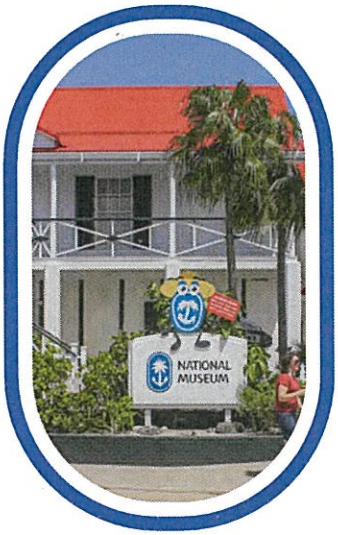
WEAVES IN THE FABRIC OF OUR HISTORY

2020



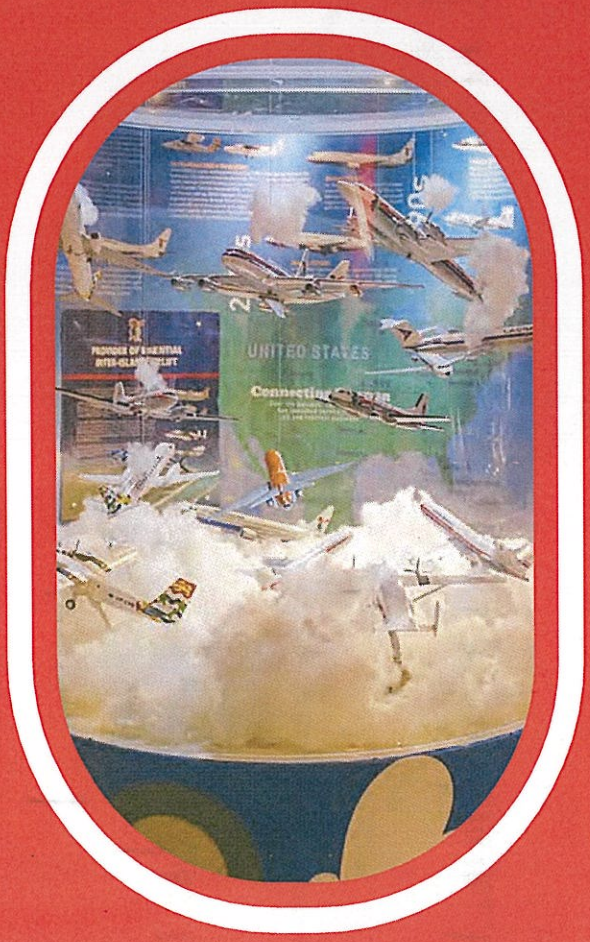
2020



www.museum.ky

ANNUAL REPORT ◇ 2020

CAYMAN ISLANDS
NATIONAL MUSEUM



Harbour Drive, George Town
P.O. Box 2189, Grand Cayman
KY1 1105
Cayman Islands
Tel: (345) 949 8368
Email: info@museum.ky
Website: www.museum.ky

FOREWORD



This Annual Report is for the Cayman Islands National Museum (the 'Museum'). The report outlines the Museum's performance during the period from January 1, 2020 to December 31, 2020 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)('PMFL'). 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.

   (3A) 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.

This annual report covers three main areas:

Service Delivery

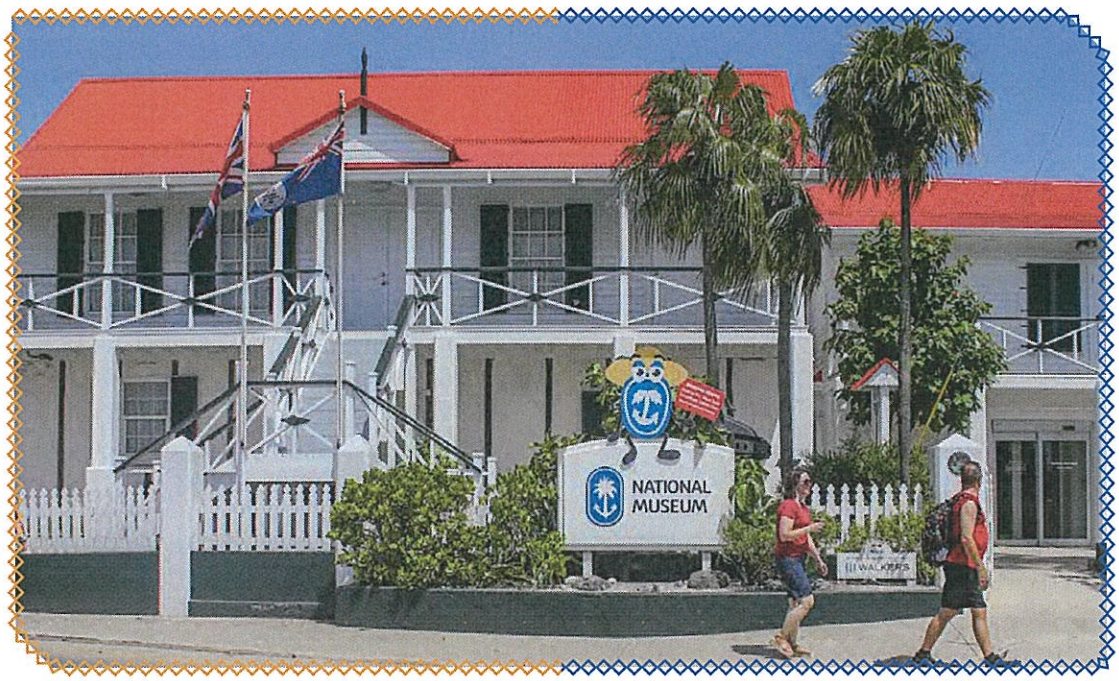
Financial Performance

Governance

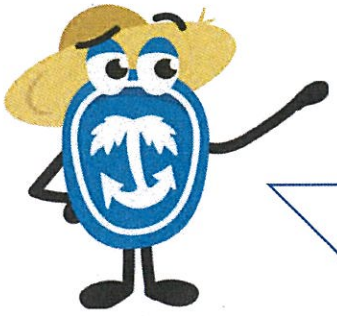
The service delivery section outlines the contributions made by the Museum in furtherance of the Government's policy outcome goals. It also provides commentary which explains material variances in performance when compared to budget.

The financial performance section shows the financial resources the Museum was afforded in the 2020 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 financial statements.

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







WELCOME TO OUR 2020 ANNUAL REPORT


NATIONAL
MUSEUM

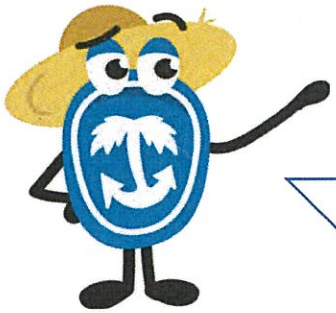


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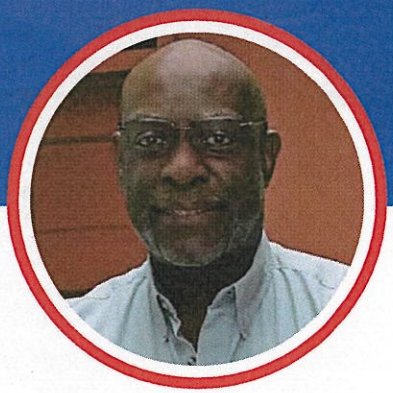
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Message from Our Chairman

I am pleased to present the 2020 Annual Report on behalf of the Board of Directors of the Cayman Islands National Museum.

The Museum marked its 30th anniversary in 2020. It embarked on the fiscal year with exciting plans to continue presenting and sharing the uniqueness of our Caymanian history; however, along with organizations around the world, many of our initiatives were impacted by the unprecedented situation caused by COVID-19.

The closure of our Museum's three sites in March affected planned timelines and approaches for several projects and exhibitions. The days immediately following was a period of great uncertainty as our local economy, including our vibrant tourism industry ground to a virtual halt.

It was also a period of reflection, as we pondered the role culture plays in times such as these. Our culture represents the ideas, customs, and social behaviour of our people. As we remember the events of 2020, one can easily attest to the stark contrast between the social behaviour of Cayman Islanders following our national lockdown orders, and those seen elsewhere through protests, and riots.

It is my humble opinion, that the preservation of our culture, ideas, and customs as a people, was a pivotal factor in the success of the Cayman Islands dealing with the COVID-19 pandemic in 2020.

Caymanians have a history of respect and trust in our leadership. That trust provided practical lessons from the past, on what worked and what did not. These lessons provided the tools to quickly adapt to the rapidly evolving situation of COVID-19, and gave us the courage to trust our leaders, stay at home, and prevent the local spread of the disease.

In times of great difficulty, whether through a hurricane, earthquake, or pandemic, it is our culture that inspires, uplifts spirits, and provides hope to our people. Our culture tells of our resilience as a people, and encourages us to persevere as those that came before us did.

Looking back over the past year, I would like to express my appreciation and gratitude to all those who supported the Museum in their unique ways. These include our donors and sponsors, Members, service partners, volunteers, and all those who continue to engage us through visits, support for our travelling exhibitions, and patronage at our facilities. Your efforts are significant contributors to the preservation of our cultural history and the continuous weaving of our fabric as a people.

I especially commend the Museum's staff who continued to offer exhibitions, programmes, and experiences that respond to the growing desire of Caymanians to learn more about their history. I was truly impressed by their

adaptability in continuously providing diverse offerings, impactful experiences, and exceptional, innovative means of sharing and telling the cultural history of Cayman in 2020.

I would also like to thank my Board colleagues for their ongoing dedication to the Museum, our Director for her stewardship and leadership during the year, and the Ministry for its continued support of this important cultural entity.

I am proud to work alongside this group of talented individuals, whose unique experience, expertise, and backgrounds all bring important contributions to the work the Museum does on behalf of our country.

In our role as custodian, the Museum strives to safeguard and promote Cayman's cultural heritage, and ensure that everyone can fully appreciate the diverse strands of the weave that make us proudly Caymanian.

As we look ahead to 2021, I am confident that the organization will continue to meet its mandate to cultivate pride, and celebrate Caymanian cultural heritage by educating Caymanians, residents, and visitors of all ages about the uniqueness and commonalities of our three Cayman Islands. .

Yours Sincerely,



Alfonso Wright
Chairman

*Mr. Wright has since resigned as chair in 2021.



Message from Our Director

It is my pleasure to join our Chairman in presenting the 2020 Annual Report for the Cayman Islands National Museum and to reflect on some of the historically significant events of the year.

The National Museum operates with the mission to ensure future generations value our unique natural and cultural heritage. It serves as a reliable source of authentic information about the history and culture of our people and helps to tell the story of who we are.

Fiscal year 2020 will certainly be one for the history books; however, I am extremely proud of the response from our entire team, in rising to the challenge of this unprecedented period to create new artistic, educational, and service opportunities for our members and the wider community.

After closing our doors in March due to the pandemic, our dedicated staff skillfully transitioned to online operations, and within weeks was offering engaging virtual content and educational programming to our local community and beyond.

