercial viability of extracting the mineral resources. Amendments to IPSAS 12, Stripping Costs in the Production Phase of a Surface Mine, provides interpretive guidance on accounting for waste removal costs that are incurred in surface mining activities during the production phase of the mine. IPSAS 50 and Amendments to IPSAS 12 were issued in November 2024 and effective for periods beginning on or after January 1, 2027. It is anticipated that IPSAS 50 and IPSAS 12 amendments will not have an impact on the Museum's financial statements.
The accounting policies below have been applied consistently to all periods presented in these financial statements.

*New and revised accounting standards were issued that became effective for the financial year beginning 1 January 2024*

No new accounting standards became effective in 2024 which impacted these financial statements.

*(e) Cash and cash equivalents*
Cash and cash equivalents include amounts due from the Museum's banking institution on demand and interest-bearing deposits with an original maturity of three months or less. All cash and cash equivalents are held with a Class A bank in the Cayman Islands.

Although cash and cash equivalents at 31 December 2024 are subject to the expected credit loss requirements of IPSAS 41, no allowance has been recognized as the estimated allowance is negligible due to the high credit quality of the counterparty bank.

*(f) Inventories*
Inventories consist of products sold in the Museum's giftshop and are valued at the lower of cost or net realisable value, using an average cost basis less an allowance for obsolete and slow-moving items.

*(g) Property and equipment*
Property and equipment are stated at cost less accumulated depreciation and impairment losses. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognised in the statement of financial performance.

Depreciation is calculated on a straight-line basis at the rates stipulated below based on the opening cost over the estimated useful lives of the purchased or donated assets as follows:

**CAYMAN ISLANDS NATIONAL MUSEUM**
Notes to Financial Statements
For the year ended December 31, 2024
(Expressed in Cayman Islands dollars)

**2. Significant accounting policies (continued)**

Estimated useful lives are as follows:

| | |
|---|---|
| Computer hardware and software | 3-5 years |
| Furniture, fixtures and equipment | 5-8 years |
| Leasehold improvements | Lower of the unexpired period of the lease or the useful life of the leasehold improvement |
| Permanent exhibits | 30 years |
| Vehicles | 5 years |

Cost comprises the purchase price of an asset and any directly attributable costs of bringing the asset to working condition for its intended use such as import duties, initial delivery and storage cost.

(h) *Income recognition*
Income on the sale of goods is recognized in the statement of financial performance at the point of the sale. Rental income, interest, and other income are recognized on an accrual basis. Income earned from admissions, membership dues, fundraising, and donations are recorded in the period in which the payment is received.

(i) *Government grants*
Government grants are recognized and accrued quarterly. Certain grants cover staff costs and related expenditures of the Museum. Grant income and expenditures are recorded in gross in the financial statements.

(j) *Foreign currency translation*
Transactions during the year and assets and liabilities at the statement of financial position dates denominated in United States dollars are translated into Cayman Islands dollars at a fixed rate of US$1.00 = CI$0.80. Gains and losses on foreign currencies, if any, are included in administration and other expenses.

(k) *Collections, exhibits and artefacts*
Consistent with the practice followed by many museums, collections, exhibits (excluding permanent exhibits) and artefacts purchased and donated are not recorded in the Statement of Financial Position. The costs of all objects purchased are recorded as an expense in the Statement of Financial Performance. Objects acquired by gift or donations are not recorded in these financial statements since it is difficult to obtain an objective measurement or valuation of these items.

(l) *Contributed services*
During the course of the period covered by these financial statements, unpaid volunteers made contributions of their time and resources to support the Museum's activities. The value of these contributions is not reflected in these financial statements since it is not susceptible to objective measurement or valuation.

**CAYMAN ISLANDS NATIONAL MUSEUM**
Notes to Financial Statements
For the year ended December 31, 2024
(Expressed in Cayman Islands dollars)

**2. Significant accounting policies (continued)**

*(m) Financial assets and liabilities*

*(i) Classification*

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset, or to exchange financial instruments with another enterprise under conditions that are potentially favourable or an equity instrument of another enterprise. A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

IPSAS 41 requires financial assets to be subsequently measured at fair value through surplus or deficit (FVTSD), amortised cost, or fair value through other comprehensive revenue and expense (FVTOCRE). Additionally, IPSAS 41 requires financial liabilities to be measured at either amortised cost or FVTSD.

