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## PRESS RELEASE

### **Auditor General Commends Improvement in Government Financial Reporting**

Today the Office of the Auditor General (OAG) published its compendium report “*Financial Reporting of the Cayman Islands Government: General Report 31 December 2018*” which summarises the results of the financial audits for the year 2018 for the 40 public sector entities in the Cayman Islands, which includes all Ministries, Portfolios, Offices, Statutory Authorities and Government Companies.

Auditor General Sue Winspear said “The 2018 entity financial audits are mostly complete with only four entities outstanding at this time. I am delighted that of the 36 audited so far, I have not given a single audit qualification which demonstrates the marked improvement in the quality of government financial reporting over the years. It also means that by the end of 2019, my office has virtually cleared the audit backlog leaving only four entities still with audits outstanding\*”.

The report shows that in 2008-09, only 37% of entity audits were unqualified with 39% of them being qualified and 24% disclaimed compared to 100% unqualified to date for the 2018 audits.

Mrs Winspear continued “The 2018 audit of the consolidated Entire Public Sector account which includes all 40 entities and the “executive” expenditure and coercive revenues of Government remains outstanding and this audit received an adverse audit opinion in 2016-17”.

The financial results of Statutory Authorities and Government Companies (SAGCs) continues to show a mixed picture with the Port Authority and Water Authority returning to profit for the first time since 2014-15. However, 13 SAGCs recorded a deficit in 2018 and several of these have had a long standing deficit position.

The Auditor General made a series of recommendations to continue improving financial reporting in Government, including the need for annual reports to be laid in the Legislative Assembly in a timely way to ensure accountability and compliance with the law but most importantly to help inform the public of all the work being done by public sector entities in a timely way.

More information about these reports can be obtained by contacting Ms. Winspear at (345) 244-3201 or Patrick Smith, Deputy Auditor General (Financial Audit) at (345) 244-3204.

The report is available at [www.auditorgeneral.gov.ky](http://www.auditorgeneral.gov.ky).

\*the four entities outstanding for 2018 are: the Ministry of Health, Environment and Culture, the Airports Authority, the Turtle Centre and Cayman Airways Limited. The Ministry of Health, Environment and Culture, and the Airports Authority are outstanding for the prior period of 2016-17 as well.