The Museum also quickly adapted with agility by prioritising staff welfare, business continuity, and support for those working remotely. This enabled our staff to remain safe, and observe national stay at home mandates, while also contributing meaningfully to the ongoing operations of the organization.

This year has been a roller coaster ride, and many of our plans have had to change. Still, we have a lot to be grateful for. In August, the Museum was among the Statutory Authorities and Government Owned Companies to receive awards for unqualified audit opinions for 2018 and 2019. We also implemented the 2019 job evaluation results for all Museum staff, providing remuneration parity with our Civil Service colleagues. Our staff remained safe and we reopened the Museum for normal operations following upgrades to enable appropriate social distancing and safety.

I am honored to present this report providing accountability for my stewardship of the Museum in 2020. Overall, notwithstanding the challenges, the Museum delivered a solid year through our speaker series, summer programme, radio shows, maritime heritage offerings, and participation in various cultural events. We also presented several special exhibitions that offered residents and visitors fascinating glimpses of numerous topics, and provided an opportunity for dialogue on a range of subjects.

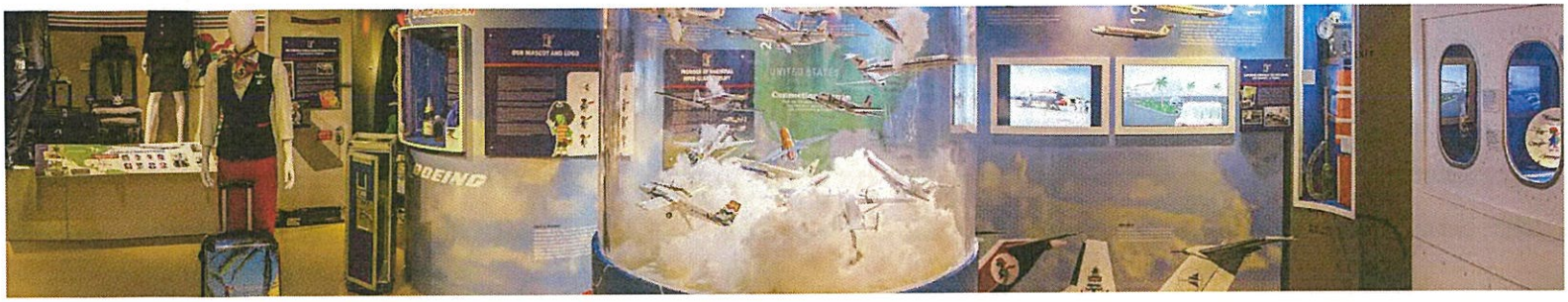
We could not have done this without our partners, patrons, and volunteers who stood by us with unwavering support. I would especially like to sincerely thank our dedicated staff who worked hard to produce and share meaningful content and activities in person and online, design new products, and develop innovative pathways for sharing our culture and keeping our history alive.

To our Board and Ministry, thank you for your support and guidance throughout this challenging period. Without your assistance, our achievements would not have been possible.

Yours Sincerely,

Margaret E. Leshikar-Denton

Dr. Peggy (Margaret E) Leshikar-Denton
Director



About Us

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: 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.



Our Story

The Cayman Islands National Museum was established via The Museum Law (1979, 1999 Revision), which mandates the Museum to collect "historical, natural, and scientific objects of interest." 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.

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. It includes objects as diverse as shipbuilding tools and equipment, cannons, writing implements, furniture and hats.

Our Mission

Through our 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.



Our Vision Statements

- 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.

The National Museum:
The living connection to Cayman's past, ensuring that future generations experience our unique natural and cultural heritage

What We Do

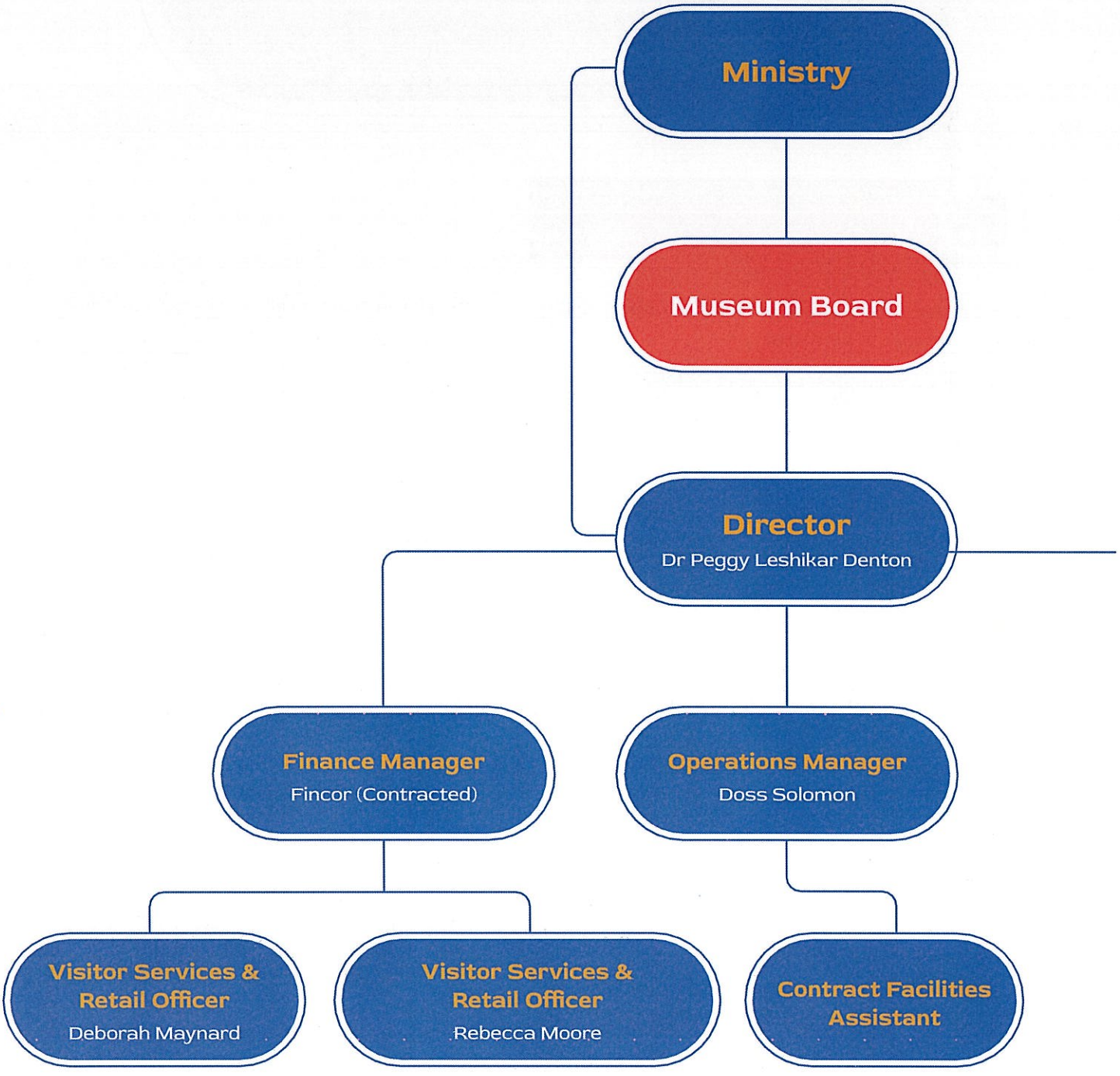
The Cayman Islands National Museum conducts the following scope of activities:

- 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 purposes 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
  - Provide reports and other documentation requested by the Ministry, Cabinet and other Government Departments

Where We Are

The National Museum is located at 3 Harbour Drive, George Town. Our administration and education centre is located at 10 Cayside House on the Waterfront in George Town.

Our Organization





Meet Our People...

They are committed to the protection and preservation of our Cayman Islands culture & heritage.

Curation & Collections Manager
Debra Barnes- Tabora

Public Relations & Media/Design Specialist
Brian Watler Jr

Exhibition Coordinator
Wray Banker

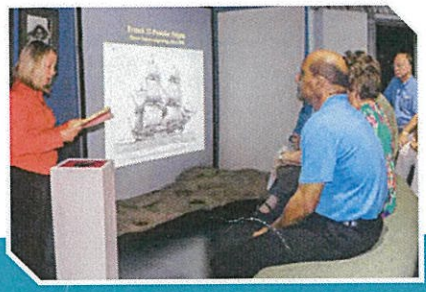
Special Events & Programmes Assistant
Shenice McField

YEAR IN REVIEW

2020







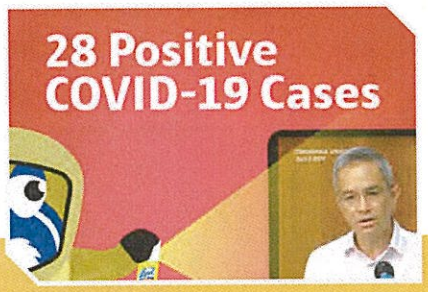
January

Fine arts competition for Wreck of the Ten Sail



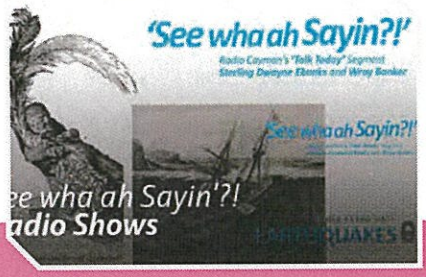
February

- Coco Fest 2020
- Red Sky at Night
- CINM Staff Receive CNCF National Arts & Culture Awards



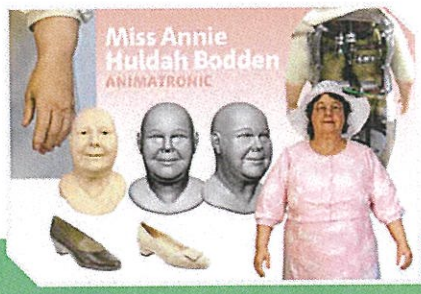
March

National lockdown begins



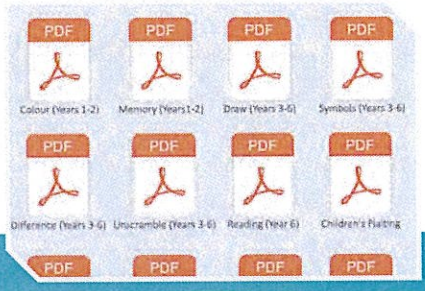
April

See Wha Ah Sayin – Epidemics



May

- Staff worked on new products for giftshop
- International Museum day
- Unveiling of Miss Annie Huldah Bodden animatronic



June

Staff delivering virtual greetings and educational products online



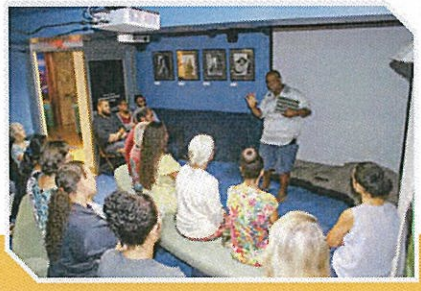
July

Museum Giftshop resumes operations



August

- Museum receives awards for clean audit
- National Museum on Air
- Immerse Summer Camp