This classification is based on the business model for managing financial instruments, and whether the payments are solely payments of principal or interest on the principal amount outstanding.

The Museum assessed the business model for holding financial assets at the date of initial application. It determined that these are held to collect contractual cash flows that are solely payments of principal and interest. Therefore, financial assets are subsequently measured at amortised cost. Financial liabilities are subsequently measured at amortised cost. Cash and cash equivalents, short-term investments, trade receivables and payables are recorded at amortized cost using the effective interest method less any impairment.

*(ii) Recognition*

The Museum recognizes financial assets and liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial assets comprise cash and cash equivalents, accounts receivable and deposits. Financial liabilities comprise accounts payable and accrued liabilities. Management determines the classification of its financial assets and liabilities at initial recognition.

*(iii) Measurement*

Financial assets and liabilities are initially measured at fair value. On initial recognition, transaction costs directly attributable to the acquisition or issue of financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate.

*(iv) Offsetting*

Financial assets and liabilities are offset and the net amount is reported in the Statement of Financial Position when the Museum has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis.

**CAYMAN ISLANDS NATIONAL MUSEUM**
Notes to Financial Statements
For the year ended December 31, 2024
(Expressed in Cayman Islands dollars)

**2. Significant accounting policies (continued)**

*(m) Financial assets and liabilities(continued)*

*(v) Impairment*
A financial asset is impaired if there is objective evidence indicating that one or more events have had a negative effect on the estimated future cash flows of that asset. The amount of the impairment loss for assets carried at amortised cost is calculated as the difference between the asset's carrying amount and the present value of expected future cash flows discounted at the financial instrument's original effective interest rate. All impairment losses are recognised in the statement of financial performance.

*(vi) Derecognition*
Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Museum has transferred all the risks and rewards of ownership. A financial liability is derecognised when it is discharged, cancelled or expires.

*(vii) Fair value*
The fair value of financial instruments approximates their carrying value principally due to the short-term nature of such instruments.

*(n) Restricted funds*
Restricted funds are derived from gifts, grants, and contracts received by the Museum for operating purposes but restricted by donors, grantors, and outside agencies as to the specific purpose for which the funds may be expended. As these funds have traditionally not been reimbursable, and the Museum does not consider there to be a legal or constructive obligation to do so, they form a part of the Museum's equity position as reflected on the Statement of Financial Position. Contributions that are restricted for specific purposes by the donor must be used as intended and cannot fund other activities or general operations without the proper consent of the original donor.

*(o) Operating leases*
Operating lease payments are recognised as an expense in the Statement of Financial Performance on a straight-line basis over the lease term.

*(p) Budget amounts*
The budget amounts for the financial years presented in the 2024-2025 budget approved by Parliament.

**CAYMAN ISLANDS NATIONAL MUSEUM**
Notes to Financial Statements
For the year ended December 31, 2024
(Expressed in Cayman Islands dollars)

### 3. Cash and cash equivalents

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 218,053 | Cash / Bank | 784,814 | 947,570 | (162,756) |
| 274,320 | Fixed Deposit | 279,252 | 278,500 | 752 |
| 8,472 | Petty Cash & Shop Float | 594 | 1,302 | (708) |
| **500,844** | **Total Cash** | **1,064,660** | **1,227,372** | **(162,712)** |

Cash and cash equivalents include $84,831 (2023: $84,831) in restricted funds (Note 8).

### 4. Accounts Receivable

Accounts receivables are amounts due from customers for items sold or services performed in the ordinary course of business. Accounts receivables and other receivables comprise balances due from other Government entities, including Output Receivables and balances due from third parties.

The simplified approach to providing for expected credit losses, as prescribed by IPSAS 41, is applied to accounts and other receivables. The simplified approach involves making a provision equal to lifetime expected credit losses.

In measuring ECLs for third-party receivables, the estimated loss allowance for individually significant or other specific trade and other receivable balances are determined on an individual basis. Thereafter, the remaining third-party trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics.

The Museum performed a specific ECL assessment on any related party debtors with qualitative or quantitative factors indicating doubts around collectability. Given the low risk of default on the remaining related party receivables held by the Museum, the impact of the expected credit losses on these have been estimated to be negligible. These have a low risk of default due to the Cayman Islands Government's high credit rating and absence of historical losses on amounts due.