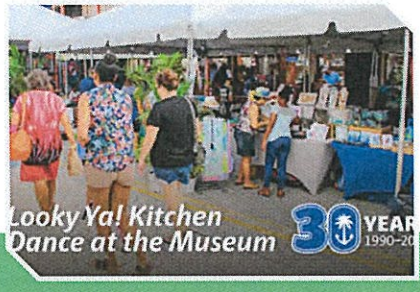
September

Our Linguistic Heritage: Caymanian Words & Phrases



October

- See Wha Ah Sayin – Obeah
- Duppeh Stories



November

Museum celebrates 30 years

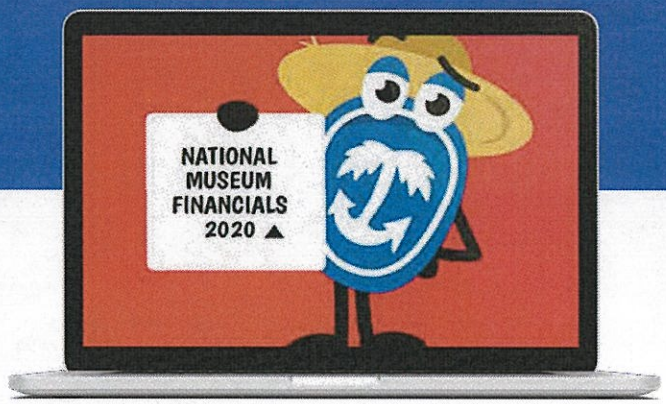


December

- Late night shopping at the National museum
- Annual Staff & Board Member Christmas lunch

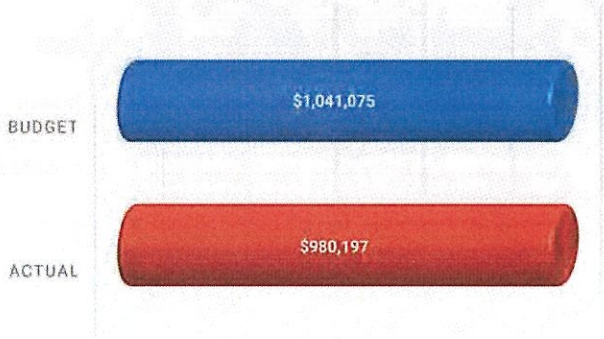

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FINANCIAL
SNAPSHOT



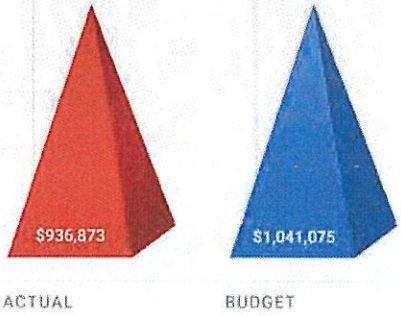
REVENUE

ACTUAL VS TARGET



EXPENSES

ACTUAL VS TARGET



$ Cayman Dollars

Engaging with Community:

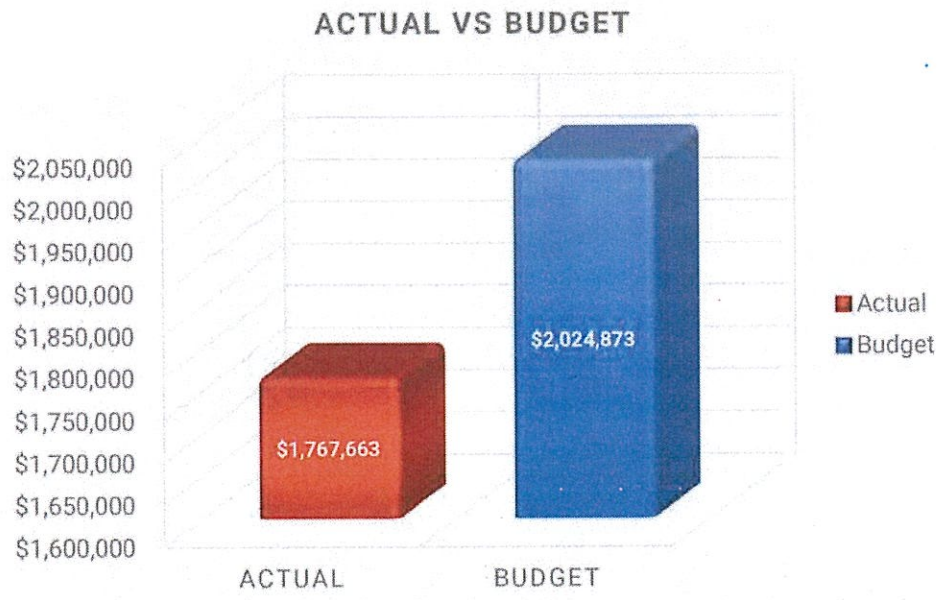
↑% Increase in our social media views

8

Staff Members



Total Net Worth



What Assets Are We Managing?

Fixed Assets





Collections, Exhibits & Artefacts







$275,912
Property, plant and equipment

$285,425
Permanent Exhibits

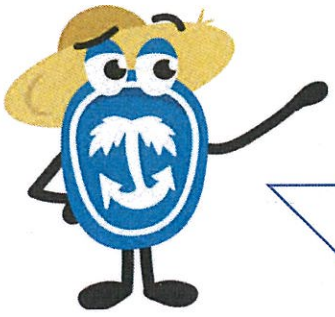
11,534
Artefacts

At a Glance

Financial Performance Measures	2020 Actual	2020 Target
Revenue from Cabinet	855,000	855,000
Revenue from Ministries, portfolios, statutory authorities, government companies		
Revenue from others	125,197	186,075
Total Revenue	**980,197**	**1,041,075**
Expenses	936,873	1,041,075
Surplus/(Loss)	**43,324**	**-**
Net Worth		
Net Worth/(Deficit)	1,767,663	2,024,873
Cash Performance		
Cash Flows from Operating activities	(412,248)	49,447
Cash Flows from investing activities	(3,772)	(300,000)
Cash Flows from Financing activities	(50,000)	300,000
Change in cash balances	(466,020)	49,447
Financial Performance Ratios		
Current Assets: Current Liabilities	21.93:1	20.86:1
Total Assets: Total Liabilities	30.51:1	33.92:1
Human Capital Measures		
Total Full Time Staff Employed	**8**	**10.5**







OVERVIEW OF ACHIEVEMENTS

1979

The Museum was Established

2020

Our Achievements During the Year

This section provides an overview of tasks and deliverables for the 2020 fiscal year.

The Museum delivers three primary Outputs/services to the Cayman Islands Government. We are charged with the collection and preservation of material evidence significant to our culture, history and heritage; care of Museum facilities, Exhibitions and Displays; and the provision of support to the Ministry, Cabinet and Other Departments.



Did you know?

That the Old Court's Building is one of the few surviving 19th century structures in the Cayman Islands?



Our first major event for 2020 was the "Constitution" Exhibit featured for National Heroes Day in cooperation with Celebrate Cayman. This exhibit opened on 27 January in the Old Library and was displayed for approximately two weeks.

This section provides an overview of tasks and deliverables for the 2020 fiscal year.

The "Social Work Through the Years" Exhibit was developed in cooperation with Ms. Lois Kellyman DCFS, from the Department of Children and Family Services, and was featured at the Government Administration Building starting on March 9th in recognition of Social Work Month.

The exhibit was enhanced in September with additional panels, and displayed at the Social Work Awards Ceremony at Pedro St. James on 26 September.

"Coco Fest" 2020 was held on Saturday, 8 February 2020. The Museum supports this event annually where we take items from our giftshop and share cultural pieces with the Community. This year, we were happy to feature "Cayman's 1794 Wreck of the Ten Sail", a book written by our Director, Dr. Peggy Leshikar-Denton. It has been 226 years since the Wreck of the Ten Sail and the National Museum was eager to educate visitors on the historical accounts of this occurrence. The book was also available for purchase for those wishing to learn more.

Cayman's 1794 Wreck of the Ten Sail was also part of a Speaker series that was presented by Dr. Leshikar-Denton covering history ranging from the French Revolution, to the wrecking on the East End reefs and court-martial thereafter. Filmed by GIS, it also

airs regularly on television. Students ages 13-16 also participated in the Museum's Fine Arts Competition with the Wreck of the Ten Sail as the theme. The winning artwork will be featured on promotional material/ items and shared on our social media.

The annual Red Sky at Night was held on February 29th attracting several patrons. We also took the opportunity to share items from our giftshop at this event, and to showcase educational artefacts in the Caymanian Cultural Village.

The Museum turned to social media in celebration of International Museum Day 2020. This year's theme was "Museums for Equality: Diversity and Inclusion". In celebration, Museum staff produced a greeting video which was shared online to engage with our members and supporters. A new exhibition is opened annually on International Museum Day; this year we digitally revealed the Miss Annie Huldah Bodden OBE. This Exhibit will be permanently displayed in our Museum in 2021.

Our Curation & Collections Manager and PR & Media/Design Specialist worked during the lockdown to launch additional educational resources for students via our website. This effort kept children engaged in learning - through downloadable educational resources which were made digitally available.

The Museum building on South Church Street is the largest artefact in our collection, and is used as a Permanent Exhibit to showcase our Caymanian architecture and way of life. Given the age of the structure, regular maintenance and upgrades are required to ensure safety and fitness for purpose, while also preserving the original charm and features of the building.

In the first of a more extensive project, the Museum completed works to enhance its permanent Cultural History Exhibition and to increase its judicial display's for educational reach and entertainment value.

The safety and welfare of our visitors and staff remained paramount throughout the fiscal year. We reopened for normal operations in July 2020 following national lockdown restrictions.

In welcoming visitors back to the Museum, we instituted mask requirements and procured a temperature screening for persons entering our main Museum attraction. Staff also procured and installed wayfinding signage and enforced social distancing requirements. Sanitizing Stations were prominently placed throughout the facilities, and we implemented additional safety features such as a Plexi-shield at check-in for Admissions & check-out for Shopping. We also increased the frequency of our contracted janitorial service, consistent with the management of a pandemic.

In the months following, the Cayman Islands, through adherence to official advisories and government mandates, created a safe bubble which allowed the relaxation of certain measures.

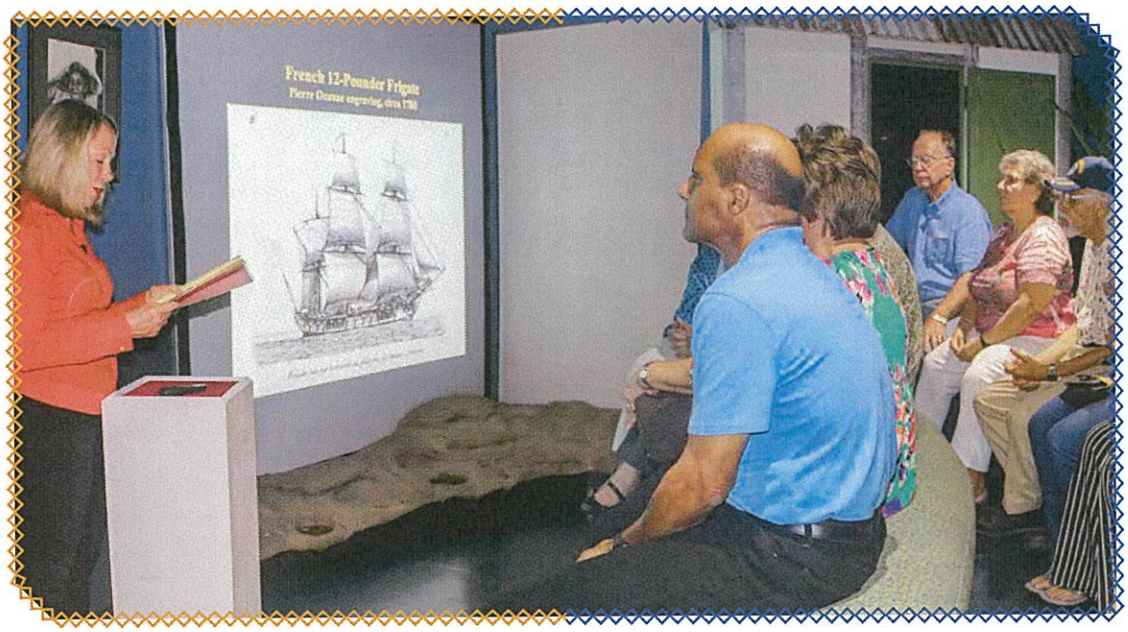
Students faced multiple struggles throughout the pandemic; it was therefore heartwarming to support the John Gray High School Career Day where staff got to speak and interact with hundreds of students in introducing the Museum and the work carried out to preserve and communicate our cultural heritage. These engagement exposures illuminate career options for local students and serve as an invitation to pursue passions in history and culture.

Our staff members Mr. Wray Banker, Mr. Brian Watler Jr. and Miss Shenice McField were invited to the East End Primary School to teach Year 4 and 5 students lessons in Cayman's traditional games and dance. They were also invited to Edna M. Moyle Primary School (formerly North Side Primary) to teach students from Reception to Year 6 the Quadrille dance, and how to play traditional games.

Our "See Wha Ah Sayin'?!" Radio Show is a community favourite. Topics discussed during the year included Earthquakes (21 Feb 2020), Epidemics (17 April 2020), and Obeah (20 October 2020).

The Public Accounts Committee recognized our organization in 2020 for achieving an unqualified Audit Opinion for the 2018 and 2019 Annual Accounts.

Our Government undertook a bold financial reform



in 2003 by moving all Public Agencies to full accrual accounting and switching to Output budgeting. It catapulted our financial management regime to the highest levels in our region.

Several agencies initially struggled to fully implement the drastic changes required; however, over time, through hard work and dedication, agencies began achieving the standards envisioned by producing full Annual Accounts in accordance with international standards, and providing public accountability through the preparation and publication of annual reports. The Public Accounts Committee has been a strong advocate in this area, and have recently sought to recognize and encourage Public Agencies through annual awards.

Our exhibit Brackeology was launched virtually during the year and was on through August 2020. This exhibition followed Simone Scott's art development to document the life and times of the Cayman Brac people and the exciting wildlife found on the Island.

Our Community engagement took to the public airways in 2020 with Dr. Peggy Leshikar-Denton who joined Mr. Orrett Connor on "For the Record" and Mr. Brian Watler Jr. and Miss Shenice McField who joined Ms. Ruthanna Young on "Straight Talk". The discussions shared the activities which the Museum pursued before, during and after the COVID-19 pandemic, and invited the public to visit our cornerstone cultural institution.

We hosted our 4th annual Immerse Summer Camp — focusing on our Island's rich maritime heritage — from 10-14 August 2020. We reduced the number of campers this year to 12, to enable proper social distancing and the safety of our little campers as they enjoyed the sights and sounds of the locations we visited and the programmes offered.

The camp provided a fun week-long study of Cayman's rich maritime heritage and allowed kids to visit Captain Kem Jackson's Catboat repair shop in West Bay, snorkel near the reef in East End, and learn about the various shipwrecks across Cayman.

There was consistent laughter and cheer as the campers traversed the Wreck of the Ten Sail campsite and park, kayaked through the mangroves, and even released a live turtle courtesy of the Cayman Islands Turtle Centre. We nicknamed the turtle "Muzey" -- after our Museum mascot. Maples, a long-standing community partner and supporter of the National Museum, part-funded the expense of the annual camp programme.

Our Visitor Services and Retail Officers were busing during the lockdown period working on the design and procurement of new products for our Gift Shop. New Items included silk cashmere scarves, Cayman Islands Map neckties, children's hats, towels, blankets and Grand Cayman White Topaz, Aquamarine and Silver necklaces.

Inspired by Mrs. Monica Gore, wife of Cayman's former Governor, Mr. Michael Gore, a dedicated group of islanders created a unique wall hanging, which was presented to the National Museum in 1995 as a gift to the Nation.

Twenty-five years later, Mrs. Elisabeth Roper, wife of current Governor, Mr. Martyn Roper, admired the piece and was instrumental in hosting the permanent display of an artistic reproduction at the Governors' House. She invited the present Quilters Group, of which she is a member, for the unveiling, reflection, morning coffee and quilting.

We had a wonderful turnout for our Speaker Series entitled, 'Our Linguistic Heritage: Caymanian Words & Phrases'. Mr. Quincy Brown, a popular local entertainer gave an animated presentation on our unique dialect. Due to its popularity, a second part of this offering is planned for 2021.

Live tours were conducted via Facebook in 2020 as part of a Cayman Islands Department of Tourism initiative to showcase our Islands' attractions.

Our mascot, Muzey, won the first ever 'People's Choice' award at this year's Marketing Professionals Think Challenger Conference held at the Kimpton Seafire Resort. Muzey accepted the award at the closing out awards ceremony.

In West Indian folklore, duppies are ghosts or spirits that haunt people at night. The Caribbean has a rich history with the telling of Duppeh Stories as children sat around wide eyed and captivated listening to tales about rolling calves, and other paranormal observations and experiences.

We launched our Duppeh Stories campaign in October and engaged the community in sharing their individual #DuppehStories. It made for a rich and entertaining experience for those participating.

The "Looky Ya!" Kitchen Dance at the Museum was an entertaining way to celebrate our 30th Anniversary. The festivities included Live Music by Bonafide, a Cassava Cake Competition (won by Mrs Phenicia Bodden-Fraser), the opening of our newest Exhibition, "Things I Got for Christmas" featuring items from the Miss Virginia Foster collection, and traditional artisans & specialty vendors.

As customary on our Anniversary, our Museum Board Chairman, Mr. Alfonso Wright renewed the Museum's lease with the Cayman Islands Government through the exchange of a peppercorn, received by Councillor Capt. Eugene Ebanks of the Ministry of Health, Environment, Culture & Housing.

We capped off 2020 with a "Late Night Shopping at the National Museum" event. The elves worked late in the Museum Gift Shop providing visitors an opportunity to get their early Christmas Shopping done before the rush, and to enjoy refreshments and free Christmas wrapping in the Courtyard.

We had a wonderful turnout for our Speaker Series entitled, 'Our Linguistic Heritage: Caymanian Words & Phrases'. Mr. Quincy Brown, a popular local entertainer gave an animated presentation on our unique dialect. Due to its popularity, a second part of this offering is planned for 2021.



STRATEGIC OWNERSHIP GOALS

Our main attraction is well positioned on the waterfront of our main cruise port and provides the Museum with an excellent opportunity to engage visitors by sharing our local culture and history. In March 2020, the COVID-19 Pandemic arrived on our shores, followed by the closing of our Ports to cruise ships and airplanes as the Islands went into a full lockdown with "stay at home" orders coming into effect on 24th March 2020.

The suddenness of this event was hugely disruptive to Museum operations and shaped the overall context for our 2020 operations. Preparations for the probability of working from home began in mid-March with assignments and work plans for staff. This was followed by coordinated work projects and weekly updates on projects staff pursued while working remotely.

Projects undertaken included the development of online contents, design for new store products and social media campaigns, and the redeployment of one of our staff to assist Government Information Services to design information circulated during the Covid-19 crisis.

The Museum was also busy facilitating the annual audit of the organization's finances and the completion of other administrative and compliance requirements. Our Operations Manager updated the proposed list of capital projects requiring funding by obtaining documentation and quotations, while our Curation and Collections Manager kept in touch with overseas specialists working on the design of our latest permanent exhibit.

"Muzey" the Mascot was heavily utilized for postings on Facebook & Instagram and provided safety information while also communicating serious messages through humor, novel thoughts, and reflections.

In keeping the culture alive, staff carried out Conch Blowing Signals as part of Caymanian sounds and symbols featured on Radio Cayman and provided telephone ringtones unique to Cayman.



"Muzey" the Mascot was heavily utilized for postings on Facebook & Instagram and provided safety information while also communicating serious messages through humor, novel thoughts, and reflections.

In May, we celebrated International Museum Day virtually with staff greetings on Social Media. We also provided a virtual preview of our new animatronic figure of Miss Annie Hulda Bodden (sponsored by the Water Authority).

Miss Annie Hulda Bodden is an Animatronic figure that will become a Permanent Exhibit for our Old Courts Building. In 2020, the figure was under creation by Lifeformations and was made possible by a $50,000 sponsorship donation received from the Water Authority in 2019. We expect to open this Exhibit in 2021 once travel restrictions allow the installers to travel to Grand Cayman.

Our website offerings were bolstered with a collection of photo images of artefacts to make items accessible for education, research, & enjoyment.

We also provided other educational resources showcasing plaiting, our Coat of Arms, Ships, Coconut boat making, Transportation, Our Dialect, Basketry, Symbols and more.

Our Cayman Islands Maritime Heritage Trail Maps with Interpretive Photos and Summaries for Grand Cayman (20 Sites) & Sister Islands (8 on each of Cayman Brac & Little Cayman) were also launched on our website. This initiative proved popular for teaching and for general enjoyment and learning by the public.

Our collections grew in 2020 with the Museum now housing over 11,534 artefacts, which are digitally entered into a Collections Management Programme, most with photographs, preliminary research, condition reports, and other documentation.

The Strategic Ownership Goals for the Museum for 2020 – 2021 are as follows:

CINM 1 – COLLECTIONS, CONSERVATION, CURATION AND RESEARCH

- Continue to collect, conserve, protect, research, and manage material evidence of artistic, historic, or scientific significance to the Cayman Islands, both terrestrial and underwater (*Note - The Museum would like to re-establish and revitalise the Museum Conservation Programme by employing a Conservator and developing a Conservation Policy and revitalised Conservation Plan).
- As common practice, incorporate on-going research findings on collections, terrestrial and underwater archaeological sites into public exhibitions, programmes and publications.
- Liaise with local, regional and international groups having similar objectives, for loan or exchange of artefacts and exhibits, and the exchange of knowledge and information.