The Museum considers the amounts outstanding on related party receivables to be recoverable. Receivables are written off and or fully provided for when there is no reasonable expectation of recovery.

The expected Credit Loss rates are based on the Museum's historical credit loss experience. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the Museum's customers. Given the short period of credit risk exposure, the impact of macroeconomic factors is not considered significant.

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**4. Accounts Receivable (continued)**

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 1,115,040 | Sales of Good & Services to Cabinet | 668,590 | 222,980 | 445,610 |
| 350 | Sales of Good & Services to SAGCs | 1,580 | 3,000 | (1,420) |
| 5,131 | Sales of Good & Services to 3rd Parties | 1,003 | 500 | 503 |
| 16,213 | Sales of Good & Services to Ministries/Portfolios | 27,684 | 5,500 | 22,184 |
| - | Due from Emplyoyees | 7,583 | - | 7,583 |
| **1,136,734** | **Total Accounts Receivable** | **706,439** | **231,980** | **474,459** |
| (13,716) | Less Provision for Expected Credit Loss | (22,789) | - | (22,789) |
| **1,123,018** | **Net Accounts Receivable** | **683,651** | **231,980** | **451,671** |

The maturity analysis for Accounts Receivable is as follows:

| Actual FY 2023 | Maturity Profile | Actual FY 2024 |
|---|---|---|
| 226,441 | Current 1-30 days | 237,480 |
| 140 | Past due 31-60 days | (94) |
| 2,304 | Past due 61-90 days | 371 |
| 907,848 | Past due 90 days and above | 468,682 |
| **1,136,734** | **Total Accounts Receivable** | **706,439** |

As at 31 December 2024 expected credit losses (ECL) resulting from a 20.94% provision on balances 0-90 days past due amounted to $1,974 (2023: $0). Additionally, ECL resulting from a provision balances over 90 days past due amounted to $20,815 (2023: $13,716). Overall ECL at December 31st, 2024 was $22,789.

There have been no changes during the reporting in the estimation techniques or significant assumptions used in measuring the loss allowance.

The movement in allowance for credit losses is as follows:

| Actual FY 2023 | Description | Actual FY 2024 |
|---|---|---|
| - | Balance at January 1 | (13,716) |
| - | IPSAS 41 expected credit loss adjustment through opening accumulated surplus/deficit | - |
| (13,716) | Additional provisions made during the year | (9,073) |
| - | Receivables written off during the year | - |
| **(13,716)** | **Balance the end of the Fiscal Year** | **(22,789)** |

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### 5. Deposits and prepaid expenses

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 5,115 | Refundable Deposits | 5,115 | 5,115 | - |
| - | Prepaid Insurance | - | 10,000 | (10,000) |
| 3,000 | Prepaid Expenses | 9,276 | 20,000 | (10,724) |
| **8,115** | **Total** | **14,391** | **35,115** | **(20,724)** |

### 6. Inventories

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 65,338 | Inventory Asset | 69,917 | 65,331 | 4,586 |
| (1,006) | Less Provision for slow moving stock | - | (1,006) | 1,006 |
| **64,332** | **Total** | **69,917** | **64,325** | **5,592** |

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## 7. Property and equipment

As at December 31, 2024 and 2023, property and equipment consisted of the following:

| Description | Furniture, Fixture & Equipment | Computer & office Equipment | Leasehold Improvement | Permanent Exhibits | Vehicles | Construction in Progress | Total | Budget | Variance |
|---|---|---|---|---|---|---|---|---|---|
| **Cost** | | | | | | | | | |
| Balance at January 01, 2023 | 405,945 | 237,635 | 741,643 | 474,965 | 25,300 | - | 1,885,488 | 1,885,486 | 2 |
| Disposal | - | - | - | - | - | - | - | (27,220) | 27,220 |
| Addition | - | 570 | - | 2,262 | - | 67,545 | 70,377 | 1,107,444 | (1,037,067) |
| Balance at December 31, 2023 | **405,945** | **238,205** | **741,643** | **477,227** | **25,300** | **67,545** | **1,955,865** | **2,965,710** | **(1,009,845)** |
| Transfer Cost | (6,389) | 6,389 | - | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | (67,545) | (67,545) | - | (67,545) |
| Addition | - | 11,079.80 | 11,645 | 9,300 | - | - | 32,025 | 30,000 | 2,025 |
| Balance at December 31, 2024 | **399,556** | **255,674** | **753,288** | **486,527** | **25,300** | - | **1,920,344** | **2,995,710** | **(1,075,366)** |
| **Accumulated Depreciation** | | | | | | | | | |
| Balance at January 01, 2023 | (401,451) | (229,210) | (551,214) | (189,248) | (22,347) | - | (1,393,471) | (1,393,469) | (2) |
| Disposal | - | - | - | - | - | - | - | - | - |
| Depreciation | (714) | (3,414) | (26,695) | (17,017) | (2,952) | - | (50,791) | (60,074) | 9,283 |
| Balance at December 31, 2023 | **(402,164)** | **(232,624)** | **(577,908)** | **(206,265)** | **(25,299)** | - | **(1,444,261)** | **(1,453,543)** | **9,281** |
| Transfer Accumulated Depreciation | 4,076 | (4,075) | 2 | (3) | - | | - | - | - |
| Depreciation | (714) | (4,173) | (18,819) | (17,633) | - | - | (41,338) | (60,074) | 18,736 |
| Disposal | - | - | - | - | - | - | - | - | - |
| Balance at December 31, 2024 | **(398,802)** | **(240,872)** | **(596,725)** | **(223,901)** | **(25,299)** | - | **(1,485,598)** | **(1,513,617)** | **28,019** |
| **Netbook Value at December 31, 2023** | **3,781** | **5,581** | **163,735** | **270,962** | **1** | **67,545** | **511,604** | **1,512,167** | **(1,000,562)** |
| **Netbook Value at December 31, 2024** | **754** | **14,802** | **156,563** | **262,626** | **1** | - | **434,745** | **1,482,094** | **(1,047,347)** |

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**7. Property and equipment (continued)**
*Construction in Progress*

The Museum commenced the development of a Fire Protection System in 2023 and commissioned consultancy services regarding same. At the close of the financial year, some nil (2023:$67,545) in costs were incurred toward the advance of this project. The project was later determined to no longer be feasible, therefore, the asset value was impaired and written off during the 2024 financial year.

**8. Restricted funds**

Fund balances are restricted for:

Acquisitions
On February 3, 2017, the Museum received US$5,000 from the Prize Charitable Trust for the acquisition of local carvings, artwork and craftwork for the national collection. The balance is restricted until the donor's intent has been fulfilled. As at December 31, 2024 and 2023, CI$3,217 remained in this restricted funds account.

Archaeology
During the period ended December 31, 1994, a fundraiser was held to provide funds for marine archaeological research and equipment. The net proceeds from the fundraiser were placed in a restricted account for similar expenditures. As at December 31, 2024 and 2023, CI$12,812 remained in the restricted funds account.

Powell's
During the fiscal period concluding on June 30, 1998, the Museum was awarded a government grant totaling CI$25,000. This funding was earmarked for various projects, notably the formulation of a business plan, architectural surveys, condition reports, and maintenance planning. The Museum utilized CI$2,250 from this grant to develop a comprehensive marketing plan and brand enhancement initiatives in 2024. As at December 31, 2024 and 2023, the restricted balance of the fund was CI$18,000.

McCoy Prize Award
During the period ended June 30, 2003, Harris McCoy donated CI$1,000 to hold for the winner of the McCoy prize. A further CI$20,900 was donated by the Chairman during the period ended June 30, 2006. At December 31, 2024 and 2023, CI$1,918 remained in the restricted funds account.

New Building
During the period ended June 30, 2004, the Museum received donations in the amount of CI$9,840 for the new museum building. At December 31, 2024 and 2023, CI$9,840 remained in the restricted funds account.

Renovations and Recovery
During the period ended June 30, 2006, the Museum received donations of CI$20,701 for the recovery of any material evidence of artistic, historic or scientific significance to Cayman Islands. During 2021, $1,657 of this fund was utilized for the Glee Boat Restoration. As at December 31, 2024 CI$19,044 (2023: CI$19,044) remained in the restricted funds account.