CINM 2 – OPERATIONS, EDUCATION AND EXHIBITS

- Enhance the effectiveness of the Board in support of the vision, mission and goals.
- Align organisational structure in support of vision, mission and core values. Acquire a purposed Collections facility (*Note – This is dependent upon Governmental Capital Funding being granted and Museum supplemental fundraising)
- Assess, evaluate and repurpose or dispose of old non-Collections items (e.g. furniture, exhibit panels and props, maintenance equipment) housed at the Museum Support Facility at Pasadora Place.
- Move the Collections to the purposed Collections facility (*Note – This is dependent upon capital funding for acquisition of a purposed facility).
- Provide exhibitions and displays and general public access to them.
- Develop and promote a variety of educational programmes in support of the Museum's mission, vision and goals, e.g. Changing exhibits, Museum tours, Speakers' Series, Traditional arts, Summer Camps, Special opportunities for older person and for youth (*Note – The Museum seeks to enhance our educational programme offerings through employing a teaching/ educational staff member/ coordinator).
- 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).
- 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.



- Continue to partner with cultural organisations: Cayman National Cultural Foundation, National Trust, National Archive, National Gallery, and the Cayman Brac Museum to promote Cayman Islands cultural heritage.
- Assist the Department of Tourism and other related organisations/institutions in marketing the cultural product of the Cayman Islands.
- Coordinate the following special events: Looky Ya! (bi-monthly), International Museum Day (May), Mango Season at the Museum (June/July), Summer Camp (July), VIP Pirates Landing and Parade Event (November), Museum Anniversary (November), Museum Friends and Volunteers Christmas Appreciation Party and Kitchen Dance (December).
- Continue to assist the Sister Islands and the districts in Grand Cayman with Museum related issues and activities as needed.
- Provide a cafe, a 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 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.
- Continue to develop a robust Membership plan and network to ensure appreciation of the Museum, its mission, vision and goals, and to provide income to the Museum.
- Regularly update gift shop and visitor services policies.

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.

CINM 3 – MINISTRY AND GOVERNMENTAL DEPARTMENT SUPPORT

- 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 reports and other documents requested by the Ministry on a monthly, quarterly and annual basis, and as needs arise.
- Assist the Ministry in creating a National Cultural Policy, a National Youth Policy, and other culture-related plans as requested.
- Assist the Ministry and Board in reviewing or developing any necessary legislation.
- 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.

Looking Ahead

We have another packed year of exciting exhibitions and events planned for 2021. Offerings will include:

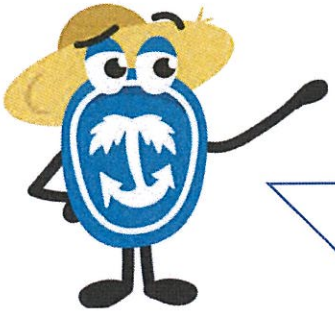
- A Seafaring Heritage Exhibition
- Miss Annie Huldah Bodden Animatronic Installation & Unveiling
- Speaker Series events
- See Wha Ah Sayin' Radio Shows
- International Museum Day
- Mango Season at the Museum
- Immerse Summer Camp 2021
- National Museum 31st Anniversary Celebrations
- Looky Ya! Kitchen Dance at the Museum



We also look forward to partnering with the Maritime Authority for a special event honouring Seafaring.

The history and culture of the Cayman Islands are tied to the sea. The Islands' location in the heart of the Caribbean and in the route of prevailing winds and ocean currents brought vessels plying the Spanish Main from the early 1500s near the small land masses. For more than 200 years after discovery, the Islands were uninhabited, although visited occasionally by sailors to replenish supplies of food and water. Soon the islands appeared on navigational charts and became known landmarks, hazards, and especially the place for taking turtles. From the early 1700s when settlement began in earnest, Caymanian shipbuilding, the turtle industry, and the development of the Merchant trade thrived. Caymanian people have always had a close relationship with the sea, and even today's recreation, shipping and tourism industries are tied to the sea. Plans are therefore in the developmental stages for a Maritime/Seafaring Exhibit. We look forward to welcoming our community, and hopefully visitors to our Islands as we continue to preserve and share Cayman's rich cultural history.





HUMAN RESOURCE MANAGEMENT

Our Leadership Profile



Board Chairman

Mr. Alfonso Wright

Mr. Alfonso Wright is a former member of the Legislative Assembly. He is also the Past President and Life Member of the Lions Club of Grand Cayman. Mr. Wright has since resigned as Chair in 2021.



Director

Dr Peggy Leshikar- Denton, Ph.D.

Dr Leshikar Denton holds a BFA and an M.A from the University of Texas at Austin and received her PhD in anthoropology (nautical archaelogy) from Texas A& M. She has worked in Latin America, the Caribbean, the United States, Spain and Turkey. Her research interests include seafaring, ships, and shipwrecks in the Caribbean. She is an author and recently published a new book titled Cayman 1794 Wreck of the Ten Sail which can be found in the Museum giftshop.

Our Leadership Profile



Curation & Collections Manager

Mrs. Debra Barnes-Tabora

Mrs. Barnes Tábora holds a Master of Arts Degree in Museum Studies with Merit from Leicester. She received her first certificate in Museum Studies from the Barbados Museum and Historical Society in 1990 and in 2008 she qualified as a Certified Institutional Protection Manager. She is also the recipient of several Culture and Heritage Awards.



Operations Manager

Mr. Doss Solomon

Mr. Solomon joined the Museum in 2007 following six years as Assistant Secretary with the Ministry of Education and Culture.

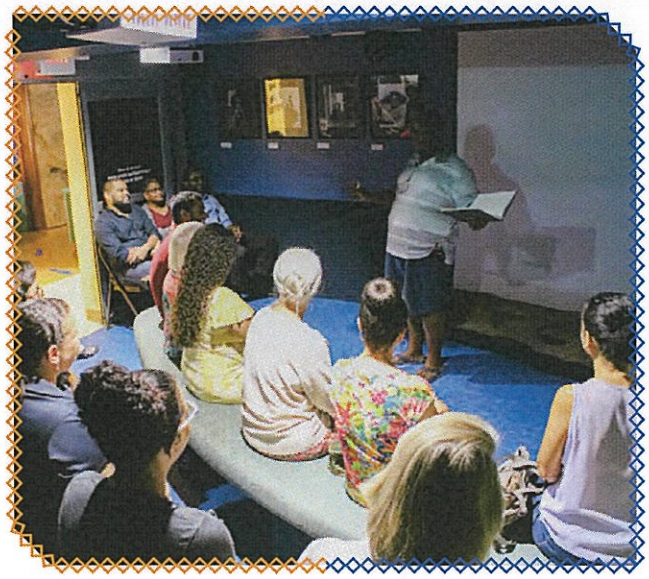
Section 47 of the Public Authorities Law (2017) came into effect on June 1st, 2019. The implementation of this section resulted in a job evaluation for members of the Museum staff. All jobs were independently evaluated by the central Government's Portfolio of The Civil Service (POCS), and the evaluation results were implemented for all staff in 2020 with retroactive effect from June 1st 2019.

The job evaluation initiative is intended to promote pay parity across the entire Public Service by ensuring similar jobs are evaluated and graded with a common assessment methodology. This ensures fairness in compensation and was a welcome exercise for the Museum.

Our Curation & Collections Manager, Debra Barnes-Tabora and Exhibition Coordinator, Wray Banker received awards at the CNCF Awards Ceremony in February 2020. Debra received the Gold Heritage Cross award, and Wray received the Gold Star for creativity.

Staff members were also supported during the year as they pursued further education through online learning.

Management Discussion and Analysis of Financial Results



The purchase of services by the central Government is the Museum's largest source of annual revenue. Additional revenue is provided by sales and admissions at our 3 South Church Street Location, rental of the old Gaol café, fundraising and donations.

All sources of revenue were negatively impacted in 2020 from the COVID-19 pandemic except for the central Government service output. Cruise visitors represent the largest customer base for our old Gaol Café, the Museum giftshop, and visitors to our main attraction. The islands' borders were closed to visitors for approximately 75% of the fiscal year as a pandemic mitigation measure. This precipitous decline resulted in loss of business opportunity for the tenant of the Old Gaol Café for most of the year. The Museum's Board extended grace, in line with other Government entities such as the Port Authority, in either waiving or significantly reducing the rental payment obligation of the tenant for a significant portion of the year.

Whilst staff expended significant effort to design and source new products, without a tourism market, giftshop sales and admissions revenue also saw significant declines during the year.

The job evaluation carried out by POCS identified areas where the compensation paid by the Museum was lower than similar jobs in other areas of the Public Service. The POCS recommended that this matter be addressed through salary re-grading of the staff whose salaries were below par. This resulted in an increase to personnel cost relative to the amount originally budgeted. Notwithstanding, Management worked to curtail expenditures in other areas to mitigate the revenue shortfall and salary changes, allowing the Museum to return a small surplus at the end of the fiscal year.

The Museum also benefited from the release of a $50,000 fundraising donation received in 2019 for the Miss Annie animatronic project. In line with Museum policy, funds received are placed as restricted reserves in the equity section of the balance sheet, until the Museum satisfies any donor requirements for the utilization of the funds.

We are excited and grateful for the continuous partnerships that enable us to continue to raise community awareness of our history and culture through preservation and display.

The Government approved a $300K capital in injection for the Museum to carry-out needed upgrade works including making the museum more accessible to visitors with physical disabilities. Restrictions in 2020 stymied plans to carry out this work; consequently, the Museum did not draw down on the budgeted funds for the year. The Government has allowed its Statutory Authorities and Government Owned Companies to carry forward 2020 budgetary appropriations which were not expended at the close of the fiscal year. The Museum therefore intends to carry out the planned works in 2021 and to draw the full amount of the appropriation initially budgeted for 2020.

The fiscal year closed with total assets of $1,804,894, total liabilities of $37,231 and a shareholder's net worth of $1,767,663. This is a strong financial position for the Museum and will allow the continued timely settlement of obligations as they fall due.

Cash and Cash equivalents closed at $750,788. This provides sufficient resources to cover operating expenses for approximately nine (9) months, which exceeds the central Government's policy of ensuring at least 90 days of cash reserves at the end of the financial year.

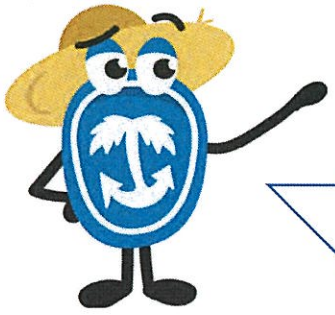
The significant increase in prepaid expenses resulted from the deposit paid for the procurement of the Miss Annie animatronic exhibit. The Museum also pre-purchases IT support hours to increase cost efficiency. 33.5 of support hours purchased in 2020 remained at the end of the fiscal year representing a value of $3,685.

Our year-end liabilities largely consist of accrued employee leave and invoices presented after the fiscal year-end. Our closing current ratio was 34.68:1, which means the Museum had $34.68 in current assets for every $1 in current liabilities.

Value to our shareholders is represented in the Museum's net-worth position. This balance closed at a healthy $1,767,663 for 2020 representing historical investments made by our shareholder and the accumulated net surpluses over the years.

The Museum reported a solid financial performance notwithstanding the restrictions and difficulties of 2020. Revenue was negatively impacted for most third party income streams; however, Management took mitigating actions to appropriately manage expenses to ensure the organization operated at a surplus.





APPENDICES

Governance and Risk Management

The Museum is subject to normal risks associated with most Public Agencies. For the year 2020 those risks included:

KEY RISKS FACED BY THE MUSEUM	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
1. Loss or damage to the non-renewable National Collection by:		N.B. see note (h) on accounting policies regarding the Collection
(a) Fire	Sufficient fire extinguishers that are regularly serviced. Hired security during after-hours events i.e. street dances. Determine the feasibility of installing fire sprinklers in the Museum and any purpose-built facilities.	Replacement or restoration cost of items lost or damaged as a result of the event
(b) Hurricane or Severe Storm Due to the close proximity to the water the National Collection is at risk throughout the year	Annual hurricane preparedness exercises and updating of the plan and supplies. Removal and/or safe storage of artefacts when a hurricane is approaching. Continuous internal and external building maintenance.	Replacement or restoration cost of items lost or damaged as a result of the event
(c) Pest infestation The building's materials and construction increase its vulnerability	Regular pest control management	Replacement or restoration cost of items lost or damaged as a result of the event
(d) Insurance	Basic insurance coverage is in place for the buildings and their contents. Need to review and revise as needed. 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

KEY RISKS FACED BY THE MUSEUM	ACTIONS TO MANAGE RISK	FINANCIAL VALUE OF RISK
2. **Inadequate shelving and storage facilities and inactive conservation programme result in gradual deterioration of the National Collection**	The collection is in new rental storage post Ivan. Plan and build a purpose-built facility to accommodate the current and future needs of the National Collection.	Replacement or restoration cost of items lost or damaged as a result of the event.
3. **The Museum needs specialized staff in the areas of conservation, curation, collections management, design, archaeology, business, public relations, programmes and operations.**	Staffs are being encouraged to undertake studies and obtain qualifications. The Museum is working to improve professional staffing of the organization to create a positive professional environment and to address the specialized needs of the Museum.	Inability to professionally manage, research, care for, curate, interpret, and exhibit the Museum's collections – resulting in replacement or restoration

The Museum has measures in place to manage these risks, as such, these risks did not materially impact operations during the 2020 fiscal year. The Museum will continue to implement appropriate risk management strategies as part of an overall risk management framework.

Legal Framework

Legal Framework for the Cayman Islands National Museum:

- The Museum Law (1999 Revision);
- The Public Management and Finance Law (2018 Revision);
- The Public Authorities Law;
- The Non-Profit Organization Law;
- The Procurement Law and Regulations;
- The Public Service Management Law; and
- The Cayman Islands Labor Law



Financial Statements of the

CAYMAN ISLANDS NATIONAL MUSEUM

For the year ended December 31, 2020

Financial Statements of the

CAYMAN ISLANDS NATIONAL MUSEUM

For the year ended December 31, 2020

CAYMAN ISLANDS NATIONAL MUSEUM

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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 Deputy Chairman 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 Deputy Chairman 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, 2020.

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, 2020;

(b) fairly reflect the financial position as at December 31, 2020 and performance for the year ended December 31, 2020;

(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 Accounting Standards issued by the International Accounting Standards Committee or accounting practice that is generally accepted in the United Kingdom as appropriate for reporting in the public sector.

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

Craig Merren
Deputy Chairman
Cayman Islands National Museum

Date: 26th April, 2021

Dr. Peggy (Margaret E) Leshikar-Denton
Director
Cayman Islands National Museum

Date: 26 April 2021

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 2020 and the statement of financial performance, statement of changes in equity and statement of cash flows for the year ended 31 December 2020, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 8 to 24.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Museum as at 31 December 2020 and its financial performance and its cash flows for the year ended 31 December 2020 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. 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.

Sue Winspear
Auditor General

26 April 2021
Cayman Islands

CAYMAN ISLANDS NATIONAL MUSEUM

Statement of Financial Position
As at December 31, 2020
(expressed in Cayman Islands dollars)

Prior Year Actual 2019		Note(s)	Current Year Actual 2020	Budget	Actual vs Budget Variance
	Assets				
	Current assets				
1,216,808	Cash and cash equivalents	3	750,788	944,708	(193,920)
4,877	Accounts receivable	4	431,466	217,750	213,716
27,046	Deposits and prepaid expenses	5	76,183	30,000	46,183
59,548	Inventories	6	55,613	90,383	(34,770)
1,308,279	Total Current assets		1,314,050	1,282,841	31,209
	Non-current assets				
561,337	Property, plant and equipment	7	513,511	803,532	(290,021)
1,869,616	**Total Assets**		1,827,562	2,086,373	(258,811)
	Liabilities and Equity				
	Current Liabilities				
95,278	Accounts payable and accrued liabilities	9	59,899	61,500	(1,601)
95,278	**Total Liabilities**		59,899	61,500	(1,601)
	Equity				
292,855	Accumulated surplus		336,179	287,145	49,034
200,000	Contingency reserve	10	200,000	200,000	-
146,272	Restricted Funds	8	96,272	102,517	(6,245)
1,135,211	Contributed capital		1,135,211	1,435,211	(300,000)
1,774,338	Total Equity		1,767,663	2,024,873	(257,210)
1,869,616	**Total Liabilities and Equity**		1,827,562	2,086,373	(258,811)

The Notes to the Financial Statements on page 8 to 24 form part of these financial statements.

Approved on behalf of the Board of Control on 26 April, 2021:

Craig Merren, Deputy Chairman

Dr. Peggy (Margaret E) Leshikar-Denton, Director

CAYMAN ISLANDS NATIONAL MUSEUM

Statement of Financial Performance
For the year ended December 31, 2020
(expressed in Cayman Islands dollars)

Prior Year Actual 2019		Note(s)	Current Year Actual 2020	Budget	Actual vs Budget Variance
	Revenue				
855,000	Government grants and contributions	11	855,000	855,000	-
119,256	Product sales	12	39,026	95,453	(56,427)
61,713	Admissions		18,087	57,906	(39,819)
19,136	Rental income		4,796	18,900	(14,104)
3,800	Membership dues		9,720	5,316	4,404
3,726	Fundraising income and donations		53,461	7,000	46,461
1,630	Interest and other income		107	1,500	(1,393)
1,064,261	**Total Revenue**		**980,197**	**1,041,075**	**(60,878)**
	Expenses				
450,979	Staff costs	15,16,17	517,717	474,557	43,160
192,910	Administration and other expenses	14	116,528	189,216	(72,688)
177,200	Facility expenses	13	112,653	149,139	(36,486)
118,199	Rent expenses		115,454	122,415	(6,961)
52,985	Depreciation	7	51,598	49,447	2,151
66,278	Cost of goods sold		22,924	56,301	(33,377)
1,058,551	**Total Expenses**		**936,873**	**1,041,075**	**(104,202)**
5,710	**Net Surplus for the period**		**43,324**	**-**	**43,324**

The Notes to the Financial Statements on page 8 to 24 form part of these financial statements.

CAYMAN ISLANDS NATIONAL MUSEUM

Statement of Changes in Equity

For the year ended December 31, 2020

(expressed in Cayman Islands dollars)

	Accumulated Surplus	Contingency Reserve (Note 8)	Temporary Restricted (Note 6)	Contributed Capital	Total	Budget	Actual vs Budget Variance
Balance as at December 31, 2018	$ 287,145	$ 200,000	$ 102,517	$ 1,135,211	$ 1,724,873	$ 2,967,252	$ (1,242,379)
Net surplus for the year	5,710	-	-	-	5,710	-	5,710
Equity Injection	-	-	-	-	-	-	-
Transfer to unrestricted from temporary restricted funds for the period	-	-	43,756	-	43,756	-	43,756
Balance at December 31, 2019	**292,855**	**200,000**	**146,272**	**1,135,211**	**1,774,339**	**1,724,873**	**49,467**
Net surplus	43,324	-	-	-	43,324	-	43,324
Equity Injection	-	-	-	-		300,000	(300,000)
Transfer to unrestricted from temporary restricted funds for the period	-	-	(50,000)	-	(50,000)	-	(50,000)
Balance at December 31, 2020	**336,180**	**200,000**	**96,272**	**1,135,211**	**1,767,663**	**2,024,873**	**(257,209)**

The Notes to the Financial Statements on page 8 to 24 form part of these financial statements.

CAYMAN ISLANDS NATIONAL MUSEUM

Statement of Cash Flows

For the year ended December 31, 2020

(expressed in Cayman Islands dollars)

Prior Year Actual 2019	Cash Flow from Operating Activities	Current Year Actual 2020	Budget	Actual vs Budget Variance
5,710	**Operating Surplus or (Deficit)**	43,324	-	43,324
	Adjustment for items not involving cash:			-
52,985	Add: Depreciation	51,598	49,447	2,151
	Net changes in operating assets and liabilities:			-
206,052	Increase in Accounts receivable	(426,590)	-	(426,590)
36,746	Increase in Deposits and prepaid expenses	(49,136)	-	(49,136)
11,468	Decrease in Inventories	3,934	-	3,934
26,174	Decrease in Accounts payable and accrued expense	(35,379)	-	(35,379)
339,134	Total cash (used by) / from operating activities	(412,248)	49,447	(461,694)
	CASH FLOWS FROM INVESTING ACTIVITIES			
(9,494)	Purchase of fixed assets	(3,772)	(300,000)	296,228
(9,494)	Total cash used by Investing Activities	(3,772)	(300,000)	296,228
	CASH FLOWS FROM FINANCING ACTIVITIES			
43,756	Restricted fund balances	(50,000)	-	(50,000)
-	Equity Injection	-	300,000	(300,000)
43,756	Total cash (used by) / from Financing activities	(50,000)	300,000	(350,000)
373,396	**Net increase / (decrease) in cash and cash equivalents**	(466,020)	49,447	(515,467)
843,413	Cash and cash equivalents at January 1, 2020	1,216,808	895,261	321,547
1,216,808	**Cash and cash equivalents at December 31, 2020**	**750,788**	**944,708**	**(193,919)**

The Notes to the Financial Statements on page 8 to 24 form part of these financial statements.

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 10,500 (December 31st, 2019: 10,500) 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 are 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 Health, Environment, Culture and Housing (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 10 Cayside House, George Town, Grand Cayman.

2. Significant accounting policies

(a) Reporting periods
In compliance with the *Public Management and Finance Act (2020 Revision)*, the current financial statements are prepared for 12 months from January 1, 2020 to December 31, 2020.

(b) Basis of preparation
In compliance with the *Public Management and Finance Act (2020 Revision)*, the Museum's financial statements are prepared in accordance with International Public Sector Accounting Standards ("IPSAS").

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 which suggest 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.

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 management's assessment of whether an impairment is required to be recognized in respect of property and equipment (Note 7) and whether an impairment provision is required in respect of inventory (Note 6).

(d) New and revised standards and interpretations that are not yet effective

Certain new accounting standards have been published. The Museum's assessments of the impact of these new standards are set out below.