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**8. Restricted funds (continued)**

Webster Foundation

During the period ended June 30, 2012, the Museum received a donation of CI$20,000 for the acquisition of artefacts, and the costs of displaying such artefacts. At December 31, 2024 and 2023, CI$20,000 remained in the restricted funds account.

| | Acquisitions | Archaeology | McCoy Prize | New Building | Powell's Museum | Renovations & Recovery | Webster Foundation | Total |
|---|---|---|---|---|---|---|---|---|
| Balance at December 2022 | 3,217 | 12,812 | 1,918 | 9,840 | 20,250 | 19,044 | 20,000 | 87,081 |
| Addition / Disburstments | - | - | - | - | (2,250) | - | - | (2,250) |
| **Balance at December 2023** | **3,217** | **12,812** | **1,918** | **9,840** | **18,000** | **19,044** | **20,000** | **84,831** |
| Addition / Disburstments | - | - | - | - | - | - | - | - |
| **Balance at December 2024** | **3,217** | **12,812** | **1,918** | **9,840** | **18,000** | **19,044** | **20,000** | **84,831** |

**9. Accounts Payable and Accrued Liabilities**

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 30,629 | Third Party Creditor | 57,301 | 16,687 | 40,614 |
| 1,500 | Refundable Deposit | 1,500 | 1,500 | - |
| 54,577 | Accrued Expenses | 14,327 | 16,368 | (2,041) |
| - | Revolving Credit Facilities | 72 | - | 72 |
| 1,645 | Pension Withholding | 1,645 | 3,365 | (1,720) |
| **88,352** | **Total** | **74,846** | **37,920** | **36,925** |

**10. Contingency reserve**

The contingency reserve was established by the Board of Control to ensure operational continuity in the event of a natural or man-made disaster. This amount reflects the potential cash flow that would be required to keep the Museum operational in such an event. The reserve represents approximately 90 days of operating cash.

**11. Government grants and contributions**

During the year ended December 31, 2024, Output services totaling CI$891,920 (December 31, 2023: CI$891,920) were sold to the Cayman Islands Government.

As stated in Note 1, the Museum is economically dependent on the Government and would be unable able to continue as a going concern without ongoing support from the Government.

**12. Product Sales**

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 90,918 | Outputs to others:Gift shop sales | 108,713 | 224,281 | (115,568) |
| - | Outputs to others Government agencies | 6,669 | - | 6,669 |
| 9,025 | Outputs to others:Merchandise Sales | 70 | - | 70 |
| **99,943** | **Total** | **115,452** | **224,281** | **(108,829)** |

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**13. Facility Expenses**

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 61,940 | Electricity | 63,353 | 55,456 | 7,897 |
| 33,648 | Insurance | 30,392 | 35,000 | (4,608) |
| 10,254 | Janitorial services | 10,517 | 11,060 | (544) |
| 1,800 | Landscaping | 923 | 1,800 | (877) |
| 1,765 | Pest control | 1,025 | 900 | 125 |
| 28,747 | Repairs & maintenance | 30,020 | 38,363 | (8,343) |
| 4,669 | Security services | 4,373 | 5,607 | (1,234) |
| 13,647 | Telephone | 15,595 | 14,809 | 786 |
| 1,673 | Water | 1,567 | 1,372 | 195 |
| **158,143** | **Total** | **157,765** | **164,367** | **(6,602)** |

**14. Administration and other expenses**

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 10,135 | Advertising | 10,579 | 14,073 | (3,493) |
| 33,000 | Audit fees | 33,000 | 24,474 | 8,526 |
| 48,000 | Accounting services | 48,000 | 51,395 | (3,395) |
| 4,001 | Bank service charges | 4,817 | 2,473 | 2,344 |
| 579 | Bottled water | 352 | 559 | (207) |
| 1,044 | Emergency preparedness | 691 | 245 | 446 |
| 218 | Fuel | 133 | 252 | (120) |
| 22,777 | IT expenses | 15,497 | 18,355 | (2,858) |
| 2,280 | Kitchen Supplies & Consumables | 502 | 2,024 | (1,522) |
| 962 | Meals & Entertainment | 782 | 1,224 | (442) |
| 630 | Membership fees | 287 | 1,224 | (937) |
| 1,228 | Motor Vehicle Operations | 756 | 367 | 389 |
| 5,513 | Office supplies | 6,290 | 3,916 | 2,374 |
| 100 | Post Box Rental | 130 | 122 | 8 |
| 61,368 | Programme Expenses | 71,192 | 114,437 | (43,245) |
| 25 | Professional Services | 14,114 | - | 14,114 |
| - | Shop Supplies | 394 | 5,830 | (5,436) |
| - | Web Hosting | 535 | 343 | 191 |
| 305 | Miscellaneous | 110 | 21,061 | (20,951) |
| - | Freight & Shipping | - | 360 | (360) |
| (53) | Reconciliation Discrepancies | 103 | - | 103 |
| 5,160 | Other expenses:Write offs | - | - | - |
| 6,022 | Other expenses:Gains/(losses) on forex transaction | - | - | - |
| 13,716 | Doubtful Debt Expense | 9,073 | - | 9,073 |
| - | Postage & Courier | - | 184 | (184) |
| - | Impairment of PP&E | 66,110 | - | 66,110 |
| **217,010** | **Total** | **283,447** | **262,918** | **20,529** |