IPSAS 41, *Financial Instruments* was issued in August 2018 and shall be applied for financial statements covering periods beginning on or after 1 January 2023. IPSAS 41 establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement. It is anticipated that IPSAS 41 will not have a significant impact on the Museum's financial statements. This will be assessed more fully closer to the effective date of adoption.

IPSAS 42, *Social Benefits* was issued in December 2018 and shall be applied for financial statements covering periods beginning on or after 1 January 2023. IPSAS 42 defines social benefits and determines when expenses and liabilities for social benefits are recognized and how they are measured. It is anticipated that IPSAS 42 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.

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

(e) Cash and cash equivalents

The Museum considers all cash and short-term deposits with a maturity of three months or less to be cash or cash equivalents.

(f) Inventories

Inventories consist of products sold in the Museum 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 charged to write-off the cost of the asset over their estimated useful life, using the straight-line method.

Estimated useful lives are as follows:

Computer hardware and software	3-5 years
Furniture, fixtures and equipment	5-8 years
Leasehold improvements	10-25 years
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.

Repairs and maintenance are charged to expenses as incurred.

(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 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.

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.

(ii) Recognition

The Museum recognizes financial assets and liabilities on the date it becomes a party to the contractual provisions of the instrument. From this date, any gains and losses arising from changes in financial assets and liabilities measured at amortised cost are recognised in the Statement of Financial Performance.

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 instruments are measured initially at cost, including transaction costs. For financial assets acquired, cost is the fair value of the consideration given, while for financial liabilities cost is the fair value of consideration received.

(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. At December 31, 2020 and December 31, 2019, there were no assets or liabilities reported on a net basis.

(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.

2. Significant accounting policies (continued)

(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 year are presented in the 2020-2021 Ownership Agreement and were approved by Parliament, (formally the Legislative Assembly) in November 2019.

3. Cash and cash equivalents

Prior Year Actual 2019			Current Year Actual 2020	Budget	Actual vs Budget Variance
1,003,805	Cash		537,678	730,262	(192,584)
213,003	Fixed Deposits		213,110	214,446	(1,336)
1,216,808	**Total**	**CI$**	**750,788**	**944,708**	**(193,920)**

4. Accounts Receivable

Prior Year Actual 2019			Current Year Actual 2020	Budget	Actual vs Budget Variance
-	Sale of goods and services to Cabinet		427,500	213,750	213,750
42	Sale of goods and services to SAGCs		42	1,000	(958)
1,733	Sale of goods and services to third parties		-	500	(500)
3,102	Sale of goods and services to Ministries/Portfolios		3,924	2,500	1,424
-	Less: Provision for doubtful debts		-	-	-
4,877	**Total**	**CI$**	**431,466**	**217,750**	**213,716**

5. Deposits and prepaid expenses

Prior Year Actual 2019		Current Year Actual 2020	Budget	Actual vs Budget Variance
5,115	Property deposits	5,115	30,000	(24,885)
-	Deposit on acquisition of permanent exhibits	39,214	-	39,214
-	Prepaid orders for inventory	22,668	-	22,668
21,931	Prepayment for services	9,185	-	9,185
27,046	**Total CI$**	**76,183**	**30,000**	**46,183**

6. Inventories

Prior Year Actual 2019			Current Year Actual 2020	Budget	Actual vs Budget Variance
60,553	Inventory at average cost		56,619	90,383	(33,764)
(1,006)	Less: provision for slow moving stock		(1,006)	-	(1,006)
59,548	**Total**	**CI$**	**55,613**	**90,383**	**(34,770)**

7. Property and equipment

As at December 31, 2020 and 2019, property and equipment consisted of the following:

Description		Furniture, fixtures & equipment	Computer & Office Equipment	Leasehold improvements	Permanent exhibits	Vehicles	Total	Budget	Actual vs Budget Variance
Cost									
Balance at January 1, 2019		400,677	225,851	679,432	428,855	50,200	1,785,015	1,820,071	(35,056)
Disposal and derecognition		-	-	-	-	-	-	(65,488)	65,488
Additions		1,699	-	42,851	-	-	44,550	-	44,550
Balance at December 31, 2019		**402,376**	**225,851**	**722,283**	**428,855**	**50,200**	**1,829,565**	**1,754,583**	**74,982**
Cost									
Balance at January 1, 2020		402,376	225,851	722,283	428,855	50,200	1,829,565	1,754,583	74,982
Additions		-	-	-	3,772	-	3,772	300,000	(296,228)
Balance at December 31, 2020		**402,376**	**225,851**	**722,283**	**432,627**	**50,200**	**1,833,337**	**2,054,583**	**(221,246)**
Accumulated Depreciation									
Balance at January 1st, 2019		(394,872)	(211,459)	(452,970)	(128,934)	(27,008)	(1,215,243)	(1,215,243)	-
Disposal and derecognition		-	-	-	-	-	-	65,487	(65,487)
Depreciation		(2,619)	(6,460)	(24,350)	(14,496)	(5,060)	(52,985)	(51,848)	(1,137)
Balance at December 31, 2019		**(397,491)**	**(217,919)**	**(477,320)**	**(143,430)**	**(32,068)**	**(1,268,228)**	**(1,201,604)**	**(66,624)**
Accumulated Depreciation									
Balance at January 1, 2020		(397,491)	(217,919)	(477,320)	(143,430)	(32,068)	(1,268,228)	(1,201,604)	(66,624)
Depreciation		(2,087)	(5,723)	(23,976)	(14,748)	(5,064)	(51,598)	(49,447)	(2,151)
Balance at December 31, 2020		**(399,578)**	**(223,642)**	**(501,296)**	**(158,178)**	**(37,132)**	**(1,319,826)**	**(1,251,051)**	**(68,775)**
Net Book value at December 31, 2020	**CI$**	**2,798**	**2,209**	**220,987**	**274,449**	**13,068**	**513,511**	**803,532**	**(290,021)**
Net Book value at December 31, 2019	**CI$**	**4,885**	**7,932**	**244,963**	**285,425**	**18,132**	**561,337**	**552,979**	**8,358**

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 intent of the donor has been fulfilled. As At December 31, 2020 and 2019, CI$3,217 remained in the 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. At December 31, 2020 and 2019, CI$12,812 remained in the restricted funds account.

Powell's
During the period ended June 30, 1998, the Museum received a government grant of CI$25,000 for specific projects including creating a business plan, architectural surveys, condition reports, and maintenance planning. At December 31, 2020 and 2019, CI$20,250 remained in the restricted funds account.

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, 2020 and 2019, 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, 2020 and 2019, CI$9,840 remained in the restricted funds account.

Maritime Heritage Trail
During the period ended June 30, 2004, the Department of Tourism donated CI$20,000 for the Maritime Heritage Trail. At December 31, 2020 and 2019, CI$191 remained in the restricted funds account.

Renovations and Recovery
During the period ended June 30, 2006, the Museum received donations in the amount of CI$20,701 for the recovery of any material evidence of artistic, historic or scientific significance to Cayman Islands. At December 31, 2020 and 2019, CI$20,701 remained in the restricted funds account.

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, 2020 and 2019, CI$20,000 remained in the restricted funds account.

Collections Preservation
During the period ended June 30, 2016, the Museum received CI$12,000 for collections preservation. At December 31, 2020 and 2019, CI$7,343 remained in this restricted fund.

Exhibitions
During the previous year, in celebration of its 35-year Anniversary, The Water Authority pledged CI$50,000 to sponsor an animatronic figure of Annie Huldah Bodden as a permanent display in the Museum's Courtroom diorama. At December 31st, 2020 nil remained in the fund.

The movements in restricted fund balances during the year ended December 31, 2020 and period from January 1st, 2018 to December 31, 2019 were as follows:

		Archaeology	Powell's	McCoy Prize	New Building	Maritime Heritage Trail	Educational Programme	Renovations & Recovery	Webster Foundation	Collections Preservation	Acquisitions	Exhibitions	Total
Balance at January 1st, 2018		12,812	20,250	1,918	9,840	191	1,588	20,701	20,000	12,000	3,992	-	103,292
Additions / (Disbursements)		-	-	-	-	-	-	-	-	-	(775)	-	(775)
Balance at January 1st, 2019		12,812	20,250	1,918	9,840	191	1,588	20,701	20,000	12,000	3,217	-	102,517
Additions / (Disbursements)		-	-	-	-	-	(1,588)	-	-	(4,657)	-	50,000	43,755
Balance at December 31, 2019	CIS	12,812	20,250	1,918	9,840	191	-	20,701	20,000	7,343	3,217	50,000	146,272
Additions / (Disbursements)		-	-	-	-	-	-	-	-	-	-	(50,000)	(50,000)
Balance at December 31, 2020	CIS	12,812	20,250	1,918	9,840	191	-	20,701	20,000	7,343	3,217	-	96,272

9. Accounts Payable and Accrued Liabilities

Prior Year Actual 2019			Current Year Actual 2020	Budget	Actual vs Budget Variance
18,487	Third party creditors		1,424	10,000	(8,576)
1,500	Refundable Deposit		1,500	-	1,500
59,568	Accrued Expenses		36,069	36,500	(431)
13,568	Accrued Leave		19,195	15,000	4,195
2,155	Pension Withholding		1,711	-	1,711
95,278	**Total**	**CI$**	**59,899**	**61,500**	**(1,601)**

10. Contingency reserve

At December 31, 2020, the Museum's equity includes a contingency reserve of CI$200,000 (2019: CI$200,000). The contingency reserve was established by the Board of Control as a precautionary measure to meet the costs of overcoming any future disaster that might befall the Museum. Management intends to increase the contingency reserve to $250,000 in the 2021 fiscal year. This amount better reflects the potential cash flow that would be required to keep the Museum operational in the event of an unforeseen disaster.

11. Government grants and contributions

During the year ended December 31, 2020, Output services totalling CI$855,000 (December 31, 2019: CI$855,000) were sold to the Cayman Islands Government.

As stated in Note 1, 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.