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### 15. Related party transactions

Controlling entity
The Museum is a wholly owned statutory entity of the Cayman Islands Government and operates under the oversight of the Ministry of Youth, Sports & Heritage.

Museum building
Under the terms of a fifty-year agreement with the Governor of the Cayman Islands dated June 5, 1990, the Museum leases the Old Courts Building, and the accompanying land for annual consideration of a nominal amount.

Property insurance
The Government determines the insurance premium payable by the Museum, which covers the building and contents of the Old Courts Building in Grand Cayman.

During the year ended December 31, 2024, total insurance premium determined for the Museum amounted to CI$30,392 (2023: CI$33,648). This amount is included in facility expenses in the Statement of Financial Performance.

Ministry employees

An employee of the Ministry served the Museum under a secondment contract for a portion of the 2024 fiscal year. This appointment was temporary and was made by the Ministry as an interim measure until the Museum appointed a new Director. A portion of the remuneration, details of which are not accessible to the Museum, is accounted for within the Ministry's expenditures and is therefore not included in the Museum's Statement of Financial Performance. A new Director was appointed in October 2024.

Purchases and sales
During the year ended December 31, 2024, total Museum sales to other Government entities for the provision of items such as national flags, pins and coat of arms amounted to CI$22,986 (2023: CI$90,918). The total purchases from companies part-owned or controlled by Board members amounted to CI$4,343 (2023:$0).

### 16. Staff Costs

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 321,569 | Salary | 256,732 | 522,000 | (265,268) |
| 16,317 | Pension | 12,837 | 25,000 | (12,163) |
| 75,085 | Health Insurance | 65,816 | 102,000 | (36,184) |
| 6,000 | Other | 12,966 | 12,250 | 716 |
| 8,199 | Training and Professional Development | - | - | - |
| **427,171** | **Total** | **348,350** | **661,250** | **(312,900)** |

Pension: The Museum participates in a defined contribution pension plan in accordance with the provisions of the National Pensions Act (2012 Revision). Contributions for the year ended December 31, 2024 (included in staff costs in the Statement of Financial Performance) amounted to CI$12,837 (2023: CI$16,317). Pension contributions consist of 5% of the employee's salary made by the employee and are matched by the employer (2023: 5% employer, 5% employee).

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**17. Key management remuneration**

The aggregate compensation disbursed to the three key management personnel for the fiscal years ending December 31, 2024, and 2023, respectively, amounted to:

| | Salaries | Pension | Health | Total |
|---|---|---|---|---|
| Current Year Actual 2024 | 110,856 | 5,343 | 30,320 | 146,519 |
| Budget | 261,800 | 13,090 | 82,110 | 357,000 |
| **Actual vs Budget Variance** | **(150,944)** | **(7,747)** | **(51,790)** | **(210,482)** |
| Prior Year Actual 2023 | 130,564 | 6,683 | 26,436 | 163,683 |

Members of the Board of Control are voluntary and do not receive any remuneration for services rendered. The new Director received a settlement allowance loan of $9,100 in November 2024. The loan is repayable in six monthly installments starting December 2024. At December 31, 2024 the outstanding balance was $7,583. There were no loans to key management in 2023.

**18. Rent Expenses**

The Museum was a party to three lease agreements for three properties in 2024. These agreements are at arm's length and are of varying terms.