12. Product Sales

Prior Year Actual 2019			Current Year Actual 2020	Budget	Actual vs Budget Variance
25,771	Outputs to others: Merchandise Sales		-	2,465	(2,465)
93,485	Output to others: Gift shop sales		39,026	92,988	(53,962)
119,256	**Total**	**CI$**	**39,026**	**95,453**	**(56,427)**

13. Facility Expenses

Prior Year Actual 2019			Current Year Actual 2020	Budget	Actual vs Budget Variance
46,147	Electricity		34,353	63,082	(28,729)
21,870	Insurance		22,863	19,257	3,606
11,060	Janitorial Services		10,139	13,202	(3,063)
1,800	Landscaping		1,800	1,891	(91)
1,050	Pest control		675	1,632	(957)
78,061	Repairs & Maintenance		26,076	35,472	(9,396)
5,607	Security Services		2,179	4,987	(2,808)
9,362	Telephone		13,931	7,656	6,275
2,243	Water		638	1,960	(1,321)
177,200	**Total**	**CI$**	**112,653**	**149,139**	**(36,486)**

14. Administration and other expenses

Prior Year Actual 2019			Current Year Actual 2020	Budget	Actual vs Budget Variance
5,653	Advertising		8,644	11,788	(3,143)
20,000	Audit Fees		20,000	22,000	(2,000)
42,000	Accounting Services		42,000	44,100	(2,100)
4,661	Bank service charges		2,423	4,651	(2,228)
435	Bottled water		234	271	(37)
262	Fuel		108	288	(180)
15,860	IT expenses		13,349	19,232	(5,884)
1,055	Meals and Entertainment		757	638	119
974	Membership Fees		-	1,194	(1,194)
270	Motor Vehicle Operations		202	131	70
3,286	Office Supplies		3,578	2,375	1,203
140	Postage & Courier		251	376	(125)
100	Post Box Rental		100	-	100
93,518	Programme Expenses		16,372	75,000	(58,628)
-	Professional Services		-	1,103	(1,103)
4,764	Shop Supplies		8,616	1,200	7,416
235	Web Hosting		255	247	7
252	Doubtful Debt Expense		-	-	-
-	Write-offs		79	2,107	(2,028)
(66)	Cash (over)/short		26	-	26
(663)	Gains/(losses) on forex transactions		(1,097)	2,500	(3,597)
175	Miscellaneous		631	14	617
192,910	**Total**	**CI$**	**116,528**	**189,216**	**(72,688)**

15. Related party transactions

Controlling entity
The Museum is a wholly owned statutory entity of the Government and operates under the oversight of the Ministry of Health, Environment, Culture & Housing.

Museum building
Under the terms of a fifty-year agreement with the Governor of the Cayman Islands dated June 5, 1990, the Museum leases its building, 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 its contents, of the Old Courts Building in Grand Cayman.

During the year ended December 31, 2020, total insurance premium determined for the Museum amounted to CI$22,863 (2019: CI$21,870). This amount is included in facility expenses in the Statement of Financial Performance.

Museum Employees
During 2019, the Museum's Director turned her PhD dissertation into a publication on the Wreck of the Ten Sail titled "Cayman's 1794 Wreck of the Ten Sail". During 2020 fifty (50) (2019: One hundred and twenty-five (125) copies) of this book were purchased by the Museum's giftshop at a cost of $20 each), and twenty hardcover copies were purchased at a cost of $43 each. The books were placed for sale as part of the Museum's normal giftshop inventory.

Ministry employees
The Curation & Collections Manager, who is an employee of the Ministry, works for the Museum on a secondment contract. A portion of the Curation & Collections Manager's remuneration, the details of which are not available to the Museum, formed part of the Ministry's expenditures and are not reflected in the Statement of Financial Performance of the Museum.

The total salary and benefits paid by the Museum to the Curation & Collections Manager during the year ended December 31, 2020 amounted to CI$17,073 (December 2019: CI$16,258).

Gift shop sales
During the year ended December 31, 2020, total Museum sales to other Government entities for the provision of items such as national flags, pins and coat of arms amounted to CI$6,060 (2019: CI$34,402).

16. Staff Costs

Prior Year Actual 2019	Description	Current Year Actual 2020	Budget	Actual vs Budget Variance
373,802	Salaries & Wages	428,707	402,684	26,023
17,753	Pension Expense	21,483	19,909	1,574
59,236	Health Insurance	67,110	51,964	15,146
188	Other	417	-	417
450,979	**Total**	**517,717**	**474,557**	**43,160**

16. Staff Costs (continued)

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, 2020 (included in staff costs in the Statement of Financial Performance) amounted to CI$21,483 (2019: CI$17,753). Pension contributions consist of 5% of the employee's salary made by the employee and are matched by the employer (2019: 5% employer, 5% employee).

17. Key management remuneration

Total remuneration paid to the 3 (2019: 3) personnel considered to be key management during the years ended December 31, 2020 and 2019 was:

	Salaries CI$	Pension CI$	Health CI$	Total CI$
Current Year Actual 2020	201,966	10,098	27,444	239,508
Budget	170,653	9,211	21,436	201,300
Actual vs Budget Variance	(31,313)	(887)	(6,008)	(38,208)
Prior Year Actual 2019	170,653	9,211	26,280	206,144

Members of the Board of Control are voluntary and do not receive any type of remuneration for services rendered. There were no loans to key management at December 31, 2020 (2019: none).

18. 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.

Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Museum. To mitigate this risk, the Museum has adopted a policy of dealing only with counterparties which it believes to be credit worthy. Financial assets which potentially subject the Museum to credit risk consist principally of cash and cash equivalents and accounts receivable.

At December 31, 2020, the Museum held CI$750,788 (2019: CI$1,216,808) in cash and cash equivalents at CIBC First Caribbean International Bank, a financial institution in the Cayman Islands and CI$431,466 (2019: CI$4,877) of accounts receivable. As such, the Museum is exposed to credit related losses in the event of non-performance by these 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.

18. Financial risk management (continued)

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 11).

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

19. Commitments and contingencies

The Museum leases premises at Pasadora Place to store its collection and artefacts. The lease expired on December 31, 2019.

The Museum leases premises at 10 Cayside House for administration, education and library purposes. The Lease was renewed in 2019 for three years with expiration set for December 31, 2021.

Prior Year Actual 2019		Current Year Actual 2020	Budget	Actual vs Budget Variance
	Minimum lease payments			
38,689	Payable within one year	38,689	-	38,689
38,689	Payable from one to two years	-	-	-
77,378		CI$ 38,689	-	38,689

20. Explanations of material variance against budget

Statement of financial position
The negative budget variance in cash and cash equivalents is largely due to the delay in collections of the quarterly output fees from the Central Government ($213,750).

Deposits and prepaid expenses variance largely stem from a deposit of $39,214 that was paid to an overseas supplier on the production of an Animatronic display figure and orders placed with overseas vendors for giftshop inventory which had not been received by the fiscal year end.

The value of inventories was lower than the budget anticipated as management sought to reduce stock in light of border closings for the tourist market. Normal stock levels are expected to resume once the tourist market resumes.

Property and equipment were lower than budgeted because the Museum did not receive its approved Equity Injection for 2020. This meant that planned works and acquisitions were not able to be carried out during the year. On December 17th, 2020, the Museum received communication from the Chief Financial Officer in the Ministry of Health, Environment, Culture & Housing advising of approval pursuant to Section 9(5) of the Public Management and Finance Act (2020 Revision) to carry-forward these funds to the 2021 fiscal year.

The accumulated surplus variance was due to prudent fiscal management, and the release of donor restricted funds for an animatronic display. The intended use of the funds was executed in 2020, which allowed the Museum to release the funds as revenue.

The variance in Contributed Capital is directly linked to the non-payment of the Equity Injection for the Museum that was approved in the 2020 Budget.

Statement of financial performance
Revenues from product sales, admissions and rental income were all lower than budget because of COVID-19 restrictions. Revenue from Government grants and contributions were largely in line with budget expectations, while the $46.5K positive variance in fundraising and donation relates to the release of $50,000 received from the Water Authority in 2019.

Staff costs were higher than expected due to the implementation of the job evaluation carried out in 2019 and changes in the cost for health insurance. The variances in administration and other expenses as well as Facility expenses is shown in notes 13 & 14. These largely relate to savings from restricted activities during the year, and Management's deliberate efforts to reduce costs. Savings in lease costs is due to effective renegotiation of the leases for Cayside House and the Pasadora place whereby the Museum was able to secure an extension at nil increase in cost.

The variance in Cost of Goods sold is directly related to lower sales activities during the period due to the temporary closure of the Museum during the 2nd quarter, and continued border closings to the end of the fiscal year.

Statement of Cash Flows
Operating cash was approximately $194K lower than budget due to outstanding receivables from the Ministry of Health at the close of the fiscal year.

21. Capital

The Museum's objective when managing its working capital is to safeguard the ability to continue as a going concern, through the on-going support from the Government (Notes 1 and 2), and to ensure that adequate cash flows are generated to fund its programmes. Management assesses the Museum's capital needs by evaluating financial risk and responding to changes in those risks and the market. The Museum is not subject to any externally imposed working capital requirements by third parties or the Government. There have been no changes to the strategy adopted by Management to control capital of the Museum since the previous year.

22. Subsequent events

In preparing these financial statements, Management has evaluated and disclosed all material subsequent events up to April 26th, 2021, being the date that the financial statements were available to be issued.

In December 2019, a novel strain of coronavirus was reported to have surfaced. The global efforts to contain the spread of the coronavirus began to cause significant disruption in the global and local economies from January 2020 to date. Whilst the disruption is expected to be temporary, there is considerable uncertainty around the duration. Therefore, the Museum expects this matter to negatively impact its operating results for 2021. Anticipated areas of impact are as follows:

Revenue: The Museum derives approximately 20% of its annual revenue from product sales, museum admissions, facility rental, membership, fundraising, and donations. Management expects the effects of COVID-19 to likely reduce income from those sources by as much as 50% (compared to 2019 levels) in 2021. This assessment is based on the assumption that the Island will not receive cruise ship visitors for the remainder of 2021.

Inventories: The Museum's inventory consists of items that are mainly non-perishables. Perishable items include local rum cakes, jams, oils, and coffee. These items make up an insignificant portion of the overall inventory value at the fiscal year-end, therefore, any impairment of these items due to expiration or spoilage will most likely be immaterial.

Lease modifications: The Museum has offered rental concessions of 60% through June 30th, 2021 to its tenant at the old Gaol café. This concession reflects the decline in potential revenue opportunity to the tenant of the premises due to the absence of cruise visitors. The loss of revenue from this concession is expected to be approximately $6,000 in 2021.

Resignation of Chairman: The Board Chairman, Mr. Alfonso Wright, resigned as Chairman and as a Member of the Museum Board effective April 22nd, 2021. The resignation was due to a change in employment status which made Mr. Wright ineligible to serve as Chairman of the Board.

Going Concern: The Museum is a public entity and is 100% owned by the Cayman Islands Government. The organization derives approximately 80% of its annual income from the provision of output services to the Government. The central-Government remains in a strong financial position and has given no indications that it will have difficulty funding the Museum for ongoing operations.

The Museum closed the 2020 fiscal year with sufficient unrestricted cash and cash equivalents to operate the organization for up to 9-months if all other sources of revenue ceased. This places the

Museum in a strong position to successfully traverse the global impacts of COVID-19 until conditions ease and operations return to normal.

Given these circumstances, management does not consider the present COVID-19 restrictions to impact the Museum's ability to operate as a going concern.

In making this assessment, management considered all available information concerning the next twelve-month period from the balance sheet date that was available at the time these financial statements were issued.

23. Compliance with the Public Authorities Act, 2020

The Museum is required to comply with the Public Authorities Act, 2020, (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. Cabinet has approved the exemption of public authorities from paying over surplus cash reserves as at 31 December 2020.

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 Ministry has advised the Museum that it will not be required to pay a dividend out of its surplus as at 31 December 2020 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.

THANK YOU!



CAYMAN ISLANDS
NATIONAL
MUSEUM
www.museum.ky

Harbour Drive, George Town
P.O. Box 2189, Grand Cayman
KY1 1105
Cayman Islands
Tel: (345) 949 8368
Email: info@museum.ky