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| 44,921 | Cayside House | 66,127 | 46,679 | (19,448) |
| 120,000 | Support Facility | 120,000 | - | (120,000) |
| 2,340 | Parking Rental | 2,340 | 2,340 | - |
| **167,261** | **Total** | **188,467** | **49,019** | **(139,448)** |

**19. Rental Income**

The Museum leases the Old Gaol café to an independent third-party operator for an annual lease consideration of $19,997 (2023: $19,845)

**20. Financial risk management**

The Museum's activities expose it to various types of risk that are associated with the financial instruments and markets in which it operates. The Museum's Board of Control has overall responsibility for the establishment and oversight of its risk management framework. The Museum's risk management policies are established to identify and analyse the risks, set appropriate risk limits and controls, and to monitor risks and adherence to limits. The most important types of financial risk to which the Museum is exposed are credit risk and liquidity risk. This note presents information about the Museum's exposure to each of these risks and the Museum's objectives, policies and processes for measuring and managing risk. The Museum seeks to minimize exposure from financial instruments and does not enter into speculative financial instrument transactions.

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**20. Financial risk management (continued)**

*Credit risk*
Credit risk is the risk that the counterparty to a transaction with the Museum will fail to discharge its obligations, causing the Museum to incur a financial loss. Financial assets that potentially subject the Museum to credit risk consist of Cash and Cash Equivalents, short-term investments, trade receivables, and other receivables.

The average credit period is 30 days. The Museum manages its Credit risk by transacting only with creditworthy counterparties. Generally, the Museum does not require collateral. Ongoing credit risk is managed through a review of aging analysis.

Maximum exposures to credit risk as at year end are the carrying value of financial assets in the statement of financial position.

ECLs are calculated on a lifetime basis for Trade Receivables. The credit risk on cash and cash equivalents and short-term investments is limited. The Museum's main bank is CIBC First Caribbean (FCIB) which is a Class A local bank regulated by the Cayman Islands Monetary Authority.

At December 31, 2024, the Museum held CI$705,091 (2023: CI$1,136,734) of accounts receivable and CI$1,064,660 (2023: CI$500,844) in cash and cash equivalent. As such, the Museum is exposed to credit related losses in the event of non-performance by counter parties. Given the high credit rating of the financial institution and the Museum's relationship with the Government, the Board of Control does not anticipate any material losses as a result of these concentrations.

*Liquidity risk*
Liquidity risk is the risk that the Museum will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, ensuring the availability of funding from the Government and the ability to predict and manage the Museum's expected cash outflows. Throughout the year and subsequent to the year end, the Museum has relied significantly on the support from the Government, to provide funds in the form of output services delivered. The ability of the Museum to meet its obligations is dependent on the ongoing financial support provided by the Government (refer Note 1). At December 31, 2024 the Museum held $300,000 (2023: $250,000) in a contingency fund as part of the liquidity risk management.

Accounts payable and accrued liabilities are expected to mature within 12 months of the date of the Statement of Financial Position.

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## 21. Commitments and contingencies

The Museum secures storage space at Pasadora Place for its collection, with a lease renewed from January 2022 for three years. The lease was extended at the end of 2024 for three months at an increased rent of $15,000 per month. Additionally, it leases premises at 64 Seafarers Way for administrative and educational purposes. The lease for 64 Seafarers Way was finalized in 2024 and extended to 2027.

| Actual FY 2023 | Description | Actual FY 2024 | Budgeted FY 2024 | Variance |
|---|---|---|---|---|
| | Minimum lease payments | | | |
| 120,000 | Payable within one year | 67,973 | - | 67,973 |
| - | Payable from one to two years | 141,855 | - | 141,855 |
| **120,000** | | **209,828** | - | **209,828** |

## 22. Explanations of material variance against budget

*Statement of financial position*
Cash and cash equivalents had a negative budget variance of $162,711. This negative variance stems from the larger than expected receivable balance for output funding as at December 31st, 2024.

The Accounts Receivable variance of $451,671 is largely related to Cabinet billings and reflects amounts outstanding with the Ministry at the fiscal year-end.

The variance in deposits and prepaid expenses reflects the release of these amounts in 2024 as the benefits prepaid in 2023 were consumed.

Property and equipment were lower than budgeted due to delays in the execution of the Museum's planned leasehold improvement, Fire & security alarm upgradation.

Inventory levels were higher than budgeted due to lower than expected product sales during the year.

The higher-than-expected balance in Accounts Payable and accrued liabilities largely relate to accrued sums for the central government-administered insurance ($31,946), and higher-than-expected accounts payable vendor balances following the presentation of vendor invoices late, or after fiscal year-end.

The accumulated surplus variance is due to better than expected fiscal performance for 2023 and 2024.

Contributed capital was lower than the budget anticipated due to delays in progressing the Museum's leasehold improvement project. The funding lapsed at the end of the 2022-2023 budget period.

The Contingency Reserve was increased by $50,000 to ensure adequate coverage of three months of operating expenses as a risk-mitigating measure.

*Statement of financial performance*
The local tourism market (on which the Museum relies for a significant portion of its third-party funding) has not achieved its pre-pandemic levels. This had a negative impact on admission which was lower than the budget anticipated by some $6,678 and product sales which was also lower than budget by $108,829. Membership dues were significantly lower than budget due to a combination of factors.

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**22. Explanations of material variance against budget (Continued)**

These include vacant positions and overall economic conditions which has affected charitable giving in many sectors of the economy.

Fundraising and donations were largely inline with expectations while the funds accrued from interest on cash balances were $7,777 higher than budgeted.

Staff costs were lower than budget by some $312,900. The Director's post was vacant during most of the year resulting in savings in salaries and health insurance. The Museum also carried other vacancies during the year. The Budget assumed a full staffing complement.

Administration and other expenses were higher than budgeted by some $20,529.This was driven by an unexpected PP&E impairment of $66,110. Programme expenses were lower than budgeted by $43,245 due to the Museum being short-staffed, resulting in several scheduled programmes being cancelled. Professional fees were $14,114 higher than expected due to unexpected HR and fire protection consultancy services during the year.

Efforts to source more cost-effective goods and negotiate discounts on inventory procured for the gift shop positively impacted the cost of goods sold.

Depreciation expenses were lower than budgeted due to the delay in the Museum's leasehold improvement capital programme.

Rent expenses were higher than budgeted due to rent a lack of provision for Pasadora Place for 2024 and increases in lease and strata fees following the conclusion of lease negotiations for Cayside House. These rent increases were unknown at the time the budget was prepared.

*Statement of Cash Flows*
The closing cash position was lower largely due to an unexpected increase in expenses. Accounts receivable decreased by $430,294 compared to budget, primarily due to the recovery of outstanding Cabinet invoices from 2023. No equity injections were received during the year, contrary to the anticipated $30,000 included in the budget.

**23. Capital**

The Museum's primary objective in managing its working capital is to ensure continuity as a going concern, supported by ongoing government funding (Notes 1 and 2), while also generating sufficient cash flows to sustain its programmes. Management evaluates the Museum's capital requirements by analyzing financial risks and adapting to shifts in both risks and market conditions. The Museum is not bound by any externally imposed working capital constraints imposed by third parties or governmental entities. Furthermore, management has increased the contingency reserve to CI$300,000 (2023: CI$250,000).

**24. Subsequent events**

In preparing these financial statements, Management noted a 5% COLA adjustment to all staff salaries effective 1 January 2025.

**CAYMAN ISLANDS NATIONAL MUSEUM**
Notes to Financial Statements
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(Expressed in Cayman Islands dollars)

**25. Compliance with the Public Authorities Act, (2020 Revision)**

The Museum is required to comply with the Public Authorities Act, (2020 Revision, the "PAA"). Amongst other matters, Section 39 (2) of the PAA requires that where a public authority has surplus cash reserves for a period of more than ninety days, the surplus shall be paid to core government unless otherwise directed by Cabinet, after written consultation with the Board. In prior years, Cabinet has exempted public authorities from paying over surplus cash reserves and the Corporation expects that a similar exemption will be made in respect of its surplus cash reserves as at 31 December 2024.

Section 39 (3) of the PAA also requires that a public authority pay dividends in accordance with the formulae established by the Minister of Finance and Economic Development (the "Ministry") after written consultation with the Board, unless otherwise directed by Cabinet.

The Museum is exempt from this requirement because its operations are not self-sustaining. Going forward, the Museum may
be required to pay a dividend in accordance with Government's policy for the payment of annual dividends unless the Museum continues to satisfy the exemption criteria noted under the policy.

PAA 36: Section 36(1) of the PAA requires public authorities to pay an annual capital charge for the use of equity invested by the Government in the authority. Based on past practice, the Corporation expects that the applicable rate for the 2024 financial year will be set at 0% (2023: 0%) and that no capital charge will be payable for 2024 (2023: $0). Going forward, the Cayman Islands National Museum may be required to pay a capital charge in accordance with the PAA.